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**Senate**  

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**State of Minnesota**

**S.F. No. 984 - Relating to Services for Persons with Disabilities  
(First Engrossment)**

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*DPM*

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The proposed legislation is a bill that modifies a variety of programs affecting persons with disabilities. When the bill was heard in the Health and Human Services Committee, a disability services interagency work group was added in section 29, which provided for membership by state agencies, counties, and the Metropolitan Council, as well as various representatives from the disability community, which was the primary reason for the bill's referral to the State and Local Government Committee. Concern was also expressed about provisions in various sections, including sections 6, 8, 10, 16, and 18, in which persons are afforded the option of choosing between county and private service coordination vendors.

DPM:vs

1 A bill for an act

2 relating to human services; modifying programs and  
3 services for persons with disabilities; amending  
4 Minnesota Statutes 2004, sections 256B.04, by adding a  
5 subdivision; 256B.056, subdivisions 3, 5c; 256B.057,  
6 subdivision 9; 256B.0575; 256B.0621, subdivisions 2,  
7 3, 4, 5, 6, 7, by adding a subdivision; 256B.0622,  
8 subdivision 2; 256B.0625, subdivision 9; 256B.0916, by  
9 adding a subdivision; 256B.092, subdivision 4b;  
10 256B.35, subdivision 1; 256B.49, subdivisions 13, 14,  
11 16; 256B.5012, by adding a subdivision; 256B.69,  
12 subdivision 23; 256B.765; 256D.03, subdivision 4;  
13 256L.03, subdivisions 1, 5.

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

15 Section 1. Minnesota Statutes 2004, section 256B.04, is  
16 amended by adding a subdivision to read:

17 Subd. 20. [INCENTIVE FOR WELLNESS VISITS.] The  
18 commissioner of human services shall consult with private sector  
19 health plan companies and shall develop an incentive program to  
20 encourage medical assistance enrollees with disabilities to have  
21 regular wellness exams conducted by a primary care physician.  
22 The commissioner shall implement the incentive program beginning  
23 January 1, 2006.

24 Sec. 2. Minnesota Statutes 2004, section 256B.056,  
25 subdivision 3, is amended to read:

26 Subd. 3. [ASSET LIMITATIONS FOR INDIVIDUALS-AND  
27 FAMILIES THE AGED, BLIND, OR DISABLED.] To be eligible for  
28 medical assistance, a person whose eligibility category is based  
29 on blindness, disability, or age of 65 or more years must not

1 individually own more than ~~\$37,000~~ \$10,000 in assets, or if a  
2 member of a household with two ~~family-members, husband-and-wife,~~  
3 ~~or-parent-and-child~~ or more persons, the household must not own  
4 more than ~~\$67,000~~ \$18,000 in assets, ~~plus-\$200-for-each~~  
5 ~~additional-legal-dependent~~. In addition to these maximum  
6 amounts, an eligible individual or family may accrue interest on  
7 these amounts, but they must be reduced to the maximum at the  
8 time of an eligibility redetermination. The accumulation of the  
9 clothing and personal needs allowance according to section  
10 256B.35 must also be reduced to the maximum at the time of the  
11 eligibility redetermination. The value of assets that are not  
12 considered in determining eligibility for medical assistance is  
13 the value of those assets excluded under the supplemental  
14 security income program for aged, blind, and disabled persons,  
15 with the following exceptions:

16 (a) Household goods and personal effects are not considered.

17 (b) Capital and operating assets of a trade or business  
18 that the local agency determines are necessary to the person's  
19 ability to earn an income are not considered.

20 (c) Motor vehicles are excluded to the same extent excluded  
21 by the supplemental security income program.

22 (d) Assets designated as burial expenses are excluded to  
23 the same extent excluded by the supplemental security income  
24 program. Burial expenses funded by annuity contracts or life  
25 insurance policies must irrevocably designate the individual's  
26 estate as contingent beneficiary to the extent proceeds are not  
27 used for payment of selected burial expenses.

28 (e) Effective upon federal approval, for a person who no  
29 longer qualifies as an employed person with a disability due to  
30 loss of earnings, assets allowed while eligible for medical  
31 assistance under section 256B.057, subdivision 9, are not  
32 considered for 12 months, beginning with the first month of  
33 ineligibility as an employed person with a disability, to the  
34 extent that the person's total assets remain within the allowed  
35 limits of section 256B.057, subdivision 9, paragraph (b).

36 (f) Assets owned by children are not considered.

1 Sec. 3. Minnesota Statutes 2004, section 256B.056,  
2 subdivision 5c, is amended to read:

3 Subd. 5c. [EXCESS INCOME STANDARD.] (a) The excess income  
4 standard for families with children is the standard specified in  
5 subdivision 4.

6 (b) The excess income standard for a person whose  
7 eligibility is based on blindness, disability, or age of 65 or  
8 more years is ~~70~~ 100 percent of the federal poverty guidelines  
9 for the family size. ~~Effective July 1, 2002, the excess income~~  
10 ~~standard for this paragraph shall equal 75 percent of the~~  
11 ~~federal poverty guidelines.~~

12 Sec. 4. Minnesota Statutes 2004, section 256B.057,  
13 subdivision 9, is amended to read:

14 Subd. 9. [EMPLOYED PERSONS WITH DISABILITIES.] (a) Medical  
15 assistance may be paid for a person who is employed and who:

16 (1) meets the definition of disabled under the supplemental  
17 security income program;

18 (2) is at least 16 but less than 65 years of age;

19 (3) meets the asset limits in paragraph (b); and

20 (4) effective November 1, 2003, pays a premium and other  
21 obligations under paragraph (d).

22 Any spousal income or assets shall be disregarded for purposes  
23 of eligibility and premium determinations.

24 After the month of enrollment, a person enrolled in medical  
25 assistance under this subdivision who:

26 (1) is temporarily unable to work and without receipt of  
27 earned income due to a medical condition, as verified by a  
28 physician, may retain eligibility for up to four calendar  
29 months; or

30 (2) effective January 1, 2004, loses employment for reasons  
31 not attributable to the enrollee, may retain eligibility for up  
32 to four consecutive months after the month of job loss. To  
33 receive a four-month extension, enrollees must verify the  
34 medical condition or provide notification of job loss. All  
35 other eligibility requirements must be met and the enrollee must  
36 pay all calculated premium costs for continued eligibility.

1 (b) For purposes of determining eligibility under this  
2 subdivision, a person's assets must not exceed \$20,000,  
3 excluding:

4 (1) all assets excluded under section 256B.056;

5 (2) retirement accounts, including individual accounts,  
6 401(k) plans, 403(b) plans, Keogh plans, and pension plans; and

7 (3) medical expense accounts set up through the person's  
8 employer.

9 (c)(1) Effective January 1, 2004, for purposes of  
10 eligibility, there will be a \$65 earned income disregard. To be  
11 eligible, a person applying for medical assistance under this  
12 subdivision must have earned income above the disregard level.

13 (2) Effective January 1, 2004, to be considered earned  
14 income, Medicare, Social Security, and applicable state and  
15 federal income taxes must be withheld. To be eligible, a person  
16 must document earned income tax withholding.

17 (d)(1) A person whose earned and unearned income is equal  
18 to or greater than 100 percent of federal poverty guidelines for  
19 the applicable family size must pay a premium to be eligible for  
20 medical assistance under this subdivision. The premium shall be  
21 based on the person's gross earned and unearned income and the  
22 applicable family size using a sliding fee scale established by  
23 the commissioner, which begins at one percent of income at 100  
24 percent of the federal poverty guidelines and increases to 7.5  
25 percent of income for those with incomes at or above 300 percent  
26 of the federal poverty guidelines. Annual adjustments in the  
27 premium schedule based upon changes in the federal poverty  
28 guidelines shall be effective for premiums due in July of each  
29 year.

30 (2) Effective January 1, 2004, all enrollees must pay a  
31 premium to be eligible for medical assistance under this  
32 subdivision. An enrollee shall pay the greater of a \$35 premium  
33 or the premium calculated in clause (1).

34 (3) Effective November 1, 2003, all enrollees who receive  
35 unearned income must pay one-half of one percent of unearned  
36 income in addition to the premium amount.

1 (4) Effective ~~November 17, 2003~~ July 1, 2005, for  
2 enrollees ~~whose income does not exceed 200 percent of the~~  
3 ~~federal poverty guidelines and~~ who are also enrolled in  
4 Medicare, the commissioner must reimburse the enrollee for  
5 Medicare Part B premiums under section 256B.0625, subdivision  
6 15, paragraph (a).

7 (5) Increases in benefits under title II of the Social  
8 Security Act shall not be counted as income for purposes of this  
9 subdivision until July 1 of each year.

10 (e) A person's eligibility and premium shall be determined  
11 by the local county agency. Premiums must be paid to the  
12 commissioner. All premiums are dedicated to the commissioner.

13 (f) Any required premium shall be determined at application  
14 and redetermined at the enrollee's six-month income review or  
15 when a change in income or household size is reported.

16 Enrollees must report any change in income or household size  
17 within ten days of when the change occurs. A decreased premium  
18 resulting from a reported change in income or household size  
19 shall be effective the first day of the next available billing  
20 month after the change is reported. Except for changes  
21 occurring from annual cost-of-living increases, a change  
22 resulting in an increased premium shall not affect the premium  
23 amount until the next six-month review.

24 (g) Premium payment is due upon notification from the  
25 commissioner of the premium amount required. Premiums may be  
26 paid in installments at the discretion of the commissioner.

