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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **1067**

February 19, 2007

Authored by Huntley, Hosch, Walker and Anderson, B.

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

1.1 A bill for an act
1.2 relating to human services; modifying mental health provisions; clarifying county
1.3 board duties; instituting mental health service delivery reform; authorizing
1.4 children's mental health grants; establishing restrictive procedures certification;
1.5 modifying medical assistance coverage for mental health services; modifying
1.6 MinnesotaCare coverage; requiring reports; amending Minnesota Statutes 2006,
1.7 sections 148C.11, subdivision 1; 245.465, by adding a subdivision; 245.4874;
1.8 246.54, subdivision 1; 256B.0625, subdivision 20, by adding a subdivision;
1.9 256B.0943, subdivision 8; 256B.0945, subdivision 4; 256B.69, subdivisions 4,
1.10 5g, 5h; 256B.763; 256D.03, subdivision 4; 256L.03, subdivision 1; 256L.035;
1.11 256L.12, subdivision 9a; 609.115, subdivision 9; Laws 2005, chapter 98, article
1.12 3, section 25; proposing coding for new law in Minnesota Statutes, chapter 245;
1.13 repealing Minnesota Rules, part 9585.0030.

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

1.15 Section 1. Minnesota Statutes 2006, section 148C.11, subdivision 1, is amended to read:

1.16 Subdivision 1. **Other professionals.** (a) Nothing in this chapter prevents members
1.17 of other professions or occupations from performing functions for which they are qualified
1.18 or licensed. This exception includes, but is not limited to: licensed physicians; registered
1.19 nurses; licensed practical nurses; licensed psychological practitioners; members of
1.20 the clergy; American Indian medicine men and women; licensed attorneys; probation
1.21 officers; licensed marriage and family therapists; licensed social workers; social workers
1.22 employed by city, county, or state agencies; licensed professional counselors; licensed
1.23 school counselors; registered occupational therapists or occupational therapy assistants;
1.24 city, county, or state employees when providing assessments or case management under
1.25 Minnesota Rules, chapter 9530; and until July 1, ~~2007~~ 2009, individuals providing
1.26 integrated dual-diagnosis treatment in adult mental health rehabilitative programs certified
1.27 by the Department of Human Services under section 256B.0622 or 256B.0623.

2.1 (b) Nothing in this chapter prohibits technicians and resident managers in programs
 2.2 licensed by the Department of Human Services from discharging their duties as provided
 2.3 in Minnesota Rules, chapter 9530.

2.4 (c) Any person who is exempt under this subdivision but who elects to obtain a
 2.5 license under this chapter is subject to this chapter to the same extent as other licensees.
 2.6 The board shall issue a license without examination to an applicant who is licensed or
 2.7 registered in a profession identified in paragraph (a) if the applicant:

2.8 (1) shows evidence of current licensure or registration; and

2.9 (2) has submitted to the board a plan for supervision during the first 2,000 hours of
 2.10 professional practice or has submitted proof of supervised professional practice that is
 2.11 acceptable to the board.

2.12 (d) Any person who is exempt from licensure under this section must not use a
 2.13 title incorporating the words "alcohol and drug counselor" or "licensed alcohol and drug
 2.14 counselor" or otherwise hold themselves out to the public by any title or description
 2.15 stating or implying that they are engaged in the practice of alcohol and drug counseling,
 2.16 or that they are licensed to engage in the practice of alcohol and drug counseling unless
 2.17 that person is also licensed as an alcohol and drug counselor. Persons engaged in the
 2.18 practice of alcohol and drug counseling are not exempt from the board's jurisdiction
 2.19 solely by the use of one of the above titles.

2.20 Sec. 2. Minnesota Statutes 2006, section 245.465, is amended by adding a subdivision
 2.21 to read:

2.22 Subd. 3. **Responsibility not duplicated.** For individuals who have health care
 2.23 coverage, the county board is not responsible for providing mental health services which
 2.24 are covered by the entity that administers the individual's health care coverage.

2.25 Sec. 3. **[245.4682] MENTAL HEALTH SERVICE DELIVERY AND FINANCE**
 2.26 **REFORM.**

2.27 Subdivision 1. **Policy.** The commissioner of human services shall undertake a series
 2.28 of reforms to address the underlying structural, financial, and organizational problems in
 2.29 Minnesota's mental health system with the goal of improving the availability, quality, and
 2.30 accountability of mental health care within the state.

2.31 Subd. 2. **General provisions.** (a) In the design and implementation of reforms to
 2.32 the mental health system, the commissioner shall:

2.33 (1) consult with consumers, families, counties, tribes, advocates, providers, and
 2.34 other stakeholders;

3.1 (2) bring to the legislature, and the state Mental Health Advisory Council, by
3.2 January 15, 2008, recommendations for legislation to update the role of counties and to
3.3 clarify the case management roles and functions of health plans and counties;

3.4 (3) ensure continuity of care for persons affected by these reforms including
3.5 ensuring client choice of provider by requiring broad provider networks and developing
3.6 mechanisms to facilitate a smooth transition of service responsibilities;

3.7 (4) provide accountability for the efficient and effective use of public and private
3.8 resources in achieving positive outcomes for consumers;

3.9 (5) ensure client access to applicable protections and appeals; and

3.10 (6) make budget transfers necessary to implement the reallocation of services and
3.11 client responsibilities between counties and health care programs that do not increase the
3.12 state and county costs and efficiently allocate state funds.

3.13 (b) When making transfers under paragraph (a) necessary to implement movement
3.14 of responsibility for clients and services between counties and health care programs,
3.15 the commissioner, in consultation with counties, shall ensure that any transfer of state
3.16 grants to health care programs, including the value of case management transfer grants
3.17 under section 256B.0625, subdivision 20, does not exceed the value of the services being
3.18 transferred for the latest 12-month period for which data is available. The commissioner
3.19 may make quarterly adjustments based on the availability of additional data during the
3.20 first four quarters after the transfers first occur. If case management transfer grants under
3.21 section 256B.0625, subdivision 20, are repealed and the value, based on the last year prior
3.22 to repeal, exceeds the value of the services being transferred, the difference becomes an
3.23 ongoing part of each county's adult and children's mental health grants under sections
3.24 245.4661, 245.4889, and 256E.12.

