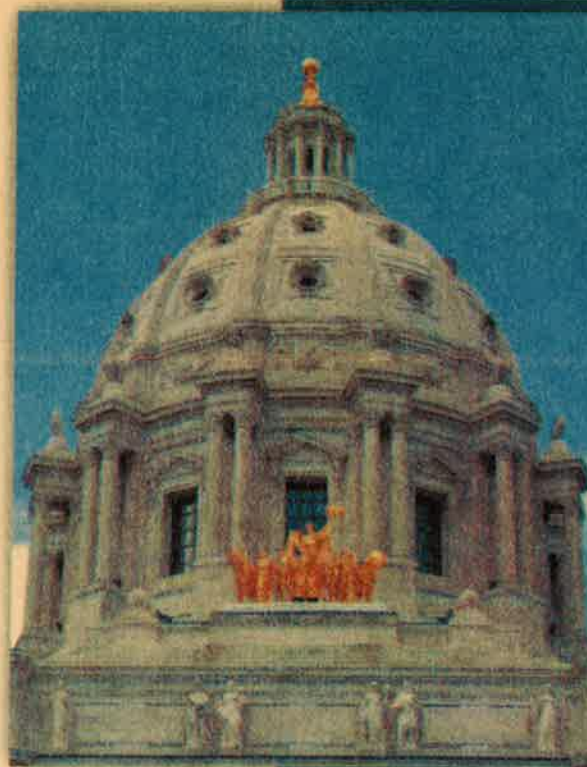


Minnesota Association of County Social Service Administrators

# 2013 LEGISLATIVE SESSION: SUMMARY OF LAWS



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## SESSION OVERVIEW

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The 2013 legislative session had all the makings of what was likely to be a great year for Health and Human Services. The Democratic Farmer and Labor Party controlled the House, Senate and the governor's office. The new leadership in each legislative body appointed new chairs, new staff and new rules. The leadership in the House had both served and held positions of leadership on the Health and Human Services committees in previous years. The money allotted to each major sector of the budget was dependent on budget estimates and each body's creation of budgetary targets was based on the estimates.

On February 28, 2013, the Minnesota Management and Budget office released the state's February budget forecast, which most people assumed would show strong budget growth like it had in the November 2012 forecast. The budget forecast reflected the growth of previous months with an estimated \$627 million budgetary deficit for the 2014-2015 biennium.

Preliminary budget targets were released by the governor on January 22, 2013. The governor increased revenue coming into the state by \$2.1 billion. After the February budget forecast, the governor released supplementary budget targets on March 19, 2013. The new budget targets raised \$1.8 billion in revenue and left much of the rest of the budget the same. The final agreement included a new fourth tier tax rate (raising \$1.1 billion in revenue), increased cigarette taxes by \$1.60/per pack, closed various corporate loopholes, and taxed select business-to-business sales taxes. Two major priorities were paying back the school shift, and property tax relief.

The Legislature had been elected on various platforms and began work on their priorities on the first day of the legislative session. One of the first bills introduced in both the House and Senate had to do with the state's health insurance exchange. The exchange is an answer to the federal Affordable Care Act. Another platform the Legislature was elected on was raising taxes. Finally each branch of government had agreed to make "solid investments in our state," by increasing revenue and creating a balanced budget. The governor proposed a tax increase on the highest income bracket.

There were over 1900 legislative bills introduced in each respective body, and 144 chapters signed into law.

Various social issues were addressed this session: Gay marriage, childcare/PCA unionization, Vikings Stadium funding source, bonding, legislative pay increase, gun control debate and a minimum wage increase.

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## **County Program Aid Increase (Chapter 143 / HF677/SF552)**

There was a \$40 million increase in new annual County Program Aid Funding. This was a 24% increase over previous years. Given that the new County Program Aid funds will be distributed through the current formula not all counties will see increases and some may see decreases. As part of the final Tax Omnibus bill the counties also received a sales tax exemption, which takes effect January 1, 2014. The final agreement also included a freeze on levy limits for one year.

