State of Minnesota

# HOUSE OF REPRESENTATIVES

**EIGHTY-SIXTH SESSION**

## HOUSE FILE NO. 2069

March 23, 2009
Authored by Liebling, Thissen and Abeler
The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight

A bill for an act

relating to human services; creating chemical health pilot projects; requiring reports.

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

Section 1. **STATE-COUNTY CHEMICAL HEALTH CARE HOME PILOT PROJECT.**

Subdivision 1. **Establishment; purpose.** There is established a state-county chemical health care home pilot project. The purpose of the pilot project is to redesign the structural relationship between the state and counties to promote greater accountability, productivity, and results in the delivery of state chemical dependency services. The pilot project must give counties authority to design and operate a new state-county governance model for the delivery of chemical health services.

Subd. 2. **Requirements.** (a) The pilot projects established under this section must meet the requirements in this subdivision.

(b) For the purposes of this section, "county" or "counties" means either an individual county or a voluntary multicounty entity.

(c) Counties participating in the pilot projects must develop binding agreements with the Department of Human Services that clarifies the roles, responsibilities, and performance outcomes of the delivery of chemical health services. These agreements must include a:

(1) governance agreement that redefines the respective authority, powers, roles, and responsibilities of the state and participating counties. As part of the governance agreement, the participating counties must be held accountable for improving targeted performance outcomes and through the use of the waivers described in paragraph (e), be

granted greater local control and flexibility to determine the most cost-effective means of achieving those outcomes;

(2) performance agreement that defines measurable goals in key operational areas. This agreement must identify: dependencies and requirements necessary for the state and participating counties to maintain service outcomes; respective resource commitments; funding or expenditure flexibilities which may include exemptions to requirements in section 254B.02; and essential reporting and accountability measures; and

(3) service level agreement that specifies the expectations and responsibilities of each entity regarding administrative and information technology support required to achieve the measurable goals as defined in the performance agreement.

(d) Counties are responsible for meeting the outcomes, goals, and responsibilities described in the agreements made in paragraph (c) using the payments in subdivision 4. Counties accept any financial responsibility above and beyond those payments. Counties may retain any funds not spent or any savings incurred as a result of these pilot projects, so long as funds are reinvested in chemical health service delivery.

(e) In order to grant greater local control and flexibility to determine the most cost-effective means of achieving performance outcomes, the pilot projects in this section are exempt from any state or federal requirements on the use of consolidated chemical dependency treatment funds.

Subd. 3. **Waivers.** The commissioner of human services shall seek any necessary federal waivers to carry out this section.

Subd. 4. **Capitated payment.** (a) Participating counties must be allocated funds from the consolidated chemical dependency treatment (CCDT) fund as provided in this subdivision.

(b) The average of CCDT funds allocated to participating counties for calendar years 2006 through 2008 must be allocated to counties in the form of a capitated payment.

(c) Counties are required to offset the capitated payment in paragraph (b) with a contribution of each participating county's average of the contributed amount of maintenance of effort for calendar years 2006 through 2008.

(d) When managed care contracts are renegotiated, the portion of the capitated payment earmarked for chemical dependency services must be redirected to participating counties.

Subd. 5. **Report.** Each pilot project shall report back to the legislative committees having jurisdiction over chemical health by January 15, 2011, evaluating the effectiveness of pilot projects, including recommendations for how to implement the pilot projects on a statewide basis.

Subd. 6. **Expiration.** These pilot projects expire .....

**EFFECTIVE DATE.** This section is effective the day following final enactment.