3.25 Subd. 3. **Projects for coordination of care.** (a) Consistent with section 256B.69
3.26 and chapters 256D and 256L, the commissioner is authorized to solicit, approve, and
3.27 implement projects to demonstrate the integration of physical and mental health services
3.28 within prepaid health plans and their coordination with social services. The commissioner
3.29 shall require that each project be based on locally defined partnerships that include at
3.30 least one health maintenance organization, community integrated service network, or
3.31 accountable provider network authorized and operating under chapter 62D, 62N, or 62T, or
3.32 county-based purchasing entity under section 256B.692 that is eligible to contract with the
3.33 commissioner as a prepaid health plan, and the county or counties within the service area.

3.34 (b) The commissioner, in consultation with consumers, families, and their
3.35 representatives, shall:

4.1 (1) determine criteria for approving the projects and use those criteria to solicit
4.2 proposals for preferred integrated networks. The commissioner must develop criteria to
4.3 evaluate the partnership proposed by the county and prepaid health plan to coordinate
4.4 access and delivery of services. The proposal must at a minimum address how the
4.5 partnership will coordinate the provision of:

4.6 (i) client outreach and identification of health and social service needs paired with
4.7 expedited access to appropriate resources;

4.8 (ii) activities to maintain continuity of health care coverage;

4.9 (iii) children's residential mental health treatment and treatment foster care;

4.10 (iv) court-ordered assessments and treatments;

4.11 (v) prepetition screening and commitments under chapter 253B;

4.12 (vi) assessment and treatment of children identified through mental health screening
4.13 of child welfare and juvenile corrections cases;

4.14 (vii) housing; and

4.15 (viii) transportation;

4.16 (2) determine specifications for contracts with prepaid health plans to improve the
4.17 plan's ability to serve persons with mental health conditions, including specifications
4.18 addressing:

4.19 (i) early identification and intervention of physical and behavioral health problems;

4.20 (ii) communication between the enrollee and the health plan;

4.21 (iii) facilitation of enrollment for persons who are also eligible for a Medicare
4.22 special needs plan offered by the health plan;

4.23 (iv) risk screening procedures;

4.24 (v) health care coordination;

4.25 (vi) member services and access to applicable protections and appeal processes;

4.26 (vii) specialty provider networks;

4.27 (viii) transportation services;

4.28 (ix) treatment planning; and

4.29 (x) administrative simplification for providers;

4.30 (3) begin implementation of the projects no earlier than January 1, 2009, with not
4.31 more than 40 percent of the statewide population described in paragraph (c) included
4.32 during calendar year 2009 and additional individuals included in subsequent years;

4.33 (4) waive any administrative rule not consistent with the implementation of the
4.34 projects; and

4.35 (5) allow potential bidders at least 90 days to respond to the request for proposals.

5.1 (c) Notwithstanding any statute or administrative rule to the contrary, the
 5.2 commissioner may enroll all persons eligible for medical assistance with serious mental
 5.3 illness or emotional disturbance in the prepaid plan of their choice within the project
 5.4 service area unless:

5.5 (1) the individual is eligible for home and community-based services under section
 5.6 256B.092; or

5.7 (2) the individual has a basis for exclusion from the prepaid plan under section
 5.8 256B.69, subdivision 4, other than disability, mental illness, or emotional disturbance.

5.9 (d) If the person described in paragraph (c) does not elect to remain in fee-for-service
 5.10 medical assistance, or declines to choose a plan, the commissioner may preferentially
 5.11 assign that person to the prepaid plan participating in the preferred integrated network.
 5.12 The commissioner shall implement the enrollment changes within a project's service area
 5.13 on the timeline specified in that project's approved application.

5.14 (e) A person enrolled in a prepaid health plan under paragraph (c) may request to
 5.15 disenroll from the plan at any time.

5.16 (f) The commissioner, in consultation with consumers, families, and their
 5.17 representatives, shall evaluate the projects begun in 2009, and shall refine the design of
 5.18 the service integration projects before expanding the projects beyond 40 percent of the
 5.19 statewide population and before expanding the number of service areas engaged in the
 5.20 demonstration projects as additional qualified applicant partnerships present themselves.

5.21 (g) The commissioner shall apply for any federal waivers necessary to implement
 5.22 these changes.

5.23 Sec. 4. Minnesota Statutes 2006, section 245.4874, is amended to read:

5.24 **245.4874 DUTIES OF COUNTY BOARD.**

5.25 Subdivision 1. **Duties of the county board.** (a) The county board must:

5.26 (1) develop a system of affordable and locally available children's mental health
 5.27 services according to sections 245.487 to 245.4887;

5.28 (2) establish a mechanism providing for interagency coordination as specified in
 5.29 section 245.4875, subdivision 6;

5.30 (3) consider the assessment of unmet needs in the county as reported by the local
 5.31 children's mental health advisory council under section 245.4875, subdivision 5, paragraph
 5.32 (b), clause (3). The county shall provide, upon request of the local children's mental health
 5.33 advisory council, readily available data to assist in the determination of unmet needs;

5.34 (4) assure that parents and providers in the county receive information about how to
 5.35 gain access to services provided according to sections 245.487 to 245.4887;

6.1 (5) coordinate the delivery of children's mental health services with services
6.2 provided by social services, education, corrections, health, and vocational agencies to
6.3 improve the availability of mental health services to children and the cost-effectiveness of
6.4 their delivery;

6.5 (6) assure that mental health services delivered according to sections 245.487
6.6 to 245.4887 are delivered expeditiously and are appropriate to the child's diagnostic
6.7 assessment and individual treatment plan;

6.8 (7) provide the community with information about predictors and symptoms of
6.9 emotional disturbances and how to access children's mental health services according to
6.10 sections 245.4877 and 245.4878;

6.11 (8) provide for case management services to each child with severe emotional
6.12 disturbance according to sections 245.486; 245.4871, subdivisions 3 and 4; and 245.4881,
6.13 subdivisions 1, 3, and 5;

6.14 (9) provide for screening of each child under section 245.4885 upon admission
6.15 to a residential treatment facility, acute care hospital inpatient treatment, or informal
6.16 admission to a regional treatment center;

6.17 (10) prudently administer grants and purchase-of-service contracts that the county
6.18 board determines are necessary to fulfill its responsibilities under sections 245.487 to
6.19 245.4887;