## **Health and Human Services Budget (Chapter 108 / HF1233/SF1034)**

The governor originally recommended a \$190 million spending increase in the Health and Human Services sector. Both the House and Senate proposed a \$150 million decrease in spending. In the final days of the session the conferees and officials from the Department of Human Services were able to amend the total by adding an extra \$100 million dollars, changing the budget target to a reduction of \$50 million. The total allotted amount for Health and Human Services was \$11.5 billion. Much of the governor's proposed upstream investments in the area of Human Services were included in the final agreement. To pay for the new investments and keep the budget balanced the final conference report expedited existing surcharges to book savings in the coming biennium. The final conference report (HF1233) was adopted in the House on a 73-57 vote and was adopted in the Senate on a 39-28 vote. The conference report was signed into law by Gov. Mark Dayton as Chapter 108 on May 23, 2013.

## **MACSSA LEGISLATIVE PRIORITIES**

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MACSSA worked to align legislative priorities with the Department of Human Services to the extent possible before the 2013 legislative session started. MACSSA worked cooperatively with the Department of Human Services, the Legislature, and other stakeholders to advance its agenda this session. Throughout the session these relationships proved invaluable in shaping and creating policies. Due to the establishment of a cooperative strategy, MACSSA was able to successfully pass much of its legislative agenda.

### **Technology Modernization (Chapter 108 / HF1233/SF1034)**

Technology modernization was a top priority for AMC and MACSSA this legislative session. Many concerns around the outdated technology had arisen over the past several years and due to the expansion of the medical assistance population, both organizations made this a top priority. MACSSA was able to successfully promote computer system modernization with the help of DHS, and Health and Human Services conferees. The funding AMC and MACSSA asked for was included in the final Health and Human Services conference committee report. The funding allocated totaled \$17 million in General Fund dollars and \$13 million as a contingent appropriation (requiring Federal support for Reform 2020).

### **MA for Jail Inmates (Chapter 108/ HF1233/SF1034)**

MACSSA supported AMC's top level priority of providing medical assistance coverage for jail inmates for inpatient hospitalization. This legislation would allow for the state to collect federal dollars to help cover jail inmates who are receiving care in a hospital. Medical assistance coverage requires a match and the final legislation has the state picking up the other half of the federal match requirement. This legislation will be a cost savings to counties estimated at approximately \$5 million annually.

### **County Performance Management System (Chapter 108/ HF1233/SF1034)**

MACSSA worked with members of AMC, DHS and other stakeholders on the Steering Committee on Performance Outcomes and Reforms, a multiyear process intended to move the state of Minnesota to a more outcomes based human services delivery system. A final report of that committee making recommendations on a performance outcomes and management system for human services was submitted to the Legislature in December 2012. Due to the strong advocacy of many members of MACSSA, AMC, and DHS legislation implementing recommendations of the committee was included in the final conference committee report with \$1 million in general fund dollars allocated to support the effort.

### **Northstar Care for Children Act (Chapter 108 / HF 1233/SF 1034)**

Northstar Care for Children was first proposed by the Pawlenty administration but was criticized for reducing foster care rates too deeply to fund an equalization of foster care and Adoption Assistance/Relative Custody Assistance program rates. As a result the initiative was not adopted during Pawlenty's administration, but was resurrected recently. The purpose of the legislation was to create a unified benefit system for both children that reside in foster care and children that are adopted. The final conference committee report increased rates for adoption assistance without reducing the high needs foster care rates. The funding allocated was \$3.18 million in FY 14-15 and \$16.3 million in FY16-17.

### **Parent Support Outreach Program (Chapter 108 / HF 1233/SF 1034)**

The Parent Support Outreach program is currently operating in a number of counties who have seen good outcomes with this approach. The program works to prevent entrance of families at risk for maltreatment into the child protection system. MACSSA worked with the Department of Human Services to advocate for funding to expand this program across the state. The final conference committee report included language to expand the program and an allocation of \$4.5 million in general fund dollars.

### **Long-Term Care Assessments (Chapter 63 / HF767/SF459)**

MACSSA successfully advocated for a change in statute which will allow counties to perform updates to assessments without conducting a face-to-face assessment. Long term care assessments are only valid for 60 days, putting counties in the position of having to reassess individuals if the financial eligibility assessment is not completed within that 60 day window. This change will allow counties the discretion to update the assessment after 60 days through means other than a face-to-face assessment if appropriate. The language was amended into the DHS continuing care omnibus policy bill, which was passed unanimously in the Senate (66-0) and a vote of 125-3 in the House. The final bill was approved by the governor on 5/16/13.