27 (h) Nonpayment of the premium shall result in denial or  
28 termination of medical assistance unless the person demonstrates  
29 good cause for nonpayment. Good cause exists if the  
30 requirements specified in Minnesota Rules, part 9506.0040,  
31 subpart 7, items B to D, are met. Except when an installment  
32 agreement is accepted by the commissioner, all persons  
33 disenrolled for nonpayment of a premium must pay any past due  
34 premiums as well as current premiums due prior to being  
35 reenrolled. Nonpayment shall include payment with a returned,  
36 refused, or dishonored instrument. The commissioner may require

1 a guaranteed form of payment as the only means to replace a  
2 returned, refused, or dishonored instrument.

3 Sec. 5. Minnesota Statutes 2004, section 256B.0575, is  
4 amended to read:

5 256B.0575 [AVAILABILITY OF INCOME FOR INSTITUTIONALIZED  
6 PERSONS.]

7 When an institutionalized person is determined eligible for  
8 medical assistance, the income that exceeds the deductions in  
9 paragraphs (a) and (b) must be applied to the cost of  
10 institutional care.

11 (a) The following amounts must be deducted from the  
12 institutionalized person's income in the following order:

13 (1) the personal needs allowance under section 256B.35 or,  
14 for a veteran who does not have a spouse or child, or a  
15 surviving spouse of a veteran having no child, the amount of an  
16 improved pension received from the veteran's administration not  
17 exceeding \$90 per month;

18 (2) the personal allowance for disabled individuals under  
19 section 256B.36;

20 (3) if the institutionalized person has a legally appointed  
21 guardian or conservator, five percent of the recipient's gross  
22 monthly income up to \$100 as reimbursement for guardianship or  
23 conservatorship services;

24 (4) a monthly income allowance determined under section  
25 256B.058, subdivision 2, but only to the extent income of the  
26 institutionalized spouse is made available to the community  
27 spouse;

28 (5) a monthly allowance for children under age 18 which,  
29 together with the net income of the children, would provide  
30 income equal to the medical assistance standard for families and  
31 children according to section 256B.056, subdivision 4, for a  
32 family size that includes only the minor children. This  
33 deduction applies only if the children do not live with the  
34 community spouse and only to the extent that the deduction is  
35 not included in the personal needs allowance under section  
36 256B.35, subdivision 1, as child support garnished under a court

1 order;

2 (6) a monthly family allowance for other family members,  
3 equal to one-third of the difference between 122 percent of the  
4 federal poverty guidelines and the monthly income for that  
5 family member;

6 (7) reparations payments made by the Federal Republic of  
7 Germany and reparations payments made by the Netherlands for  
8 victims of Nazi persecution between 1940 and 1945;

9 (8) all other exclusions from income for institutionalized  
10 persons as mandated by federal law; and

11 (9) amounts for reasonable expenses incurred for necessary  
12 medical or remedial care for the institutionalized person that  
13 are not medical assistance covered expenses and that are not  
14 subject to payment by a third party.

15 For purposes of clause (6), "other family member" means a  
16 person who resides with the community spouse and who is a minor  
17 or dependent child, dependent parent, or dependent sibling of  
18 either spouse. "Dependent" means a person who could be claimed  
19 as a dependent for federal income tax purposes under the  
20 Internal Revenue Code.

21 (b) Income shall be allocated to an institutionalized  
22 person for a period of up to three six calendar months, in an  
23 amount equal to 100 percent of the medical-assistance-standard  
24 federal poverty guidelines for a family size of one if:

25 (1) a physician certifies that the person is expected to  
26 reside in the long-term care facility for three six calendar  
27 months or less;

28 (2) if the person has expenses of maintaining a residence  
29 in the community; and

30 (3) if one of the following circumstances apply:

31 (i) the person was not living together with a spouse or a  
32 family member as defined in paragraph (a) when the person  
33 entered a long-term care facility; or

34 (ii) the person and the person's spouse become  
35 institutionalized on the same date, in which case the allocation  
36 shall be applied to the income of one of the spouses.



1 For purposes of this paragraph, a person is determined to be  
2 residing in a licensed nursing home, regional treatment center,  
3 or medical institution if the person is expected to remain for a  
4 period of one full calendar month or more.

5 Sec. 6. Minnesota Statutes 2004, section 256B.0621,  
6 subdivision 2, is amended to read:

7 Subd. 2. [TARGETED CASE MANAGEMENT; DEFINITIONS.] For  
8 purposes of subdivisions 3 to 10, the following terms have the  
9 meanings given them:

10 (1) "home care service recipients" means those individuals  
11 receiving the following services under section 256B.0627:  
12 skilled nursing visits, home health aide visits, private duty  
13 nursing, personal care assistants, or therapies provided through  
14 a home health agency;

15 (2) "home care targeted case management" means the  
16 provision of targeted case management services for the purpose  
17 of assisting home care service recipients to gain access to  
18 needed services and supports so that they may remain in the  
19 community;

20 (3) "institutions" means hospitals, consistent with Code of  
21 Federal Regulations, title 42, section 440.10; regional  
22 treatment center inpatient services, consistent with section  
23 245.474; nursing facilities; and intermediate care facilities  
24 for persons with mental retardation;

25 (4) "relocation targeted case management" means includes  
26 the provision of both county targeted case management and  
27 service coordination services for the purpose of assisting  
28 recipients to gain access to needed services and supports if  
29 they choose to move from an institution to the community.  
30 Relocation targeted case management may be provided during the  
31 last 180 consecutive days of an eligible recipient's  
32 institutional stay; and

33 (5) "targeted case management" means case management  
34 services provided to help recipients gain access to needed  
35 medical, social, educational, and other services and supports.

36 Sec. 7. Minnesota Statutes 2004, section 256B.0621,

1 subdivision 3, is amended to read:

2 Subd. 3. [ELIGIBILITY.] The following persons are eligible  
3 for relocation targeted case management or home care-targeted  
4 care targeted case management:

5 (1) medical assistance eligible persons residing in  
6 institutions who choose to move into the community are eligible  
7 for relocation targeted case management services; and

8 (2) medical assistance eligible persons receiving home care  
9 services, who are not eligible for any other medical assistance  
10 reimbursable case management service, are eligible for home  
11 ~~care-targeted~~ care targeted case management services beginning  
12 ~~January-17-2003~~ July 1, 2005.

13 Sec. 8. Minnesota Statutes 2004, section 256B.0621,  
14 subdivision 4, is amended to read:

15 Subd. 4. [RELOCATION TARGETED COUNTY CASE MANAGEMENT  
16 PROVIDER QUALIFICATIONS.] (a) A relocation targeted county case  
17 management provider is an enrolled medical assistance provider  
18 who is determined by the commissioner to have all of the  
19 following characteristics:

20 (1) the legal authority to provide public welfare under  
21 sections 393.01, subdivision 7; and 393.07; or a federally  
22 recognized Indian tribe;

23 (2) the demonstrated capacity and experience to provide the  
24 components of case management to coordinate and link community  
25 resources needed by the eligible population;

26 (3) the administrative capacity and experience to serve the  
27 target population for whom it will provide services and ensure  
28 quality of services under state and federal requirements;

29 (4) the legal authority to provide complete investigative  
30 and protective services under section 626.556, subdivision 10;  
31 and child welfare and foster care services under section 393.07,  
32 subdivisions 1 and 2; or a federally recognized Indian tribe;

33 (5) a financial management system that provides accurate  
34 documentation of services and costs under state and federal  
35 requirements; and

36 (6) the capacity to document and maintain individual case

1 records under state and federal requirements.

2 (b) A provider of targeted case management under section  
3 256B.0625, subdivision 20, may be deemed a certified provider of  
4 relocation targeted case management.

5 (c) A relocation targeted county case management provider  
6 may subcontract with another provider to deliver relocation  
7 targeted case management services. Subcontracted providers must  
8 demonstrate the ability to provide the services outlined in  
9 subdivision 6, and have a procedure in place that notifies the  
10 recipient and the recipient's legal representative of any  
11 conflict of interest if the contracted targeted case management  
12 provider also provides, or will provide, the recipient's  
13 services and supports. Counties must require that contracted  
14 providers must provide information on all conflicts of interest  
15 and obtain the recipient's informed consent or provide the  
16 recipient with alternatives.

17 Sec. 9. Minnesota Statutes 2004, section 256B.0621,  
18 subdivision 5, is amended to read:

19 Subd. 5. [HOME CARE TARGETED CASE MANAGEMENT AND  
20 RELOCATION SERVICE COORDINATION PROVIDER QUALIFICATIONS.] ~~The~~  
21 ~~following-qualifications-and-certification-standards-must-be-met~~  
22 ~~by Providers of home care targeted case management and~~  
23 ~~relocation service coordination must meet the qualifications~~  
24 ~~under subdivision 4 or the following qualifications and~~  
25 ~~certification standards.~~

26 (a) The commissioner must certify each provider of home  
27 care targeted case management and relocation service  
28 coordination before enrollment. The certification process shall  
29 examine the provider's ability to meet the requirements in this  
30 subdivision and other state and federal requirements of this  
31 service.

32 (b) A Both home care targeted case management ~~provider-is~~  
33 ~~an providers and relocation service coordination providers are~~  
34 ~~enrolled medical assistance provider providers who has have a~~  
35 ~~minimum of a bachelor's degree or a license in a health or human~~  
36 ~~services field, or comparable training and two years of~~

1 experience in human services, and is have been determined by the  
2 commissioner to have all of the following characteristics:

3 (1) the demonstrated capacity and experience to provide the  
4 components of case management to coordinate and link community  
5 resources needed by the eligible population;

6 (2) the administrative capacity and experience to serve the  
7 target population for whom it will provide services and ensure  
8 quality of services under state and federal requirements;

9 (3) a financial management system that provides accurate  
10 documentation of services and costs under state and federal  
11 requirements;

12 (4) the capacity to document and maintain individual case  
13 records under state and federal requirements; and

14 (5) the capacity to coordinate with county administrative  
15 functions;

16 (6) have no financial interest in the provision of  
17 out-of-home residential services to persons for whom targeted  
18 case management or relocation service coordination is provided;  
19 and

20 (7) if a provider has a financial interest in services  
21 other than out-of-home residential services provided to persons  
22 for whom targeted case management or relocation service  
23 coordination is also provided, the county must determine each  
24 year that:

25 (i) any possible conflict of interest is explained annually  
26 at a face-to-face meeting and in writing and the person provides  
27 written informed consent consistent with section 256B.77,  
28 subdivision 2, paragraph (p); and

29 (ii) information on a range of other feasible service  
30 provider options has been provided.