6.20 (11) assure that mental health professionals, mental health practitioners, and case
6.21 managers employed by or under contract to the county to provide mental health services
6.22 are qualified under section 245.4871;

6.23 (12) assure that children's mental health services are coordinated with adult mental
6.24 health services specified in sections 245.461 to 245.486 so that a continuum of mental
6.25 health services is available to serve persons with mental illness, regardless of the person's
6.26 age;

6.27 (13) assure that culturally informed mental health consultants are used as necessary
6.28 to assist the county board in assessing and providing appropriate treatment for children of
6.29 cultural or racial minority heritage; and

6.30 (14) consistent with section 245.486, arrange for or provide a children's mental
6.31 health screening to a child receiving child protective services or a child in out-of-home
6.32 placement, a child for whom parental rights have been terminated, a child found to be
6.33 delinquent, and a child found to have committed a juvenile petty offense for the third or
6.34 subsequent time, unless a screening has been performed within the previous 180 days, or
6.35 the child is currently under the care of a mental health professional. The court or county
6.36 agency must notify a parent or guardian whose parental rights have not been terminated of

7.1 the potential mental health screening and the option to prevent the screening by notifying
 7.2 the court or county agency in writing. The screening shall be conducted with a screening
 7.3 instrument approved by the commissioner of human services according to criteria that
 7.4 are updated and issued annually to ensure that approved screening instruments are valid
 7.5 and useful for child welfare and juvenile justice populations, and shall be conducted
 7.6 by a mental health practitioner as defined in section 245.4871, subdivision 26, or a
 7.7 probation officer or local social services agency staff person who is trained in the use of
 7.8 the screening instrument. Training in the use of the instrument shall include training in the
 7.9 administration of the instrument, the interpretation of its validity given the child's current
 7.10 circumstances, the state and federal data practices laws and confidentiality standards, the
 7.11 parental consent requirement, and providing respect for families and cultural values.
 7.12 If the screen indicates a need for assessment, the child's family, or if the family lacks
 7.13 mental health insurance, the local social services agency, in consultation with the child's
 7.14 family, shall have conducted a diagnostic assessment, including a functional assessment,
 7.15 as defined in section 245.4871. The administration of the screening shall safeguard the
 7.16 privacy of children receiving the screening and their families and shall comply with the
 7.17 Minnesota Government Data Practices Act, chapter 13, and the federal Health Insurance
 7.18 Portability and Accountability Act of 1996, Public Law 104-191. Screening results shall be
 7.19 considered private data and the commissioner shall not collect individual screening results.

7.20 (b) When the county board refers clients to providers of children's therapeutic
 7.21 services and supports under section 256B.0943, the county board must clearly identify
 7.22 the desired services components not covered under section 256B.0943 and identify the
 7.23 reimbursement source for those requested services, the method of payment, and the
 7.24 payment rate to the provider.

7.25 Subd. 2. **Responsibility not duplicated.** For individuals who have health care
 7.26 coverage, the county board is not responsible for providing mental health services which
 7.27 are covered by the entity which administers the individual's health care coverage.

7.28 **Sec. 5. [245.4889] CHILDREN'S MENTAL HEALTH GRANTS.**

7.29 Subdivision 1. **Establishment and authority.** (a) The commissioner is authorized
 7.30 to make grants from available appropriations to assist:

7.31 (1) counties;

7.32 (2) Indian tribes;

7.33 (3) children's collaboratives under section 124D.23 or 245.493; or

7.34 (4) mental health service providers

8.1 for providing services to children with emotional disturbances as defined in section
 8.2 245.4871, subdivision 15, and their families. The commissioner may also authorize
 8.3 grants to young adults meeting the criteria for transition services in section 245.4875,
 8.4 subdivision 8, and their families.

8.5 (b) Services under paragraph (a) must be designed to help each child to function and
 8.6 remain with the child's family in the community and delivered consistent with the child's
 8.7 treatment plan. Transition services to eligible young adults under paragraph (a) must be
 8.8 designed to foster independent living in the community.

8.9 Subd. 2. **Grant application and reporting requirements.** To apply for a grant,
 8.10 an applicant organization shall submit an application and budget for the use of the
 8.11 money in the form specified by the commissioner. The commissioner shall make grants
 8.12 only to entities whose applications and budgets are approved by the commissioner. In
 8.13 awarding grants, the commissioner shall give priority to applications that indicate plans
 8.14 to collaborate in the development, funding, and delivery of services with other agencies
 8.15 in the local system of care. The commissioner shall specify requirements for reports,
 8.16 including quarterly fiscal reports under section 256.01, subdivision 2, paragraph (q). The
 8.17 commissioner shall require collection of data and periodic reports that the commissioner
 8.18 deems necessary to demonstrate the effectiveness of each service.

8.19 Sec. 6. Minnesota Statutes 2006, section 246.54, subdivision 1, is amended to read:

8.20 Subdivision 1. **County portion for cost of care.** Except for chemical dependency
 8.21 services provided under sections 254B.01 to 254B.09, the client's county shall pay to the
 8.22 state of Minnesota a portion of the cost of care provided in a regional treatment center
 8.23 or a state nursing facility to a client legally settled in that county. A county's payment
 8.24 shall be made from the county's own sources of revenue and payments shall ~~be paid as~~
 8.25 ~~follows: payments to the state from the county shall equal 20 percent~~ a percentage of the
 8.26 cost of care, as determined by the commissioner, for each day, or the portion thereof, that
 8.27 the client spends at a regional treatment center or a state nursing facility: according to
 8.28 the following schedule:

8.29 (1) zero percent for the first 30 days;

8.30 (2) 20 percent for days 31 to 60; and

8.31 (3) 50 percent for any days over 60.

8.32 If payments received by the state under sections 246.50 to 246.53 exceed 80 percent
 8.33 of the cost of care for days 31 to 60, or 50 percent for days over 60, the county shall be
 8.34 responsible for paying the state only the remaining amount. The county shall not be
 8.35 entitled to reimbursement from the client, the client's estate, or from the client's relatives,

9.1 except as provided in section 246.53. ~~No such payments shall be made for any client who~~
 9.2 ~~was last committed prior to July 1, 1947.~~

9.3 **EFFECTIVE DATE.** This section is effective January 1, 2008.