### **Txt4Life (Chapter 108 / HF 1233/SF 1034)**

Txt4Life was a program that was created as the result of a federal grant provided to the northeast part of Minnesota. Txt4Life is a suicide prevention texting service that recognizes the traditional use of "hotlines" has not addressed the evolving methods that many people, especially younger Minnesotans, use to reach out for help. The language and funds were allocated in the final HHS conference committee report. The amount allocated was \$1.25 million in general fund dollars.

### **School - Linked Mental Health (Chapter 108 / HF 1233/SF 1034)**

School-linked mental health is a grant program operating in some parts of the state that has resulted in significantly increased access to and engagement in mental health services for children and youth. The final HHS conference committee report included a statewide expansion of this grant program. The funding allocated was \$7.4 million in FY14-15 and \$9.8 million in FY16-17

### **Chemical Dependency Pilot Programs (Chapter 108 / HF 1233/SF 1034)**

Legislation was brought forward this session to expand upon the chemical health navigator pilots currently operating in Washington County and the Southeast Minnesota Counties. The current pilot authority allowed those counties to fund services in addition to treatment, such as navigator services, through the Consolidated Chemical Dependency Treatment Fund. The final legislation authorizes the continuance of the current pilots and allows up to 3 additional pilots (operational details of the pilots will be developed with DHS). The language was included in the final HHS conference committee report.

## CHILDREN AND FAMILY SERVICES

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Unless otherwise indicated, items in this section were passed into law as part of the health and human services omnibus budget (Chapter 108/HF 1244/SF 1034).

### **Parent Support Outreach Program**

Please refer to description in the [MACSSA Priorities section](#).

### **Northstar Care for Children**

Please refer to description in the [MACSSA Priorities section](#).

### **Vulnerable Children and Adults Act Formula**

The final conference committee report froze the Vulnerable Children and Adults Act funding formula at its current distribution: 75% based on county share of distribution for calendar year 2012; 5% based on number of persons residing in the county; 10% based on vulnerable children reports; and 10% based on vulnerable adult reports.

### **Homeless Youth Act**

Appropriates \$4 million in 14-15 and 16-17 for providers willing to provide/establish street and community outreach and drop-in programs, emergency shelter programs, and integrated supportive housing and transitional living programs.

### **Repeal of MFIP Family Cap**

Language was passed that repealed the prohibition on families receiving additional cash benefits resulting from the birth of another child. This provision is effective January 1, 2015.

### **Childcare Absent Days**

Allowable childcare absent days were changed in the 2010 legislative session from 25 to 10 days. The change was rescinded in the 2013 legislative cycle back from 10 to 25 Days.

### **Unenforceable Child Support Case Closure**

Unenforceable child support case closure allows counties to close cases they deem to be uncollectible. Case closure is permitted only when there is no longer a current order because the children have been emancipated and the arrearage is under \$500 or the order has been uncollectible for over 3 years and there is no reasonable likelihood of payment.



## **Compulsory Education (Chapter 116)**

A change to the compulsory education age was included in the final education conference committee report. The conference committee report language allows for prosecution of compulsory education cases to age 17.

## **Pre-Adoptive (Tribal) Court Transfer (Chapter 65)**

A change was enacted which impacts court transfer requirements for pre-adoptive cases involving Native American children. A recent Minnesota Supreme Court decision that transfer of pre-adoptive hearing involving a Native American child from District Court to Tribal court was impermissible under the Indian Child Welfare Act (ICWA). This new law requires transfer of those cases to Tribal court unless there is "good cause" not to make the transfer.

## **Family Reunification Act (Chapter 30)**

Allows for a restoration of parental rights after a TPR under limited circumstances including but not limited to the child being over 15 years of age and not adopted or subject to an adoption agreement. Additionally, the social services and the County Attorney must both agree to move forward.

## **Child Care Licensing**

A number of provisions regarding child care were considered this session, some of which were ultimately passed. Providers and county licensers will be required to undergo additional training. Additionally, parents will have to submit a doctor's note if an infant is to be placed in a position other than his or her back and providers are "encouraged" to check on sleeping infants at 15 minute intervals. Lastly, providers will be required to provide written notice on the status of whether they are carrying liability insurance.

## CHEMICAL AND MENTAL HEALTH

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Unless otherwise indicated, items in this section were passed into law as part of the health and human services omnibus budget (Chapter 108/HF 1244/SF 1034).