31 Sec. 10. Minnesota Statutes 2004, section 256B.0621,  
32 subdivision 6, is amended to read:

33 Subd. 6. [ELIGIBLE SERVICES.] (a) Services eligible for  
34 medical assistance reimbursement as targeted case management  
35 include:

36 (1) assessment of the recipient's need for targeted case

1 management services;

2 (2) development, completion, and regular review of a  
3 written individual service plan, which is based upon the  
4 assessment of the recipient's needs and choices, and which will  
5 ensure access to medical, social, educational, and other related  
6 services and supports;

7 (3) routine contact or communication with the recipient,  
8 recipient's family, primary caregiver, legal representative,  
9 substitute care provider, service providers, or other relevant  
10 persons identified as necessary to the development or  
11 implementation of the goals of the individual service plan;

12 (4) coordinating referrals for, and the provision of, case  
13 management services for the recipient with appropriate service  
14 providers, consistent with section 1902(a)(23) of the Social  
15 Security Act;

16 (5) coordinating and monitoring the overall service  
17 delivery and engaging in advocacy as needed to ensure quality of  
18 services, appropriateness, and continued need;

19 (6) completing and maintaining necessary documentation that  
20 supports and verifies the activities in this subdivision;

21 (7) traveling assisting individuals in order to access  
22 needed services, including travel to conduct a visit with the  
23 recipient or other relevant person necessary to develop or  
24 implement the goals of the individual service plan; and

25 (8) coordinating with the institution discharge planner in  
26 the 180-day period before the recipient's discharge.

27 (b) Relocation targeted county case management includes  
28 services under paragraph (a), clauses (2) and (4). Relocation  
29 service coordination includes services under paragraph (a),  
30 clauses (1), (3), and (5) to (8). Home care targeted case  
31 management includes services under paragraph (a), clauses (1) to  
32 (8).

33 Sec. 11. Minnesota Statutes 2004, section 256B.0621,  
34 subdivision 7, is amended to read:

35 Subd. 7. [TIME LINES.] The following time lines must be  
36 met for assigning a case manager:

1 (a) For relocation targeted case management, an eligible  
2 recipient must be assigned a county case manager who visits the  
3 person within 20 working days of requesting a case manager from  
4 their county of financial responsibility as determined under  
5 chapter 256G.

6 (1) If a county agency, its contractor, or federally  
7 recognized tribe does not provide case management services as  
8 required, the recipient may obtain ~~targeted-relocation-case~~  
9 ~~management-services~~ relocation service coordination from an  
10 alternative a provider of-targeted-case-management-services  
11 ~~enrolled-by-the-commissioner~~ qualified under subdivision 5.

12 (2) The commissioner may waive the provider requirements in  
13 subdivision 4, paragraph (a), clauses (1) and (4), to ensure  
14 recipient access to the assistance necessary to move from an  
15 institution to the community. The recipient or the recipient's  
16 legal guardian shall provide written notice to the county or  
17 tribe of the decision to obtain services from an alternative  
18 provider.

19 (3) Providers of relocation targeted case management  
20 enrolled under this subdivision shall:

21 (i) meet the provider requirements under subdivision 4 that  
22 are not waived by the commissioner;

23 (ii) be qualified to provide the services specified in  
24 subdivision 6;

25 (iii) coordinate efforts with local social service agencies  
26 and tribes; and

27 (iv) comply with the conflict of interest provisions  
28 established under subdivision 4, paragraph (c).

29 (4) Local social service agencies and federally recognized  
30 tribes shall cooperate with providers certified by the  
31 commissioner under this subdivision to facilitate the  
32 recipient's successful relocation from an institution to the  
33 community.

34 (b) For home care targeted case management, an eligible  
35 recipient must be assigned a case manager within 20 working days  
36 of requesting a case manager from a home care targeted case

1 management provider, as defined in subdivision 5.

2 Sec. 12. Minnesota Statutes 2004, section 256B.0621, is  
3 amended by adding a subdivision to read:

4 Subd. 11. [DATA USE AGREEMENT AND NOTICE OF RELOCATION  
5 TARGETED CASE MANAGEMENT AVAILABILITY.] (a) The commissioner  
6 shall execute a data use agreement with the Center for Medicare  
7 and Medicaid Services to obtain the long-term care minimum data  
8 set data to assist residents of nursing facilities who have  
9 indicated a desire to live in the community. The commissioner  
10 shall in turn enter into agreements with the Centers for  
11 Independent Living and other disability advocacy organizations  
12 to assist persons who want help to move to the community.

13 (b) Upon admission and annually thereafter, the  
14 commissioner shall provide notification to medical assistance  
15 eligible persons who are residing in institutions of the  
16 availability of relocation targeted case management services,  
17 including contact information for the responsible county and  
18 senior and disability organizations that provide assistance to  
19 persons with disabilities.

20 Sec. 13. Minnesota Statutes 2004, section 256B.0622,  
21 subdivision 2, is amended to read:

22 Subd. 2. [DEFINITIONS.] For purposes of this section, the  
23 following terms have the meanings given them.

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

34 (b) "Intensive residential rehabilitative mental health  
35 services" means short-term, time-limited services provided in a  
36 residential setting to recipients who are in need of more

1 restrictive settings and are at risk of significant functional  
2 deterioration if they do not receive these services. Services  
3 are designed to develop and enhance psychiatric stability,  
4 personal and emotional adjustment, self-sufficiency, and skills  
5 to live in a more independent setting. Services must be  
6 directed toward a targeted discharge date with specified client  
7 outcomes and must be consistent with the Fairweather Lodge  
8 treatment model as defined in paragraph (a), and other  
9 evidence-based practices.

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

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

17 (e) "Treatment team" means all staff who provide services  
18 under this section to recipients. At a minimum, this includes  
19 the clinical supervisor, mental health professionals, mental  
20 health practitioners, and mental health rehabilitation workers.

21 Sec. 14. Minnesota Statutes 2004, section 256B.0625,  
22 subdivision 9, is amended to read:

23 Subd. 9. [DENTAL SERVICES.] ~~(a)~~ Medical assistance covers  
24 dental services. Dental services include, with prior  
25 authorization, fixed bridges that are cost-effective for persons  
26 who cannot use removable dentures because of their medical  
27 condition.

28 ~~(b)-Coverage-of-dental-services-for-adults-age-21-and-over~~  
29 ~~who-are-not-pregnant-is-subject-to-a-\$500-annual-benefit-limit~~  
30 ~~and-covered-services-are-limited-to:~~

31 ~~(1)-diagnostic-and-preventative-services;~~

32 ~~(2)-restorative-services;-and~~

33 ~~(3)-emergency-services.~~

34 ~~Emergency-services,-dentures,-and-extractions-related-to~~  
35 ~~dentures-are-not-included-in-the-\$500-annual-benefit-limit.~~

36 Sec. 15. Minnesota Statutes 2004, section 256B.0916, is



1 amended by adding a subdivision to read:

2 Subd. 10. [TRANSITIONAL SUPPORTS ALLOWANCE.] A  
3 transitional supports allowance shall be available to all  
4 persons under a home and community-based waiver who are moving  
5 from a licensed setting to a community setting. "Transitional  
6 supports allowance" means a onetime payment of up to \$3,000, to  
7 cover the costs, not covered by other sources, associated with  
8 moving from a licensed setting to a community setting. Covered  
9 costs include:

- 10 (1) lease or rent deposits;  
11 (2) security deposits;  
12 (3) utilities set-up costs, including telephone;  
13 (4) essential furnishings and supplies; and  
14 (5) personal supports and transports needed to locate and  
15 transition to community settings.

16 [EFFECTIVE DATE.] This section is effective upon federal  
17 approval and to the extent approved as a federal waiver  
18 amendment.

19 Sec. 16. Minnesota Statutes 2004, section 256B.092,  
20 subdivision 4b, is amended to read:

21 Subd. 4b. [COUNTY CASE MANAGEMENT AND SERVICE COORDINATION  
22 FOR PERSONS RECEIVING HOME AND COMMUNITY-BASED SERVICES.] (a)  
23 Persons authorized for and receiving home and community-based  
24 services may select from public vendors of county case  
25 management which have provider agreements with the state to  
26 provide home and community-based case management service  
27 activities. ~~This subdivision becomes effective July 1, 1992,~~  
28 ~~only if the state agency is unable to secure federal approval~~  
29 ~~for limiting choice of case management vendors to the county of~~  
30 ~~financial responsibility.~~

31 (b) The commissioner shall ensure that each eligible person  
32 is given a choice between county and private agency service  
33 coordination vendors consistent with the provisions of section  
34 256B.49, subdivision 13.

35 [EFFECTIVE DATE.] This section is effective July 1, 2005,  
36 or, if a federal waiver is required, on the date the federal

1 waiver is granted.