9.4 Sec. 7. Minnesota Statutes 2006, section 256B.0625, is amended by adding a
 9.5 subdivision to read:

9.6 Subd. 51. **Intensive mental health outpatient treatment.** Medical assistance
 9.7 covers intensive mental health outpatient treatment for dialectical behavioral therapy for
 9.8 adults. The commissioner shall establish:

9.9 (1) certification procedures to ensure that providers of these services are qualified;
 9.10 and

9.11 (2) treatment protocols including required service components and criteria for
 9.12 admission, continued treatment, and discharge.

9.13 **EFFECTIVE DATE.** This section is effective July 1, 2008, and subject to federal
 9.14 approval. The commissioner shall notify the revisor of statutes when federal approval is
 9.15 obtained.

9.16 Sec. 8. Minnesota Statutes 2006, section 256B.0625, subdivision 20, is amended to
 9.17 read:

9.18 Subd. 20. **Mental health case management.** (a) To the extent authorized by rule
 9.19 of the state agency, medical assistance covers case management services to persons with
 9.20 serious and persistent mental illness and children with severe emotional disturbance.
 9.21 Services provided under this section must meet the relevant standards in sections 245.461
 9.22 to 245.4887, the Comprehensive Adult and Children's Mental Health Acts, Minnesota
 9.23 Rules, parts 9520.0900 to 9520.0926, and 9505.0322, excluding subpart 10.

9.24 (b) Entities meeting program standards set out in rules governing family community
 9.25 support services as defined in section 245.4871, subdivision 17, are eligible for medical
 9.26 assistance reimbursement for case management services for children with severe
 9.27 emotional disturbance when these services meet the program standards in Minnesota
 9.28 Rules, parts 9520.0900 to 9520.0926 and 9505.0322, excluding subparts 6 and 10.

9.29 (c) Medical assistance and MinnesotaCare payment for mental health case
 9.30 management shall be made on a monthly basis. In order to receive payment for an eligible
 9.31 child, the provider must document at least a face-to-face contact with the child, the child's
 9.32 parents, or the child's legal representative. To receive payment for an eligible adult, the
 9.33 provider must document:

10.1 (1) at least a face-to-face contact with the adult or the adult's legal representative; or
10.2 (2) at least a telephone contact with the adult or the adult's legal representative and
10.3 document a face-to-face contact with the adult or the adult's legal representative within
10.4 the preceding two months.

10.5 (d) Payment for mental health case management provided by county or state staff
10.6 shall be based on the monthly rate methodology under section 256B.094, subdivision 6,
10.7 paragraph (b), with separate rates calculated for child welfare and mental health, and
10.8 within mental health, separate rates for children and adults.

10.9 (e) Payment for mental health case management provided by Indian health services
10.10 or by agencies operated by Indian tribes may be made according to this section or other
10.11 relevant federally approved rate setting methodology.

10.12 (f) Payment for mental health case management provided by vendors who contract
10.13 with a county or Indian tribe shall be based on a monthly rate negotiated by the host county
10.14 or tribe. The negotiated rate must not exceed the rate charged by the vendor for the same
10.15 service to other payers. If the service is provided by a team of contracted vendors, the
10.16 county or tribe may negotiate a team rate with a vendor who is a member of the team. The
10.17 team shall determine how to distribute the rate among its members. No reimbursement
10.18 received by contracted vendors shall be returned to the county or tribe, except to reimburse
10.19 the county or tribe for advance funding provided by the county or tribe to the vendor.

10.20 (g) If the service is provided by a team which includes contracted vendors, tribal
10.21 staff, and county or state staff, the costs for county or state staff participation in the team
10.22 shall be included in the rate for county-provided services. In this case, the contracted
10.23 vendor, the tribal agency, and the county may each receive separate payment for services
10.24 provided by each entity in the same month. In order to prevent duplication of services,
10.25 each entity must document, in the recipient's file, the need for team case management and
10.26 a description of the roles of the team members.

10.27 ~~(h) The commissioner shall calculate the nonfederal share of actual medical
10.28 assistance and general assistance medical care payments for each county, based on the
10.29 higher of calendar year 1995 or 1996, by service date, project that amount forward to 1999,
10.30 and transfer one-half of the result from medical assistance and general assistance medical
10.31 care to each county's mental health grants under section 256E.12 for calendar year 1999.
10.32 The annualized minimum amount added to each county's mental health grant shall be
10.33 \$3,000 per year for children and \$5,000 per year for adults. The commissioner may reduce
10.34 the statewide growth factor in order to fund these minimums. The annualized total amount
10.35 transferred shall become part of the base for future mental health grants for each county.~~

11.1 ~~(h)~~ (h) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of
 11.2 costs for mental health case management shall be provided by the recipient's county of
 11.3 responsibility, as defined in sections 256G.01 to 256G.12, from sources other than federal
 11.4 funds or funds used to match other federal funds. If the service is provided by a tribal
 11.5 agency, the nonfederal share, if any, shall be provided by the recipient's tribe. When this
 11.6 service is paid by the state without a federal share through fee-for-service, 50 percent of
 11.7 the cost shall be provided by the recipient's county of responsibility.

11.8 (i) Notwithstanding any administrative rule to the contrary, prepaid medical
 11.9 assistance, general assistance medical care, and MinnesotaCare include mental health case
 11.10 management. When the service is provided through prepaid capitation, the nonfederal
 11.11 share is paid by the state and the county pays no share.

11.12 (j) The commissioner may suspend, reduce, or terminate the reimbursement to a
 11.13 provider that does not meet the reporting or other requirements of this section. The county
 11.14 of responsibility, as defined in sections 256G.01 to 256G.12, or, if applicable, the tribal
 11.15 agency, is responsible for any federal disallowances. The county or tribe may share this
 11.16 responsibility with its contracted vendors.

11.17 (k) The commissioner shall set aside a portion of the federal funds earned for county
 11.18 expenditures under this section to repay the special revenue maximization account under
 11.19 section 256.01, subdivision 2, clause (15). The repayment is limited to:

- 11.20 (1) the costs of developing and implementing this section; and
- 11.21 (2) programming the information systems.