### **Txt4Life**

Please refer to description in the [MACSSA Priorities section](#).

### **School Linked Mental Health**

Please refer to description in the [MACSSA Priorities section](#).

### **Chemical Health Navigator Pilots**

Please refer to description in the [MACSSA Priorities section](#).

### **County Shares for Anoka and St. Peter (Chapter 108 / HF 1233/SF 1034)**

An increase for the county cost shares for Anoka Regional Treatment Center and the Minnesota Security Hospital was enacted. This shifts \$8.14 million in FY 14-15 and FY 16-17 from state general fund to county property taxes. The county cost share for Anoka will increase from 50% to 75% and the county cost share for St. Peter will increase from 10% to 50%. The increased shares apply to patients deemed ready for community placement. Funds generated by these changes will be used to develop transition services for this population.

### **Adult Mental Health Grants (Chapter 108 / HF 1233/SF 1034)**

An increase to the Adult Rehabilitative Mental Health Services (ARMHS) rates will be funded by redirecting Adult Mental Health Grant funds. The total reduction to the grant will be \$1.8 million in FY 14-15 and \$12 million in FY 16-17.

### **Continuation of MSHS Willmar Operations (Chapter 108 / HF 1233/SF 1034)**

The Legislature appropriated funding to continue operation of an Intensive Residential Treatment Services (IRTS) at the MSHS Willmar site.

## **Children's Mental Health Case Management (Chapter 108 / HF 1233 / SF 1034)**

Language was passed this session directing counties to "offer" children's mental health case management services to the age of 21. This mandate is only for clients who have been receiving services prior to the age of 18. MACSSA worked with the advocates and authors of this bill to lower the age down from the original bill which required counties to offer children's mental health case management up to the age of 26.

### **Civil Commitments**

The Department of Human services is now required to transfer persons confined in correctional facilities who are civilly committed or undergoing civil commitment proceedings to a state treatment facility within 48 hours for.

## CONTINUING CARE

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Unless otherwise indicated, items in this section were passed into law as part of the health and human services omnibus budget (Chapter 108/HF 1244/SF 1034).

### Long Term Care Assessments

Please refer to description in the [MACSSA Priorities section](#).

### Provider Rates

The Legislature appropriated money to repeal the 1.67% rate reduction for Home and Community Based Services (HCBS) providers that was enacted in 2011, but was never implemented due to funding appropriated in 2012 to delay implementation. Additionally, HCBS providers will receive a rate increase totaling 2% (1% on 4/1/14 plus 1% on 7/1/15) and nursing facility providers will receive a 5% rate increase in 2013.

### MnCHOICES

Language in the HHS omnibus finance bill clarifies that the state is required to cover the non-federal share of MnCHOICES assessment costs. Additionally, language passed in the continuing care policy bill (Chapter 63) sets forth the requirement that assessments under MnCHOICES be conducted by a "certified assessor." Moreover, language in the policy bill directs the Department of Human Services to approach the federal government for a waiver to allow counties to recover costs if they chose to contract out assessments.

### Reform 2020

Reform 2020 includes a robust package of provisions implementing the federal waiver request from DHS. Below are a select few provisions passed in the HHS omnibus finance bill:

- Authorization for essential community support grants (contingent upon Federal approval) for individuals 65 and older (with qualifications) who do not meet nursing facility level of care criteria.
- Establishment of community first services and supports (contingent upon Federal approval), a participant controlled method of selecting and providing services, for the provision of home and community-based personal assistance service and supports.
- Establishment of a statewide common entry point for reports of adult maltreatment. The common entry point will refer calls alleging abuse, neglect or maltreatment to lead investigative agencies.

## HEALTH CARE

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### **MA Expansion (Chapter 1/ HF9/SF5)**

One of the first bills introduced and signed into law this session had to do with the expansion of Medical Assistance to children, families and adults without children up to 138% of Federal Poverty Guidelines. This change allows for an estimated 250,000 new individuals to enter the MA population. This new population will be served by counties. At first, there was some concern around the increased cost to counties, but those concerns were reduced when word was received that the federal government indicated the match for MA administrative costs will increase to 75%.

### **MNSure (Chapter 9/ SF1/HF5)**

The legislation creates an insurance exchange that will help qualified participants gain access to health insurance through a government created website. Health insurance providers will be required to create a new insurance plan for the exchange and meet other minimal requirements in order to sell their products on the exchange.