2 Sec. 17. Minnesota Statutes 2004, section 256B.35,  
3 subdivision 1, is amended to read:

4 Subdivision 1. [PERSONAL NEEDS ALLOWANCE.] (a)

5 Notwithstanding any law to the contrary, welfare allowances for  
6 clothing and personal needs for individuals receiving medical  
7 assistance while residing in any skilled nursing home,  
8 intermediate care facility, or medical institution including  
9 recipients of supplemental security income, in this state shall  
10 not be less than \$45 \$150 per month from all sources. When  
11 benefit amounts for Social Security or supplemental security  
12 income recipients are increased pursuant to United States Code,  
13 title 42, sections 415(i) and 1382f, the commissioner shall,  
14 effective in the month in which the increase takes effect,  
15 increase by the same percentage to the nearest whole dollar the  
16 clothing and personal needs allowance for individuals receiving  
17 medical assistance while residing in any skilled nursing home,  
18 medical institution, or intermediate care facility. The  
19 commissioner shall provide timely notice to local agencies,  
20 providers, and recipients of increases under this provision.

21 (b) The personal needs allowance may be paid as part of the  
22 Minnesota supplemental aid program, notwithstanding the  
23 provisions of section 256D.37, subdivision 2, and payments to  
24 recipients of Minnesota supplemental aid may be made once each  
25 three months covering liabilities that accrued during the  
26 preceding three months.

27 (c) The personal needs allowance shall be increased to  
28 include income garnished for child support under a court order,  
29 up to a maximum of \$250 per month but only to the extent that  
30 the amount garnished is not deducted as a monthly allowance for  
31 children under section 256B.0575, paragraph (a), clause (5).

32 Sec. 18. Minnesota Statutes 2004, section 256B.49,  
33 subdivision 13, is amended to read:

34 Subd. 13. [COUNTY CASE MANAGEMENT AND SERVICE COORDINATION  
35 SERVICES.] (a) Each recipient of a home and community-based  
36 waiver shall be provided county case management and service

1 coordination services by qualified vendors as described in the  
2 federally approved waiver application and offered a choice  
3 between county and private vendors for service coordination  
4 services. The county case management service  
5 activities services to be provided will include:

6 (1) assessing the needs of the individual within 20 working  
7 days of a recipient's request;

8 (2) developing the written individual service plan within  
9 ten working days after the assessment is completed, including a  
10 determination of resources needed to meet assessed needs;

11 (3) informing the recipient or the recipient's legal  
12 guardian or conservator of service options; and

13 (4) monitoring and evaluating the overall service plan  
14 implementation to assure the recipient's health, safety,  
15 welfare, and service outcomes.

16 (b) Each recipient shall be offered a choice of a service  
17 coordination vendor among qualified public and private vendors  
18 as described in the federally approved waiver application. The  
19 service coordination activities include:

20 (1) assisting the recipient to provide medical and other  
21 information to determine services needs;

22 (2) assisting the recipient in the identification of  
23 potential service providers;

24 ~~(3)~~ (3) assisting the recipient to access services;

25 ~~(4)~~ (4) coordinating, evaluating, and monitoring of the  
26 recipient and the services identified in the service plan to  
27 assure that the ongoing needs of the recipient are met or  
28 changes are made, if needed;

29 ~~(5)~~ (5) assisting the recipient to obtain all information  
30 for completing the annual or other reviews described in  
31 subdivision 14 of the service plan with the case manager; and

32 (6) participating in meetings and consultations and  
33 advocating for the recipient with recipient's service providers,  
34 medical providers, and county staff as needed;

35 (7) having no financial interest in out-of-home residential  
36 services for persons for whom service coordination is provided;

1 and

2 ~~(8) informing the recipient or legal representative of the~~  
3 ~~right to have assessments completed and service plans developed~~  
4 ~~within specified time periods, and to appeal county action or~~  
5 ~~inaction under section 256.045, subdivision 3~~ if a provider has  
6 a financial interest in services other than out-of-home  
7 residential services provided to persons for whom targeted case  
8 management or relocation service coordination is also provided,  
9 the county must determine each year that:

10 (i) any possible conflict of interest is explained annually  
11 at a face-to-face meeting and in writing and the person provides  
12 written informed consent consistent with section 256B.77,  
13 subdivision 2, paragraph (p); and

14 (ii) information on a range of other feasible service  
15 provider options has been provided.

16 ~~(b)~~ (c) The case manager county may delegate certain  
17 aspects of the county case management or service coordination  
18 activities to another individual provided there is oversight by  
19 the case manager. The case manager may not delegate those  
20 aspects which require professional judgment including  
21 assessments, reassessments, and care plan development.

22 [EFFECTIVE DATE.] This section is effective July 1, 2005,  
23 or, if a federal waiver is required, on the date the federal  
24 waiver is granted.

25 Sec. 19. Minnesota Statutes 2004, section 256B.49,  
26 subdivision 14, is amended to read:

27 Subd. 14. [ASSESSMENT AND REASSESSMENT.] (a) Assessments  
28 of each recipient's strengths, informal support systems, and  
29 need for services shall be completed by the county case manager  
30 within 20 working days of the recipient's request. Reassessment  
31 of each recipient's strengths, support systems, and need for  
32 services shall be conducted by the county case manager at least  
33 every 12 months and at other times when there has been a  
34 significant change in the recipient's functioning.

35 (b) Persons with mental retardation or a related condition  
36 who apply for services under the nursing facility level waiver

1 programs shall be screened for the appropriate level of care  
2 according to section 256B.092.

3 (c) Recipients who are found eligible for home and  
4 community-based services under this section before their 65th  
5 birthday may remain eligible for these services after their 65th  
6 birthday if they continue to meet all other eligibility factors.

7 Sec. 20. Minnesota Statutes 2004, section 256B.49,  
8 subdivision 16, is amended to read:

9 Subd. 16. [SERVICES AND SUPPORTS.] (a) Services and  
10 supports included in the home and community-based waivers for  
11 persons with disabilities shall meet the requirements set out in  
12 United States Code, title 42, section 1396n. The services and  
13 supports, which are offered as alternatives to institutional  
14 care, shall promote consumer choice, community inclusion,  
15 self-sufficiency, and self-determination.

16 (b) Beginning January 1, 2003, the commissioner shall  
17 simplify and improve access to home and community-based waived  
18 services, to the extent possible, through the establishment of a  
19 common service menu that is available to eligible recipients  
20 regardless of age, disability type, or waiver program.

21 (c) Consumer directed community support services shall be  
22 offered as an option to all persons eligible for services under  
23 subdivision 11, by January 1, 2002.

24 (d) Services and supports shall be arranged and provided  
25 consistent with individualized written plans of care for  
26 eligible waiver recipients.

27 (e) A transitional supports allowance shall be available to  
28 all persons under a home and community-based waiver who are  
29 moving from a licensed setting to a community setting.

30 "Transitional supports allowance" means a onetime payment of up  
31 to \$3,000, to cover the costs, not covered by other sources,  
32 associated with moving from a licensed setting to a community  
33 setting. Covered costs include:

34 (1) lease or rent deposits;

35 (2) security deposits;

36 (3) utilities set-up costs, including telephone;

1 (4) essential furnishings and supplies; and

2 (5) personal supports and transports needed to locate and  
3 transition to community settings.

4 (f) The state of Minnesota and county agencies that  
5 administer home and community-based waived services for  
6 persons with disabilities, shall not be liable for damages,  
7 injuries, or liabilities sustained through the purchase of  
8 supports by the individual, the individual's family, legal  
9 representative, or the authorized representative with funds  
10 received through the consumer-directed community support service  
11 under this section. Liabilities include but are not limited  
12 to: workers' compensation liability, the Federal Insurance  
13 Contributions Act (FICA), or the Federal Unemployment Tax Act  
14 (FUTA).

15 [EFFECTIVE DATE.] This section is effective upon federal  
16 approval and to the extent approved as a federal waiver  
17 amendment.

18 Sec. 21. Minnesota Statutes 2004, section 256B.5012, is  
19 amended by adding a subdivision to read:

20 Subd. 6. [ICF/MR RATE INCREASES BEGINNING JANUARY 1, 2006,  
21 AND JANUARY 1, 2007.] For the rate years beginning January 1,  
22 2006, and January 1, 2007, the commissioner shall provide  
23 facilities reimbursed under this section an adjustment to the  
24 total operating payment rate of ..... percent. At least  
25 two-thirds of each year's adjustment must be used for increased  
26 costs of employee salaries and benefits and associated costs for  
27 FICA, the Medicare tax, workers' compensation premiums, and  
28 federal and state unemployment insurance. Each facility  
29 receiving an adjustment shall report to the commissioner, in the  
30 form and manner specified by the commissioner, on how the  
31 additional funding was used.