11.22 (l) Payments to counties and tribal agencies for case management expenditures
 11.23 under this section shall only be made from federal earnings from services provided
 11.24 under this section. When this service is paid by the state without a federal share through
 11.25 fee-for-service, 50 percent of the cost shall be provided by the state. Payments to
 11.26 county-contracted vendors shall include ~~both~~ the federal earnings, the state share, and the
 11.27 county share.

11.28 ~~(m) Notwithstanding section 256B.041, county payments for the cost of mental~~
 11.29 ~~health case management services provided by county or state staff shall not be made~~
 11.30 ~~to the commissioner of finance. For the purposes of mental health case management~~
 11.31 ~~services provided by county or state staff under this section, the centralized disbursement~~
 11.32 ~~of payments to counties under section 256B.041 consists only of federal earnings from~~
 11.33 ~~services provided under this section.~~

11.34 ~~(n)~~ (m) Case management services under this subdivision do not include therapy,
 11.35 treatment, legal, or outreach services.

12.1 ~~(o)~~ (n) If the recipient is a resident of a nursing facility, intermediate care facility,
 12.2 or hospital, and the recipient's institutional care is paid by medical assistance, payment
 12.3 for case management services under this subdivision is limited to the last 180 days of
 12.4 the recipient's residency in that facility and may not exceed more than six months in a
 12.5 calendar year.

12.6 ~~(p)~~ (o) Payment for case management services under this subdivision shall not
 12.7 duplicate payments made under other program authorities for the same purpose.

12.8 ~~(q)~~ By July 1, 2000, the commissioner shall evaluate the effectiveness of the changes
 12.9 required by this section, including changes in number of persons receiving mental health
 12.10 case management, changes in hours of service per person, and changes in caseload size.

12.11 ~~(r)~~ For each calendar year beginning with the calendar year 2001, the annualized
 12.12 amount of state funds for each county determined under paragraph (h) shall be adjusted by
 12.13 the county's percentage change in the average number of clients per month who received
 12.14 case management under this section during the fiscal year that ended six months prior to
 12.15 the calendar year in question, in comparison to the prior fiscal year.

12.16 ~~(s)~~ For counties receiving the minimum allocation of \$3,000 or \$5,000 described
 12.17 in paragraph (h), the adjustment in paragraph (s) shall be determined so that the county
 12.18 receives the higher of the following amounts:

12.19 ~~(1)~~ a continuation of the minimum allocation in paragraph (h); or

12.20 ~~(2)~~ an amount based on that county's average number of clients per month who
 12.21 received case management under this section during the fiscal year that ended six months
 12.22 prior to the calendar year in question, times the average statewide grant per person per
 12.23 month for counties not receiving the minimum allocation.

12.24 ~~(t)~~ The adjustments in paragraphs (s) and (t) shall be calculated separately for
 12.25 children and adults.

12.26 **EFFECTIVE DATE.** This section is effective January 1, 2009, except the
 12.27 amendments to paragraphs (h), (r), (s), and (t) are effective January 1, 2008.

12.28 Sec. 9. Minnesota Statutes 2006, section 256B.0943, subdivision 8, is amended to read:

12.29 **Subd. 8. Required preservice and continuing education.** (a) A provider entity
 12.30 shall establish a plan to provide preservice and continuing education for staff. The plan
 12.31 must clearly describe the type of training necessary to maintain current skills and obtain
 12.32 new skills and that relates to the provider entity's goals and objectives for services offered.

12.33 (b) A provider that employs a mental health behavioral aide under this section must
 12.34 require the mental health behavioral aide to complete 30 hours of preservice training. The
 12.35 preservice training must include topics specified in Minnesota Rules, part 9535.4068,

13.1 subparts 1 and 2, and parent team training. The preservice training must include 15 hours
13.2 of in-person training of a mental health behavioral aide in mental health services delivery
13.3 and eight hours of parent team training. Curricula for parent team training must be
13.4 approved in advance by the commissioner. Components of parent team training include:

13.5 (1) partnering with parents;

13.6 (2) fundamentals of family support;

13.7 (3) fundamentals of policy and decision making;

13.8 (4) defining equal partnership;

13.9 (5) complexities of the parent and service provider partnership in multiple service
13.10 delivery systems due to system strengths and weaknesses;

13.11 (6) sibling impacts;

13.12 (7) support networks; and

13.13 (8) community resources.

13.14 (c) A provider entity that employs a mental health practitioner and a mental health
13.15 behavioral aide to provide children's therapeutic services and supports under this section
13.16 must require the mental health practitioner and mental health behavioral aide to complete
13.17 20 hours of continuing education every two calendar years. The continuing education
13.18 must be related to serving the needs of a child with emotional disturbance in the child's
13.19 home environment and the child's family. The topics covered in orientation and training
13.20 must conform to Minnesota Rules, part 9535.4068.

13.21 (d) The provider entity must document the mental health practitioner's or mental
13.22 health behavioral aide's annual completion of the required continuing education. The
13.23 documentation must include the date, subject, and number of hours of the continuing
13.24 education, and attendance records, as verified by the staff member's signature, job
13.25 title, and the instructor's name. The provider entity must keep documentation for each
13.26 employee, including records of attendance at professional workshops and conferences,
13.27 at a central location and in the employee's personnel file.

13.28 Sec. 10. Minnesota Statutes 2006, section 256B.0945, subdivision 4, is amended to
13.29 read:

13.30 Subd. 4. **Payment rates.** (a) Notwithstanding sections 256B.19 and 256B.041,
13.31 payments to counties for residential services provided by a residential facility shall only
13.32 be made of federal earnings for services provided under this section, and the nonfederal
13.33 share of costs for services provided under this section shall be paid by the county from
13.34 sources other than federal funds or funds used to match other federal funds. Payment to
13.35 counties for services provided according to this section shall be a proportion of the per

14.1 day contract rate that relates to rehabilitative mental health services and shall not include
 14.2 payment for costs or services that are billed to the IV-E program as room and board.

14.3 (b) Per diem rates paid to providers under this section by prepaid plans shall be the
 14.4 proportion of the per-day contract rate that relates to rehabilitative mental health services
 14.5 and shall not include payment for group foster care costs or services that are billed to the
 14.6 county of financial responsibility.

14.7 (c) The commissioner shall set aside a portion not to exceed five percent of the
 14.8 federal funds earned for county expenditures under this section to cover the state costs of
 14.9 administering this section. Any unexpended funds from the set-aside shall be distributed
 14.10 to the counties in proportion to their earnings under this section.