The language allows for a "clearinghouse" style buying system in the exchange's first year and an "active selector model" in the years following. The clearinghouse model allows any insurance producer to put forward a product that meets minimal criteria. The active selector model comes into effect in 2015 and allows a board to create and set the standards that will allow for the sale of certain products on the health insurance exchange.

During the legislation's lifecycle the exchange was funded two different ways. The House language taxed all insurance sold by the marketplace placing a 3.5% tax on those products. The Senate language paid for the exchange through the Health Impact Fee, which is revenue generated by a tax on tobacco. The House language was amended and adopted in conference committee. The final language that was adopted allows for a 1.5% tax on all insurance sold within the exchange for the first year and a 3.5% tax thereafter. This piece of the legislation may have been the most contentious part of the legislation.

In order to implement the legislation a governing body was created by the legislation. The governing body is comprised of appointees from both branches of government (house, senate and Governor's office). One of the major arguments occurred over whether or not current insurance agents, doctors, healthcare professionals, and others associated with the medical field, should be able to sit on the board of the health insurance exchange. The board was established to create the rules which will govern and oversee the health insurance exchange. The board will have lofty goals to meet as the exchange must be operational by October 1, 2013 in order to meet federal requirements. Small businesses and private individuals will be able to enroll on October 1, 2013 in order to meet the federal requirement for coverage to begin by January 1, 2014.

MACSSA was able to successfully offer an amendment that better defined the role of the Minnesota Insurance Marketplace Board and the role it will play in developing training for navigators as they guide individuals and families participation in both the private and public insurance markets housed within the exchange. The navigators and in-person assisters can be counties but are not required to be counties.

### **Non-emergency Medical Transportation (Chapter 81)**

The establishment of a single administrative structure and delivery system for non-emergency medical transportation will be delayed until 7/1/2014. This delays for one year the deadline DHS was given to establish this system.

*Updated June 18, 2013*

## **PUBLIC HEALTH**

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### **Statewide Health Improvement Program (Chapter 108 / HF 1233/SF 1034)**

Funding was allocated in the HHS omnibus finance bill to expand the SHIP program statewide. The total amount appropriated was \$35 million for FY 14-15 and FY 16-17.

### **Sexually Exploited Youth**

Funding was allocated in the HHS omnibus finance bill to provide navigator and case management services to sexually exploited youth. The total amount appropriated was \$1 million in FY 14-15 and FY 16-17 to provide grants to non-profits that work with this population. Additionally, \$1 million was appropriated to create an office of child sex trafficking prevention within the Minnesota Department of Health.

## **CORRECTIONS**

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Increase in funding for Community Corrections Act Counties

Community Corrections Act (CCA) counties will see a 2% increase in pass through dollars that help support their corrections work. This amounts to approximately \$1 million in new funding.

## **OTHER CATEGORIES**

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### **Childcare and PCA Unionization (Chapter 128)**

Legislation passed authorizing a vote on whether to unionize licensed and unlicensed family child care providers receiving state subsidies and personal care attendants. The legislation requires 30% of providers to request a vote on unionization in order for the vote to take place. If the vote is approved, then 50% of providers must vote to unionize in order to require union membership.

## LEGISLATIVE PROPOSALS OF INTEREST THAT DID NOT PASS INTO LAW

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### **DHS Children and Family Policy Bill (SF460/HF739)**

The DHS Children and Family Services bill did not pass the Legislature prior to the Constitutional deadline for adjournment. The bill included streamlining and simplification of MFIP Processes as well as a statutory fix to the requirement that counties ask the county attorney to immediately file a termination of parental rights for parents who have committed offenses requiring them to register as a predatory offender.

### **Reductions to Consolidated Fund**

An amendment to the HHS omnibus finance bill was adopted in the House that would have reduced the MFIP Consolidated Fund by \$40 million in FY 14-15 to fund a housing voucher program. Counties and other stakeholders opposed this provision and it was ultimately not adopted in the final conference committee report.

### **Data Privacy Bill (SF211/HF183)**

The proposed bill attached criminal penalties to any government employee who accesses private data for a reason not explicitly stated in law. This bill would also have required counties investigate and post names of staff who accessed data without authorization (including inadvertent access). The bill was not passed and but will likely be revisited next session.