32 Sec. 22. Minnesota Statutes 2004, section 256B.69,  
33 subdivision 23, is amended to read:

34 Subd. 23. [ALTERNATIVE INTEGRATED LONG-TERM CARE SERVICES;  
35 ELDERLY AND DISABLED PERSONS.] (a) The commissioner may  
36 implement demonstration projects to create alternative

1 integrated delivery systems for acute and long-term care  
2 services to elderly persons and persons with disabilities as  
3 defined in section 256B.77, subdivision 7a, that provide  
4 increased coordination, improve access to quality services, and  
5 mitigate future cost increases. The commissioner may seek  
6 federal authority to combine Medicare and Medicaid capitation  
7 payments for the purpose of such demonstrations. Medicare funds  
8 and services shall be administered according to the terms and  
9 conditions of the federal waiver and demonstration provisions.  
10 For the purpose of administering medical assistance funds,  
11 demonstrations under this subdivision are subject to  
12 subdivisions 1 to 22. The provisions of Minnesota Rules, parts  
13 9500.1450 to 9500.1464, apply to these demonstrations, with the  
14 exceptions of parts 9500.1452, subpart 2, item B; and 9500.1457,  
15 subpart 1, items B and C, which do not apply to persons  
16 enrolling in demonstrations under this section. An initial open  
17 enrollment period may be provided. Persons who disenroll from  
18 demonstrations under this subdivision remain subject to  
19 Minnesota Rules, parts 9500.1450 to 9500.1464. When a person is  
20 enrolled in a health plan under these demonstrations and the  
21 health plan's participation is subsequently terminated for any  
22 reason, the person shall be provided an opportunity to select a  
23 new health plan and shall have the right to change health plans  
24 within the first 60 days of enrollment in the second health  
25 plan. Persons required to participate in health plans under  
26 this section who fail to make a choice of health plan shall not  
27 be randomly assigned to health plans under these demonstrations.  
28 Notwithstanding section 256L.12, subdivision 5, and Minnesota  
29 Rules, part 9505.5220, subpart 1, item A, if adopted, for the  
30 purpose of demonstrations under this subdivision, the  
31 commissioner may contract with managed care organizations,  
32 including counties, to serve only elderly persons eligible for  
33 medical assistance, elderly and disabled persons, or disabled  
34 persons only. For persons with primary diagnoses of mental  
35 retardation or a related condition, serious and persistent  
36 mental illness, or serious emotional disturbance, the

1 commissioner must ensure that the county authority has approved  
2 the demonstration and contracting design. Enrollment in these  
3 projects for persons with disabilities shall be voluntary. The  
4 commissioner shall not implement any demonstration project under  
5 this subdivision for persons with primary diagnoses of mental  
6 retardation or a related condition, serious and persistent  
7 mental illness, or serious emotional disturbance, without  
8 approval of the county board of the county in which the  
9 demonstration is being implemented.

10 (b) Notwithstanding chapter 245B, sections 252.40 to  
11 252.46, 256B.092, 256B.501 to 256B.5015, and Minnesota Rules,  
12 parts 9525.0004 to 9525.0036, 9525.1200 to 9525.1330, 9525.1580,  
13 and 9525.1800 to 9525.1930, the commissioner may implement under  
14 this section projects for persons with developmental  
15 disabilities. The commissioner may capitate payments for ICF/MR  
16 services, waived services for mental retardation or related  
17 conditions, including case management services, day training and  
18 habilitation and alternative active treatment services, and  
19 other services as approved by the state and by the federal  
20 government. Case management and active treatment must be  
21 individualized and developed in accordance with a  
22 person-centered plan. Costs under these projects may not exceed  
23 costs that would have been incurred under fee-for-service.  
24 Beginning July 1, 2003, and until two years after the pilot  
25 project implementation date, subcontractor participation in the  
26 long-term care developmental disability pilot is limited to a  
27 nonprofit long-term care system providing ICF/MR services, home  
28 and community-based waiver services, and in-home services to no  
29 more than 120 consumers with developmental disabilities in  
30 Carver, Hennepin, and Scott Counties. The commissioner shall  
31 report to the legislature prior to expansion of the  
32 developmental disability pilot project. This paragraph expires  
33 two years after the implementation date of the pilot project.

34 (c) Before implementation of a demonstration project for  
35 disabled persons, the commissioner must provide information to  
36 appropriate committees of the house of representatives and



1 senate and must involve representatives of affected disability  
2 groups in the design of the demonstration projects.

3 (d) A nursing facility reimbursed under the alternative  
4 reimbursement methodology in section 256B.434 may, in  
5 collaboration with a hospital, clinic, or other health care  
6 entity provide services under paragraph (a). The commissioner  
7 shall amend the state plan and seek any federal waivers  
8 necessary to implement this paragraph.

9 (e) The commissioner shall seek federal approval to expand  
10 the Minnesota disability health options (MnDHO) program  
11 established under this subdivision in stages, first to regional  
12 population centers outside the seven-county metro area and then  
13 to all areas of the state.

14 Sec. 23. Minnesota Statutes 2004, section 256B.765, is  
15 amended to read:

16 256B.765 [PROVIDER RATE INCREASES.]

17 Subdivision 1. [ANNUAL INFLATION ADJUSTMENTS.] (a)  
18 Effective July 1, 2001, within the limits of appropriations  
19 specifically for this purpose, the commissioner shall provide an  
20 annual inflation adjustment for the providers listed  
21 in ~~paragraph-(c)~~ subdivision 2. The index for the inflation  
22 adjustment must be based on the change in the Employment Cost  
23 Index for Private Industry Workers - Total Compensation  
24 forecasted by Data Resources, Inc., as forecasted in the fourth  
25 quarter of the calendar year preceding the fiscal year. The  
26 commissioner shall increase reimbursement or allocation rates by  
27 the percentage of this adjustment, and county boards shall  
28 adjust provider contracts as needed.

29 (b) The commissioner of finance shall include an annual  
30 inflationary adjustment in reimbursement rates for the providers  
31 listed in ~~paragraph-(c)~~ subdivision 2 using the inflation factor  
32 specified in paragraph (a) as a budget change request in each  
33 biennial detailed expenditure budget submitted to the  
34 legislature under section 16A.11.

35 ~~(c)~~ Subd. 2. [ELIGIBLE PROVIDERS.] The annual adjustment  
36 under subdivision 1, paragraph (a), shall be provided for home

1 and community-based waiver services for persons with mental  
2 retardation or related conditions under section 256B.501; home  
3 and community-based waiver services for the elderly under  
4 section 256B.0915; waived services under community  
5 alternatives for disabled individuals under section 256B.49;  
6 community alternative care waived services under section  
7 256B.49; traumatic brain injury waived services under section  
8 256B.49; nursing services and home health services under section  
9 256B.0625, subdivision 6a; personal care services and nursing  
10 supervision of personal care services under section 256B.0625,  
11 subdivision 19a; private duty nursing services under section  
12 256B.0625, subdivision 7; day training and habilitation services  
13 for adults with mental retardation or related conditions under  
14 sections 252.40 to 252.46; physical therapy services under  
15 sections 256B.0625, subdivision 8, and 256D.03, subdivision 4;  
16 occupational therapy services under sections 256B.0625,  
17 subdivision 8a, and 256D.03, subdivision 4; speech-language  
18 therapy services under section 256D.03, subdivision 4, and  
19 Minnesota Rules, part 9505.0390; respiratory therapy services  
20 under section 256D.03, subdivision 4, and Minnesota Rules, part  
21 9505.0295; alternative care services under section 256B.0913;  
22 adult residential program grants under Minnesota Rules, parts  
23 9535.2000 to 9535.3000; adult and family community support  
24 grants under Minnesota Rules, parts 9535.1700 to 9535.1760;  
25 semi-independent living services under section 252.275 including  
26 SILS funding under county social services grants formerly funded  
27 under chapter 256I; and community support services for deaf and  
28 hard-of-hearing adults with mental illness who use or wish to  
29 use sign language as their primary means of communication.

30 Subd. 3. [RATE INCREASE FOR BIENNIUM BEGINNING JULY 1,  
31 2005.] For the fiscal years beginning July 1, 2005, and July 1,  
32 2006, the commissioner shall increase reimbursement rates for  
33 the providers listed in subdivision 2 by ..... percent. At  
34 least two-thirds of each year's adjustment must be used for  
35 increased costs of employee salaries and benefits and associated  
36 costs for FICA, the Medicare tax, workers' compensation

1 premiums, and federal and state unemployment insurance. Each  
2 provider receiving an adjustment shall report to the  
3 commissioner, in the form and manner specified by the  
4 commissioner, on how the additional funding was used.

5 Sec. 24. Minnesota Statutes 2004, section 256D.03,  
6 subdivision 4, is amended to read:

7 Subd. 4. [GENERAL ASSISTANCE MEDICAL CARE; SERVICES.]

8 (a)(i) For a person who is eligible under subdivision 3,  
9 paragraph (a), clause (2), item (i), general assistance medical  
10 care covers, except as provided in paragraph (c):

11 (1) inpatient hospital services;

12 (2) outpatient hospital services;

13 (3) services provided by Medicare certified rehabilitation  
14 agencies;

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

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

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

23 (7) hearing aids;

24 (8) prosthetic devices;

25 (9) laboratory and X-ray services;

26 (10) physician's services;

27 (11) medical transportation except special transportation;

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

30 (13) podiatric services;

31 (14) dental services ~~and dentures, subject to the~~  
32 ~~limitations specified in section 256B.0625, subdivision 9~~ as  
33 covered under the medical assistance program;

34 (15) outpatient services provided by a mental health center  
35 or clinic that is under contract with the county board and is  
36 established under section 245.62;

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

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

6 (18) psychological services, medical supplies and  
7 equipment, and Medicare premiums, coinsurance and deductible  
8 payments;

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

13 (20) services performed by a certified pediatric nurse  
14 practitioner, a certified family nurse practitioner, a certified  
15 adult nurse practitioner, a certified obstetric/gynecological  
16 nurse practitioner, a certified neonatal nurse practitioner, or  
17 a certified geriatric nurse practitioner in independent  
18 practice, if (1) the service is otherwise covered under this  
19 chapter as a physician service, (2) the service provided on an  
20 inpatient basis is not included as part of the cost for  
21 inpatient services included in the operating payment rate, and  
22 (3) the service is within the scope of practice of the nurse  
23 practitioner's license as a registered nurse, as defined in  
24 section 148.171;

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

31 (22) telemedicine consultations, to the extent they are  
32 covered under section 256B.0625, subdivision 3b.

33 (ii) Effective October 1, 2003, for a person who is  
34 eligible under subdivision 3, paragraph (a), clause (2), item  
35 (ii), general assistance medical care coverage is limited to  
36 inpatient hospital services, including physician services

1 provided during the inpatient hospital stay. A \$1,000  
2 deductible is required for each inpatient hospitalization.

3 (b) Gender reassignment surgery and related services are  
4 not covered services under this subdivision unless the  
5 individual began receiving gender reassignment services prior to  
6 July 1, 1995.