14.11 **EFFECTIVE DATE.** This section is effective January 1, 2009.

14.12 Sec. 11. Minnesota Statutes 2006, section 256B.69, subdivision 4, is amended to read:

14.13 Subd. 4. **Limitation of choice.** (a) The commissioner shall develop criteria to
 14.14 determine when limitation of choice may be implemented in the experimental counties.
 14.15 The criteria shall ensure that all eligible individuals in the county have continuing access
 14.16 to the full range of medical assistance services as specified in subdivision 6.

14.17 (b) The commissioner shall exempt the following persons from participation in the
 14.18 project, in addition to those who do not meet the criteria for limitation of choice:

14.19 (1) persons eligible for medical assistance according to section 256B.055,
 14.20 subdivision 1;

14.21 (2) persons eligible for medical assistance due to blindness or disability as
 14.22 determined by the Social Security Administration or the state medical review team, unless:

14.23 (i) they are 65 years of age or older; or

14.24 (ii) they reside in Itasca County or they reside in a county in which the commissioner
 14.25 conducts a pilot project under a waiver granted pursuant to section 1115 of the Social
 14.26 Security Act;

14.27 (3) recipients who currently have private coverage through a health maintenance
 14.28 organization;

14.29 (4) recipients who are eligible for medical assistance by spending down excess
 14.30 income for medical expenses other than the nursing facility per diem expense;

14.31 (5) recipients who receive benefits under the Refugee Assistance Program,
 14.32 established under United States Code, title 8, section 1522(e);

14.33 (6) except children who are eligible for and who decline enrollment in an approved
 14.34 preferred integrated network under section 245.4682, children who are both determined to

15.1 be severely emotionally disturbed and receiving case management services according to
15.2 section 256B.0625, subdivision 20;

15.3 ~~(7)~~ adults who are both determined to be seriously and persistently mentally ill and
15.4 received case management services according to section 256B.0625, subdivision 20;

15.5 ~~(8)~~ (7) persons eligible for medical assistance according to section 256B.057,
15.6 subdivision 10; and

15.7 ~~(9)~~ (8) persons with access to cost-effective employer-sponsored private health
15.8 insurance or persons enrolled in a non-Medicare individual health plan determined to be
15.9 cost-effective according to section 256B.0625, subdivision 15.

15.10 Children under age 21 who are in foster placement may enroll in the project on an elective
15.11 basis. Individuals excluded under clauses (1); and (6); ~~and (7)~~ may choose to enroll on an
15.12 elective basis. The commissioner may enroll recipients in the prepaid medical assistance
15.13 program for seniors who are (1) age 65 and over, and (2) eligible for medical assistance by
15.14 spending down excess income.

15.15 (c) The commissioner may allow persons with a one-month spenddown who are
15.16 otherwise eligible to enroll to voluntarily enroll or remain enrolled, if they elect to prepay
15.17 their monthly spenddown to the state.

15.18 (d) The commissioner may require those individuals to enroll in the prepaid medical
15.19 assistance program who otherwise would have been excluded under paragraph (b), clauses
15.20 (1), (3), and ~~(8)~~ (7), and under Minnesota Rules, part 9500.1452, subpart 2, items H,
15.21 K, and L.

15.22 (e) Before limitation of choice is implemented, eligible individuals shall be notified
15.23 and after notification, shall be allowed to choose only among demonstration providers.
15.24 The commissioner may assign an individual with private coverage through a health
15.25 maintenance organization, to the same health maintenance organization for medical
15.26 assistance coverage, if the health maintenance organization is under contract for medical
15.27 assistance in the individual's county of residence. After initially choosing a provider,
15.28 the recipient is allowed to change that choice only at specified times as allowed by the
15.29 commissioner. If a demonstration provider ends participation in the project for any reason,
15.30 a recipient enrolled with that provider must select a new provider but may change providers
15.31 without cause once more within the first 60 days after enrollment with the second provider.

15.32 (f) An infant born to a woman who is eligible for and receiving medical assistance
15.33 and who is enrolled in the prepaid medical assistance program shall be retroactively
15.34 enrolled to the month of birth in the same managed care plan as the mother once the
15.35 child is enrolled in medical assistance unless the child is determined to be excluded from
15.36 enrollment in a prepaid plan under this section.

16.1 **EFFECTIVE DATE.** This section is effective January 1, 2009.

16.2 Sec. 12. Minnesota Statutes 2006, section 256B.69, subdivision 5g, is amended to read:

16.3 Subd. 5g. **Payment for covered services.** For services rendered on or after January
16.4 1, 2003, the total payment made to managed care plans for providing covered services
16.5 under the medical assistance and general assistance medical care programs is reduced by
16.6 .5 percent from their current statutory rates. This provision excludes payments for nursing
16.7 home services, home and community-based waivers, ~~and~~ payments to demonstration
16.8 projects for persons with disabilities, and mental health services added as covered benefits
16.9 after December 31, 2007.

16.10 Sec. 13. Minnesota Statutes 2006, section 256B.69, subdivision 5h, is amended to read:

16.11 Subd. 5h. **Payment reduction.** In addition to the reduction in subdivision 5g,
16.12 the total payment made to managed care plans under the medical assistance program is
16.13 reduced 1.0 percent for services provided on or after October 1, 2003, and an additional
16.14 1.0 percent for services provided on or after January 1, 2004. This provision excludes
16.15 payments for nursing home services, home and community-based waivers, ~~and~~ payments
16.16 to demonstration projects for persons with disabilities, and mental health services added as
16.17 covered benefits after December 31, 2007.

16.18 Sec. 14. Minnesota Statutes 2006, section 256B.763, is amended to read:

16.19 **256B.763 CRITICAL ACCESS MENTAL HEALTH RATE INCREASE.**

16.20 (a) For services defined in paragraph (b) and rendered on or after July 1, 2007,
16.21 payment rates shall be increased by 23.7 percent over the rates in effect on January 1,
16.22 2006, for:

16.23 (1) psychiatrists and advanced practice registered nurses with a psychiatric specialty;
16.24 (2) community mental health centers under section 256B.0625, subdivision 5; and
16.25 (3) mental health clinics and centers certified under Minnesota Rules, parts
16.26 9520.0750 to 9520.0870, or hospital outpatient psychiatric departments that are designated
16.27 as essential community providers under section 62Q.19.

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

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

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

17.9 (e) Payment rates shall be increased by 23.7 percent over the rates in effect on
 17.10 January 1, 2006, for:

17.11 (1) medication education services provided on or after January 1, 2008, by adult
 17.12 rehabilitative mental health services providers certified under section 256B.0623; and

17.13 (2) mental health behavioral aide services provided on or after January 1, 2008, by
 17.14 children's therapeutic services and support providers certified under section 256B.0943.

17.15 (f) For services defined in paragraph (b) and rendered on or after January 1, 2008, by
 17.16 children's therapeutic services and support providers certified under section 256B.0943
 17.17 and not already included in paragraph (a), payment rates shall be increased by 23.7 percent
 17.18 over the rates in effect on January 1, 2006.

17.19 **EFFECTIVE DATE.** This section is effective January 1, 2008.

17.20 Sec. 15. Minnesota Statutes 2006, section 256D.03, subdivision 4, is amended to read:

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

17.24 (1) inpatient hospital services;

17.25 (2) outpatient hospital services;

17.26 (3) services provided by Medicare certified rehabilitation agencies;

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

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

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

17.32 (7) hearing aids;

17.33 (8) prosthetic devices;

17.34 (9) laboratory and X-ray services;

17.35 (10) physician's services;

- 18.1 (11) medical transportation except special transportation;
- 18.2 (12) chiropractic services as covered under the medical assistance program;
- 18.3 (13) podiatric services;
- 18.4 (14) dental services as covered under the medical assistance program;
- 18.5 ~~(15) outpatient services provided by a mental health center or clinic that is under~~
- 18.6 ~~contract with the county board and is established under section 245.62~~ mental health
- 18.7 services covered under chapter 256B;
- 18.8 ~~(16) day treatment services for mental illness provided under contract with the~~
- 18.9 ~~county board;~~
- 18.10 ~~(17)~~ (16) prescribed medications for persons who have been diagnosed as mentally
- 18.11 ill as necessary to prevent more restrictive institutionalization;
- 18.12 ~~(18) psychological services;~~ (17) medical supplies and equipment, and Medicare
- 18.13 premiums, coinsurance and deductible payments;
- 18.14 ~~(19)~~ (18) medical equipment not specifically listed in this paragraph when the use
- 18.15 of the equipment will prevent the need for costlier services that are reimbursable under
- 18.16 this subdivision;
- 18.17 ~~(20)~~ (19) services performed by a certified pediatric nurse practitioner, a
- 18.18 certified family nurse practitioner, a certified adult nurse practitioner, a certified
- 18.19 obstetric/gynecological nurse practitioner, a certified neonatal nurse practitioner, or a
- 18.20 certified geriatric nurse practitioner in independent practice, if (1) the service is otherwise
- 18.21 covered under this chapter as a physician service, (2) the service provided on an inpatient
- 18.22 basis is not included as part of the cost for inpatient services included in the operating
- 18.23 payment rate, and (3) the service is within the scope of practice of the nurse practitioner's
- 18.24 license as a registered nurse, as defined in section 148.171;
- 18.25 ~~(21)~~ (20) services of a certified public health nurse or a registered nurse practicing
- 18.26 in a public health nursing clinic that is a department of, or that operates under the direct
- 18.27 authority of, a unit of government, if the service is within the scope of practice of the
- 18.28 public health nurse's license as a registered nurse, as defined in section 148.171; and
- 18.29 ~~(22)~~ (21) telemedicine consultations, to the extent they are covered under section
- 18.30 256B.0625, subdivision 3b; ~~and.~~
- 18.31 ~~(23) mental health telemedicine and psychiatric consultation as covered under~~
- 18.32 ~~section 256B.0625, subdivisions 46 and 48.~~
- 18.33 (ii) Effective October 1, 2003, for a person who is eligible under subdivision 3,
- 18.34 paragraph (a), clause (2), item (ii), general assistance medical care coverage is limited
- 18.35 to inpatient hospital services, including physician services provided during the inpatient
- 18.36 hospital stay. A \$1,000 deductible is required for each inpatient hospitalization.

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

19.3 (c) In order to contain costs, the commissioner of human services shall select
19.4 vendors of medical care who can provide the most economical care consistent with high
19.5 medical standards and shall where possible contract with organizations on a prepaid
19.6 capitation basis to provide these services. The commissioner shall consider proposals by
19.7 counties and vendors for prepaid health plans, competitive bidding programs, block grants,
19.8 or other vendor payment mechanisms designed to provide services in an economical
19.9 manner or to control utilization, with safeguards to ensure that necessary services are
19.10 provided. Before implementing prepaid programs in counties with a county operated or
19.11 affiliated public teaching hospital or a hospital or clinic operated by the University of
19.12 Minnesota, the commissioner shall consider the risks the prepaid program creates for the
19.13 hospital and allow the county or hospital the opportunity to participate in the program in a
19.14 manner that reflects the risk of adverse selection and the nature of the patients served by
19.15 the hospital, provided the terms of participation in the program are competitive with the
19.16 terms of other participants considering the nature of the population served. Payment for
19.17 services provided pursuant to this subdivision shall be as provided to medical assistance
19.18 vendors of these services under sections 256B.02, subdivision 8, and 256B.0625. For
19.19 payments made during fiscal year 1990 and later years, the commissioner shall consult
19.20 with an independent actuary in establishing prepayment rates, but shall retain final control
19.21 over the rate methodology.

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

19.24 (1) \$25 for eyeglasses;

19.25 (2) \$25 for nonemergency visits to a hospital-based emergency room;

19.26 (3) \$3 per brand-name drug prescription and \$1 per generic drug prescription,
19.27 subject to a \$12 per month maximum for prescription drug co-payments. No co-payments
19.28 shall apply to antipsychotic drugs when used for the treatment of mental illness; and

19.29 (4) 50 percent coinsurance on restorative dental services.