7 (c) In order to contain costs, the commissioner of human  
8 services shall select vendors of medical care who can provide  
9 the most economical care consistent with high medical standards  
10 and shall where possible contract with organizations on a  
11 prepaid capitation basis to provide these services. The  
12 commissioner shall consider proposals by counties and vendors  
13 for prepaid health plans, competitive bidding programs, block  
14 grants, or other vendor payment mechanisms designed to provide  
15 services in an economical manner or to control utilization, with  
16 safeguards to ensure that necessary services are provided.  
17 Before implementing prepaid programs in counties with a county  
18 operated or affiliated public teaching hospital or a hospital or  
19 clinic operated by the University of Minnesota, the commissioner  
20 shall consider the risks the prepaid program creates for the  
21 hospital and allow the county or hospital the opportunity to  
22 participate in the program in a manner that reflects the risk of  
23 adverse selection and the nature of the patients served by the  
24 hospital, provided the terms of participation in the program are  
25 competitive with the terms of other participants considering the  
26 nature of the population served. Payment for services provided  
27 pursuant to this subdivision shall be as provided to medical  
28 assistance vendors of these services under sections 256B.02,  
29 subdivision 8, and 256B.0625. For payments made during fiscal  
30 year 1990 and later years, the commissioner shall consult with  
31 an independent actuary in establishing prepayment rates, but  
32 shall retain final control over the rate methodology.

33 (d) Recipients eligible under subdivision 3, paragraph (a),  
34 clause (2), item (i), shall pay the following co-payments for  
35 services provided on or after October 1, 2003:

36 (1) \$3 per nonpreventive visit. For purposes of this

1 subdivision, a visit means an episode of service which is  
2 required because of a recipient's symptoms, diagnosis, or  
3 established illness, and which is delivered in an ambulatory  
4 setting by a physician or physician ancillary, chiropractor,  
5 podiatrist, nurse midwife, advanced practice nurse, audiologist,  
6 optician, or optometrist;

7 (2) \$25 for eyeglasses;

8 (3) \$25 for nonemergency visits to a hospital-based  
9 emergency room; and

10 (4) \$3 per brand-name drug prescription and \$1 per generic  
11 drug prescription, subject to a \$20 per month maximum for  
12 prescription drug co-payments. No co-payments shall apply to  
13 antipsychotic drugs when used for the treatment of mental  
14 illness; ~~and~~

15 ~~(5) 50-percent-coinsurance-on-restorative-dental-services.~~

16 (e) Co-payments shall be limited to one per day per  
17 provider for nonpreventive visits, eyeglasses, and nonemergency  
18 visits to a hospital-based emergency room. Recipients of  
19 general assistance medical care are responsible for all  
20 co-payments in this subdivision. The general assistance medical  
21 care reimbursement to the provider shall be reduced by the  
22 amount of the co-payment, except that reimbursement for  
23 prescription drugs shall not be reduced once a recipient has  
24 reached the \$20 per month maximum for prescription drug  
25 co-payments. The provider collects the co-payment from the  
26 recipient. Providers may not deny services to recipients who  
27 are unable to pay the co-payment, except as provided in  
28 paragraph (f).

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

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

36 (h) Chemical dependency services that are reimbursed under

1 chapter 254B must not be reimbursed under general assistance  
2 medical care.

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

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

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

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

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

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

23 Sec. 25. Minnesota Statutes 2004, section 256L.03,  
24 subdivision 1, is amended to read:

25 Subdivision 1. [COVERED HEALTH SERVICES.] For individuals  
26 under section 256L.04, subdivision 7, with income no greater  
27 than 75 percent of the federal poverty guidelines or for  
28 families with children under section 256L.04, subdivision 1, all  
29 subdivisions of this section apply. "Covered health services"  
30 means the health services reimbursed under chapter 256B, with  
31 the exception of inpatient hospital services, special education  
32 services, private duty nursing services, adult dental care  
33 services ~~other-than-services~~ except as covered under section  
34 256B.0625, subdivision 9, ~~paragraph-(b)7-orthodontic-services,~~  
35 nonemergency medical transportation services, personal care  
36 assistant and case management services, nursing home or

1 intermediate care facilities services, inpatient mental health  
2 services, and chemical dependency services. Outpatient mental  
3 health services covered under the MinnesotaCare program are  
4 limited to diagnostic assessments, psychological testing,  
5 explanation of findings, medication management by a physician,  
6 day treatment, partial hospitalization, and individual, family,  
7 and group psychotherapy.

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

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

15 Sec. 26. Minnesota Statutes 2004, section 256L.03,  
16 subdivision 5, is amended to read:

17 Subd. 5. [CO-PAYMENTS AND COINSURANCE.] (a) Except as  
18 provided in paragraphs (b) and (c), the MinnesotaCare benefit  
19 plan shall include the following co-payments and coinsurance  
20 requirements for all enrollees:

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

25 (2) \$3 per prescription for adult enrollees; and

26 (3) \$25 for eyeglasses for adult enrollees; ~~and~~

27 ~~(4) 50 percent of the fee-for-service rate for adult dental~~  
28 ~~care services other than preventive care services for persons~~  
29 ~~eligible under section 256B.04, subdivisions 1 to 7, with income~~  
30 ~~equal to or less than 175 percent of the federal poverty~~  
31 ~~guidelines.~~

32 (b) Paragraph (a), clause (1), does not apply to parents  
33 and relative caretakers of children under the age of 21 in  
34 households with family income equal to or less than 175 percent  
35 of the federal poverty guidelines. Paragraph (a), clause (1),  
36 does not apply to parents and relative caretakers of children



1 under the age of 21 in households with family income greater  
2 than 175 percent of the federal poverty guidelines for inpatient  
3 hospital admissions occurring on or after January 1, 2001.

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

6 (d) Adult enrollees with family gross income that exceeds  
7 175 percent of the federal poverty guidelines and who are not  
8 pregnant shall be financially responsible for the coinsurance  
9 amount, if applicable, and amounts which exceed the \$10,000  
10 inpatient hospital benefit limit.

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

18 Sec. 27. [FEDERAL APPROVAL.]

19 By August 1, 2005, the commissioner of human services shall  
20 request any federal approval and plan amendments necessary to  
21 implement (1) the transitional supports allowance under  
22 Minnesota Statutes, sections 256B.0916, subdivision 10; and  
23 256B.49, subdivision 16; and (2) the choice of case management  
24 service coordination provisions under Minnesota Statutes,  
25 sections 256B.0621, subdivision 4; 256B.092, subdivisions 2a and  
26 4b; and 256B.49, subdivision 13.

27 Sec. 28. [DENTAL ACCESS FOR PERSONS WITH DISABILITIES.]

28 The commissioner of human services shall study access to  
29 dental services for persons with disabilities, and shall present  
30 recommendations for improving access to dental services to the  
31 legislature by January 15, 2006. The study must examine  
32 physical and geographic access, the willingness of dentists to  
33 serve persons with disabilities enrolled in state health care  
34 programs, reimbursement rates for dental service providers, and  
35 other factors identified by the commissioner as potential  
36 barriers to accessing dental services.

1 Sec. 29. [DISABILITY SERVICES INTERAGENCY WORK GROUP.]

2 Subdivision 1. [ESTABLISHMENT.] The commissioners of human  
3 services and housing finance and the Minnesota State Council on  
4 Disability shall convene an interagency work group of interested  
5 stakeholders, including other state agencies, counties, public  
6 housing authorities, the Metropolitan Council, disability  
7 service providers, and representatives from disability advocacy  
8 organizations to identify barriers, strengthen coordination,  
9 recommend policy and funding changes, and pursue federal  
10 financing that will assist Minnesotans with disabilities who are  
11 attempting to relocate from or avoid placement in institutional  
12 settings.

13 Subd. 2. [WORK GROUP ACTIVITIES.] The work group shall  
14 make recommendations to the state agencies and the legislature  
15 related to:

16 (1) coordinating the availability of housing,  
17 transportation, and support services needed to discharge persons  
18 with disabilities from institutions;

19 (2) improving information and assistance needed to make an  
20 informed choice about relocating from an institutional placement  
21 to community-based services;

22 (3) identifying gaps in human services, transportation, and  
23 housing access that are barriers to moving to community  
24 services;

25 (4) identifying strategies that would result in earlier  
26 identification of persons most at risk of institutional  
27 placement in order to promote diversion to community services or  
28 reduce lengths of stay in an institutional facility;

29 (5) identifying funding mechanisms and financial strategies  
30 to assure a financially sustainable community support system  
31 that diverts and relocates individuals from institutional  
32 placement; and

33 (6) identifying state actions needed to address any federal  
34 changes affecting policies, benefits, or funding used to support  
35 persons with disabilities in avoiding institutional placement.

36 Subd. 3. [RECOMMENDATIONS.] Recommendations of the work

1 group must be submitted to each state agency and to the chairs  
2 of the health and human services policy and finance committees  
3 of the senate and house of representatives by October 15, 2006.

1 **Senator Higgins from the Committee on State and Local**  
2 **Government Operations, to which was re-referred**

3 **S.F. No. 984:** A bill for an act relating to human  
4 services; modifying programs and services for persons with  
5 disabilities; amending Minnesota Statutes 2004, sections  
6 256B.04, by adding a subdivision; 256B.056, subdivisions 3, 5c;  
7 256B.057, subdivision 9; 256B.0575; 256B.0621, subdivisions 2,  
8 3, 4, 5, 6, 7, by adding a subdivision; 256B.0622, subdivision  
9 2; 256B.0625, subdivision 9; 256B.0916, by adding a subdivision;  
10 256B.092, subdivision 4b; 256B.35, subdivision 1; 256B.49,  
11 subdivisions 13, 14, 16; 256B.5012, by adding a subdivision;  
12 256B.69, subdivision 23; 256B.765; 256D.03, subdivision 4;  
13 256L.03, subdivisions 1, 5.