19.30 (e) Co-payments shall be limited to one per day per provider for nonpreventive visits,
19.31 eyeglasses, and nonemergency visits to a hospital-based emergency room. Recipients of
19.32 general assistance medical care are responsible for all co-payments in this subdivision.
19.33 The general assistance medical care reimbursement to the provider shall be reduced by
19.34 the amount of the co-payment, except that reimbursement for prescription drugs shall not
19.35 be reduced once a recipient has reached the \$12 per month maximum for prescription
19.36 drug co-payments. The provider collects the co-payment from the recipient. Providers

20.1 may not deny services to recipients who are unable to pay the co-payment, except as
20.2 provided in paragraph (f).

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

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

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

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

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

20.17 (k) Inpatient and outpatient payments shall be reduced by five percent, effective July
20.18 1, 2003. This reduction is in addition to the five percent reduction effective July 1, 2003,
20.19 and incorporated by reference in paragraph (i).

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

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

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

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

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

20.34 (q) Payments for mental health services added as covered benefits after December
20.35 31, 2007, are not subject to the reductions in paragraphs (i), (k), (l), and (m).

21.1 **EFFECTIVE DATE.** This section is effective January 1, 2008, except mental
 21.2 health case management under paragraph (a)(i)(15) is effective January 1, 2009.

21.3 Sec. 16. Minnesota Statutes 2006, section 256L.03, subdivision 1, is amended to read:

21.4 Subdivision 1. **Covered health services.** For individuals under section 256L.04,
 21.5 subdivision 7, with income no greater than 75 percent of the federal poverty guidelines
 21.6 or for families with children under section 256L.04, subdivision 1, all subdivisions of
 21.7 this section apply. "Covered health services" means the health services reimbursed
 21.8 under chapter 256B, with the exception of inpatient hospital services, special education
 21.9 services, private duty nursing services, adult dental care services other than services
 21.10 covered under section 256B.0625, subdivision 9, orthodontic services, nonemergency
 21.11 medical transportation services, personal care assistant and case management services,
 21.12 nursing home or intermediate care facilities services, inpatient mental health services,
 21.13 and chemical dependency services. ~~Outpatient mental health services covered under the~~
 21.14 ~~MinnesotaCare program are limited to diagnostic assessments, psychological testing,~~
 21.15 ~~explanation of findings, mental health telemedicine, psychiatric consultation, medication~~
 21.16 ~~management by a physician, day treatment, partial hospitalization, and individual, family,~~
 21.17 ~~and group psychotherapy.~~

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

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

21.23 **EFFECTIVE DATE.** This section is effective January 1, 2008, except coverage for
 21.24 mental health case management under subdivision 1 is effective January 1, 2009.

21.25 Sec. 17. Minnesota Statutes 2006, section 256L.035, is amended to read:

21.26 **256L.035 LIMITED BENEFITS COVERAGE FOR CERTAIN SINGLE**
 21.27 **ADULTS AND HOUSEHOLDS WITHOUT CHILDREN.**

21.28 (a) "Covered health services" for individuals under section 256L.04, subdivision
 21.29 7, with income above 75 percent, but not exceeding 175 percent, of the federal poverty
 21.30 guideline means:

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

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

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

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

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

22.7 (iii) \$5 co-pay per nonpreventive visit.

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

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

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

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

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

22.25 **EFFECTIVE DATE.** This section is effective January 1, 2008, except coverage
 22.26 for mental health case management under paragraph (a), clause (3), is effective January
 22.27 1, 2009.

22.28 Sec. 18. Minnesota Statutes 2006, section 256L.12, subdivision 9a, is amended to read:

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

22.33 Sec. 19. Minnesota Statutes 2006, section 609.115, subdivision 9, is amended to read:

23.1 Subd. 9. **Compulsive gambling assessment required.** (a) If a person is convicted
 23.2 of theft under section 609.52, embezzlement of public funds under section 609.54, or
 23.3 forgery under section 609.625, 609.63, or 609.631, the probation officer shall determine in
 23.4 the report prepared under subdivision 1 whether or not compulsive gambling contributed
 23.5 to the commission of the offense. If so, the report shall contain the results of a compulsive
 23.6 gambling assessment conducted in accordance with this subdivision. The probation officer
 23.7 shall make an appointment for the offender to undergo the assessment if so indicated.

23.8 (b) The compulsive gambling assessment report must include a recommended level
 23.9 of treatment for the offender if the assessor concludes that the offender is in need of
 23.10 compulsive gambling treatment. The assessment must be conducted by an assessor
 23.11 qualified either under section 245.98, subdivision 2a Minnesota Rules, part 9585.0040,
 23.12 subpart 1, item C, or qualifications determined to be equivalent by the commissioner, to
 23.13 perform these assessments or to provide compulsive gambling treatment. An assessor
 23.14 providing a compulsive gambling assessment may not have any direct or shared financial
 23.15 interest or referral relationship resulting in shared financial gain with a treatment provider.
 23.16 If an independent assessor is not available, the probation officer may use the services of an
 23.17 assessor with a financial interest or referral relationship as authorized under rules adopted
 23.18 by the commissioner of human services under section 245.98, subdivision 2a.

23.19 (c) The commissioner of human services shall reimburse the assessor for ~~the costs~~
 23.20 ~~associated with a each~~ compulsive gambling assessment at a rate established by the
 23.21 commissioner ~~up to a maximum of \$100 for each assessment.~~ The commissioner shall
 23.22 reimburse ~~these costs~~ the assessor after receiving written verification from the probation
 23.23 officer that the assessment was performed and found acceptable.

23.24 Sec. 20. Laws 2005, chapter 98, article 3, section 25, is amended to read:

23.25 Sec. 25. **REPEALER.**

23.26 Minnesota Statutes 2004, sections 245.713, ~~subdivisions 2 and~~ subdivision 4;
 23.27 245.716; and 626.5551, subdivision 4, are repealed.

23.28 **EFFECTIVE DATE.** This section is effective retroactively from August 1, 2005.

23.29 Sec. 21. **REVISOR'S INSTRUCTION.**

23.30 (a) In the next edition of Minnesota Statutes, the revisor of statutes shall change the
 23.31 references to sections "245.487 to 245.4887" wherever it appears in statutes or rules to
 23.32 sections "245.487 to 245.4889."

23.33 (b) The revisor of statutes shall correct all internal references that are necessary
 23.34 from the relettering in section 8.

24.1 Sec. 22. **REPEALER.**

24.2 Minnesota Rules, part 9585.0030, is repealed.