14 Reports the same back with the recommendation that the bill  
15 do pass and be re-referred to the Committee on Finance. Report  
16 adopted.

17  
18  
19   
20 .....  
21 (Committee Chair)

22 March 23, 2005.....  
23 (Date of Committee recommendation)

**Senate Counsel, Research,  
and Fiscal Analysis**

G-17 STATE CAPITOL  
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**Senate**  
State of Minnesota

**S.F. No. 1371 - Relating to Watershed Districts**

**Author:** Senator Rod Skoe

**Prepared by:** Daniel P. McGowan, Senate Counsel (651/296-4397) *DPM*

**Date:** March 23, 2005

---

**Sections 1 and 2** clarify statutory language relating to the term of office for the first board of managers of a watershed district. Under current law, the initial appointments by the Board of Soil and Water Resources are for one year, and thereafter the appointments by the county board are staggered from one to three years. With this change, the initial appointments would be staggered, and thereafter the county board appointments would be for three years.

**Section 3** increases the maximum compensation for watershed district managers from \$55 to \$75 per day.

**Section 4** allows watershed district staff or agents with written authorization from the watershed district to enter onto land for surveys and investigations related to watershed district purposes. Under current law, only the managers are allowed to do so.

DPM:vs

Senators Skoe, Langseth, Stumpf, Higgins and Dille introduced--

S.F. No. 1371: Referred to the Committee on State and Local Government Operations.

1 A bill for an act

2 relating to local government; increasing compensation  
3 of watershed district managers; providing for board  
4 elections; clarifying who can enter onto land;  
5 amending Minnesota Statutes 2004, sections 103D.225,  
6 subdivision 4; 103D.315, subdivisions 6, 8; 103D.335,  
7 subdivision 14.

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

9 Section 1. Minnesota Statutes 2004, section 103D.225,  
10 subdivision 4, is amended to read:

11 Subd. 4. [SELECTION OF FIRST BOARD OF MANAGERS.] (a) The  
12 board shall select the first board of managers of a proposed  
13 watershed district from the list of nominees in the  
14 establishment petition except as provided in paragraph (b). The  
15 number of managers may not be less than three nor more than  
16 nine, except that a proposed watershed district entirely within  
17 the metropolitan area may not have fewer than five managers. A  
18 manager may not be a public officer of the county, state, or  
19 federal government, except that a soil and water conservation  
20 supervisor may be a manager. ~~The term of the first board of~~  
21 ~~managers is for one year and until their successors can be~~  
22 ~~appointed and qualified.~~

23 (b) For a proposed watershed district entirely within the  
24 metropolitan area, the board must select managers from a list of  
25 persons nominated by one or more of the cities and towns  
26 affected by the proposed watershed district. The list must

1 contain at least three nominees for each manager position. The  
2 board must select managers to fairly represent the various  
3 hydrologic areas within the proposed watershed district  
4 according to their residence within an area. If the cities or  
5 towns fail to nominate managers under this paragraph, the board  
6 shall select managers under paragraph (a).

7 (c) In the order establishing a watershed district, the  
8 board must prescribe the terms of office for the first board of  
9 managers ~~appointed by the county boards~~ as provided in  
10 paragraphs (d) to (f).

11 (d) If the first board of managers has three members, the  
12 term of office for the managers is one for a term of one year,  
13 one for a term of two years, and one for a term of three years.

14 (e) If the first board of managers has five members, the  
15 term of office for the managers is one for a term of one year,  
16 two for a term of two years, and two for a term of three years.

17 (f) If the first board of managers does not have three or  
18 five members, the managers must be appointed so that as nearly  
19 as possible one-third serve terms of one year, one-third serve  
20 terms of two years, and one-third serve terms of three years.

21 Sec. 2. Minnesota Statutes 2004, section 103D.315,  
22 subdivision 6, is amended to read:

23 Subd. 6. [TERMS OF OFFICE.] The term of office for a  
24 manager is three years except for the first board of managers  
25 appointed by the state board ~~and the first board appointed by~~  
26 ~~the county board~~. A manager's term continues until a successor  
27 is appointed and qualified.

28 Sec. 3. Minnesota Statutes 2004, section 103D.315,  
29 subdivision 8, is amended to read:

30 Subd. 8. [COMPENSATION.] The compensation of managers for  
31 meetings and for performance of other necessary duties may not  
32 exceed \$55 \$75 a day. Managers are entitled to reimbursement  
33 for traveling and other necessary expenses incurred in the  
34 performance of official duties.

35 Sec. 4. Minnesota Statutes 2004, section 103D.335,  
36 subdivision 14, is amended to read:

1           Subd. 14. [ENTRY ON LANDS.] The managers, district staff,  
2 or an agent, if the agent has written authorization from the  
3 district stating the purpose of the entrance, may enter lands  
4 inside or outside the watershed district to make surveys and  
5 investigations to accomplish the purposes of the watershed  
6 district. The watershed district is liable for actual damages  
7 resulting from entry.



AC

1 Senator ..... moves to amend S.F. No. 1371 as  
2 follows:

3 Pages 1 and 2, delete sections 1 and 2

4 Renumber the sections in sequence and correct the internal  
5 references

6 Amend the title accordingly

1 Senator Higgins from the Committee on State and Local  
2 Government Operations, to which was referred

3 S.F. No. 1371: A bill for an act relating to local  
4 government; increasing compensation of watershed district  
5 managers; providing for board elections; clarifying who can  
6 enter onto land; amending Minnesota Statutes 2004, sections  
7 103D.225, subdivision 4; 103D.315, subdivisions 6, 8; 103D.335,  
8 subdivision 14.

9 Reports the same back with the recommendation that the bill  
10 be amended as follows:

11 Pages 1 and 2, delete sections 1 and 2

12 Renumber the sections in sequence

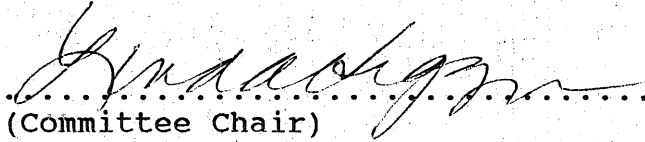
13 Amend the title as follows:

14 Page 1, lines 3 and 4, delete "providing for board  
15 elections;"

16 Page 1, line 5, delete "103D.225,"

17 Page 1, line 6, delete "subdivision 4;" and delete  
18 "subdivisions 6," and insert "subdivision"

19 And when so amended the bill do pass and be re-referred to  
20 the Committee on Environment and Natural Resources. Amendments  
21 adopted. Report adopted.

22  
23   
24 (Committee Chair)

25  
26 March 23, 2005.....  
27 (Date of Committee recommendation)

**Senate Counsel, Research,  
and Fiscal Analysis**

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JO ANNE ZOFF SELLNER  
DIRECTOR

# Senate

State of Minnesota

## **S.F. No. 237 - Relating to a University of Minnesota Football Stadium**

**Author:** Senator Geoff Michel

**Prepared by:** Daniel P. McGowan, Senate Counsel (651/296-4397)

*DPM*

**Date:** March 22, 2005

---

**Section 1.** Legislative findings that state the purpose of the bill is to provide a firm 40 percent level of funding for a University of Minnesota football stadium.

**Section 2.** Definitions section defining "commission," "commissioner," "stadium," and "board."

**Section 3.** A recognition that the University of Minnesota Board of Regents has all power necessary or convenient to design, construct, equip, and operate a new stadium. Allows the Board of Regents to select design and construction procurement procedures that it considers fair.

**Section 4.** Requests that the Board of Regents undertake an environmental review of the stadium project.

**Section 5.** Provides for an annual transfer to the University of Minnesota of \$7 million to cover debt service on bonds that would be issued to pay the state's share of the cost of the stadium. The debt service payments would not begin until at least \$141 million has been committed to the stadium from nonstate sources. Bonds issued to pay the state's share of the cost would be limited to \$94 million.

**Section 6.** Provides that any bonds issued by the University of Minnesota are not public debt of the state and that the full faith and credit of the state is not pledged for their payment.

**Section 7.** Provides an exemption from sales tax for stadium construction materials that expires one year after substantial completion of the stadium.

**Section 8.** Permits issuance of on-sale liquor license for suites and clubs in the stadium.

**Section 9.** Permits termination of the University of Minnesota's lease at the Metrodome on or after completion of the new stadium.

**Section 10.** Effective date of the day following final enactment.

DPM:vs

Senators Michel, Vickerman, Gaither, Marko and Senjem introduced--  
S.F. No. 237: Referred to the Committee on Finance.

1 A bill for an act

2 relating to a University of Minnesota football  
3 stadium; providing a process for state support of a  
4 football stadium at the University of Minnesota;  
5 appropriating money; amending Minnesota Statutes 2004,  
6 sections 297A.71, by adding a subdivision; 340A.404,  
7 subdivision 4a; proposing coding for new law in  
8 Minnesota Statutes, chapter 473.

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

10 Section 1. [PURPOSE; FINDINGS.]

11 The legislature finds that construction of a new football  
12 stadium by the Board of Regents of the University of Minnesota  
13 on the University's east bank campus in the city of Minneapolis  
14 serves statewide public purposes. The legislature finds that  
15 the public purposes served include, but are not limited to,  
16 providing an on-campus outdoor intercollegiate football stadium  
17 as a part of the public amenities for Minnesota's citizens,  
18 enhancing the enjoyment of its citizens, and enhancing the  
19 University experience for students, alumni, faculty, staff, and  
20 other supporters of the University. The legislature finds that  
21 the University intends to join together with its students,  
22 alumni, faculty, staff, and other supporters to raise funds to  
23 build a stadium to return college football to the University  
24 campus. Further, the legislature finds that construction of a  
25 University of Minnesota football stadium should be supported by  
26 the state and that the support should not detract from or be a  
27 substitute for other operating and capital support by the state

1 for the University; however, state financial support for the  
2 stadium should be conditioned upon the University providing for  
3 payment of a significant portion of the stadium's cost from  
4 nonstate general revenue fund sources. The purpose of this act  
5 is to provide a firm 40 percent level of funding for a new  
6 University football stadium to be constructed and owned by the  
7 Regents of the University of Minnesota.

8 Sec. 2. [DEFINITIONS.]

9 Subdivision 1. [APPLICABILITY.] The definitions in this  
10 section apply to sections 2 to 7.

11 Subd. 2. [COMMISSIONER.] "Commissioner" means the  
12 commissioner of finance.

13 Subd. 3. [STADIUM.] "Stadium" means an athletic stadium  
14 suitable for intercollegiate National Collegiate Athletic  
15 Association (NCAA) Division I football games and related  
16 infrastructure improvements constructed on the University of  
17 Minnesota's east bank campus in the city of Minneapolis.

18 Subd. 4. [BOARD.] "Board" means the regents of the  
19 University of Minnesota.

20 Subd. 5. [COMMISSION.] "Commission" means the Metropolitan  
21 Sports Facilities Commission.

22 Sec. 3. [ACTIVITIES; CONTRACTS.]

23 The legislature recognizes that the board has all powers  
24 necessary or convenient for designing, constructing, equipping,  
25 improving, controlling, operating, and maintaining the stadium  
26 and may enter into contracts that are in its judgment in the  
27 best interests of the public for those purposes.

28 Notwithstanding contrary law, the board may adopt the fair and  
29 competitive design and construction procurement procedures in  
30 connection with the stadium that it considers to be in the  
31 public interest. Minnesota Statutes, sections 16B.33 and  
32 16B.335, do not apply to the stadium.

33 Sec. 4. [ENVIRONMENTAL REVIEW.]

34 The legislature requests that the board complete an  
35 environmental review of the stadium project and perform the  
36 duties of the responsible governmental unit as prescribed in the

1 Minnesota Environmental Policy Act, Minnesota Statutes, chapter  
2 116D, and the rules adopted under that chapter. The legislature  
3 ratifies the Environmental Quality Board's designation of the  
4 board as responsible governmental unit.

5 Sec. 5. [CONDITIONS FOR PAYMENT TO THE UNIVERSITY.]

6 Before the commissioner may make the first payment to the  
7 board authorized in this section the commissioner must certify  
8 that the board has received at least \$141,000,000 in pledges,  
9 gifts, sponsorships and other nonstate general fund revenue  
10 support for the construction of the stadium. On July 1 of each  
11 year after certification by the commissioner, but no earlier  
12 than July 1, 2007, and for so long thereafter as any bonds  
13 issued by the board for the construction of the stadium are  
14 outstanding, the state must transfer to the board \$7,000,000 to  
15 reimburse the board for its stadium costs, provided that bonds  
16 issued to pay the state's share of such costs shall not exceed  
17 \$94,000,000. \$7,000,000 is appropriated annually from the  
18 general fund for the purpose of this section. Except to the  
19 extent of the annual appropriation described in this section,  
20 the state is not required to pay any part of the cost of  
21 designing or constructing the stadium.

22 Sec. 6. [NO FULL FAITH AND CREDIT.]

23 Any bonds or other obligations issued by the board under  
24 this act are not public debt of the state, and the full faith  
25 and credit and taxing powers of the state are not pledged for  
26 their payment, or of any payments that the state agrees to make  
27 under this act.

28 Sec. 7. Minnesota Statutes 2004, section 297A.71, is  
29 amended by adding a subdivision to read:

30 Subd. 33. [CONSTRUCTION MATERIALS; UNIVERSITY OF MINNESOTA  
31 FOOTBALL STADIUM.] Materials, supplies, or equipment used or  
32 consumed in connection with the construction, equipping, or  
33 improvement of a football stadium constructed for use by the  
34 University of Minnesota are exempt. This subdivision expires  
35 one year after substantial completion of the football stadium.

36 Sec. 8. Minnesota Statutes 2004, section 340A.404,

1 subdivision 4a, is amended to read:

2 Subd. 4a. [STATE-OWNED RECREATION; ENTERTAINMENT  
3 FACILITIES.] Notwithstanding any other law, local ordinance, or  
4 charter provision, the commissioner may issue on-sale  
5 intoxicating liquor licenses:

6 (1) to the state agency administratively responsible for,  
7 or to an entity holding a concession or facility management  
8 contract with such agency for beverage sales at, the premises of  
9 any Giants Ridge Recreation Area building or recreational  
10 improvement area owned by the state in the town of White, St.  
11 Louis County;

12 (2) to the state agency administratively responsible for,  
13 or to an entity holding a concession or facility management  
14 contract with such agency for beverage sales at, the premises of  
15 any Ironworld Discovery Center building or facility owned by the  
16 state at Chisholm; and

17 (3) to the Board of Regents of the University of Minnesota  
18 for events at Northrop Auditorium and spectator suites and clubs  
19 in any intercollegiate football stadium constructed by the  
20 University on its Minneapolis campus.

21 The commissioner shall charge a fee for licenses issued  
22 under this subdivision in an amount comparable to the fee for  
23 comparable licenses issued in surrounding cities.

24 Sec. 9. [473.5955] [TERMINATION OF LEASE.]

25 The lease between the Regents of the University of  
26 Minnesota and the commission dated May 19, 1982, that requires  
27 the University of Minnesota football team to play its home  
28 football games at the Hubert H. Humphrey Metrodome until July 1,  
29 2012, may be terminated by the board effective on or after the  
30 date designated by the board as the date of completion of the  
31 stadium on the University of Minnesota's east bank campus in the  
32 city of Minneapolis.

33 Sec. 10. [EFFECTIVE DATE.]

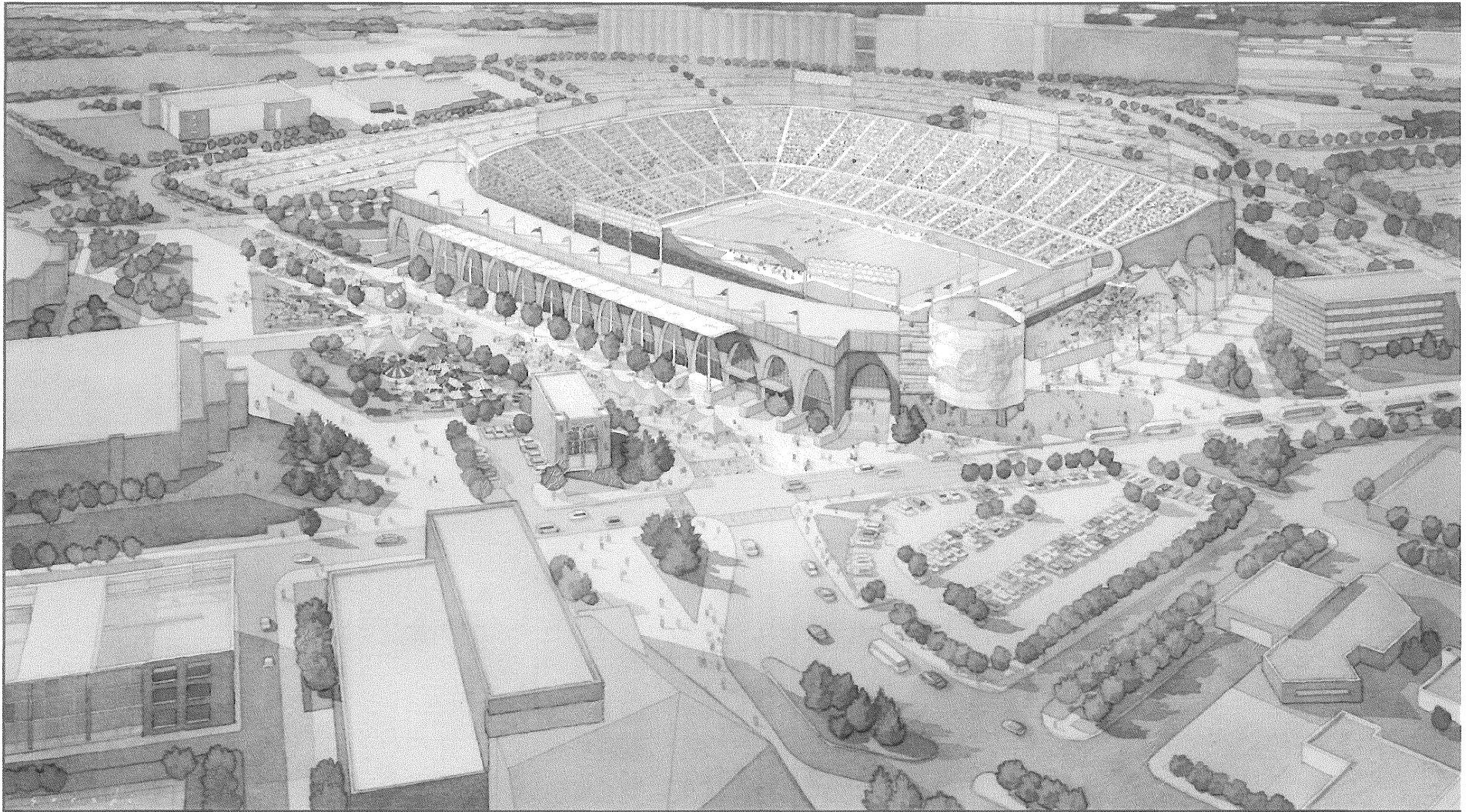
34 Sections 1 to 9 are effective the day following final  
35 enactment.



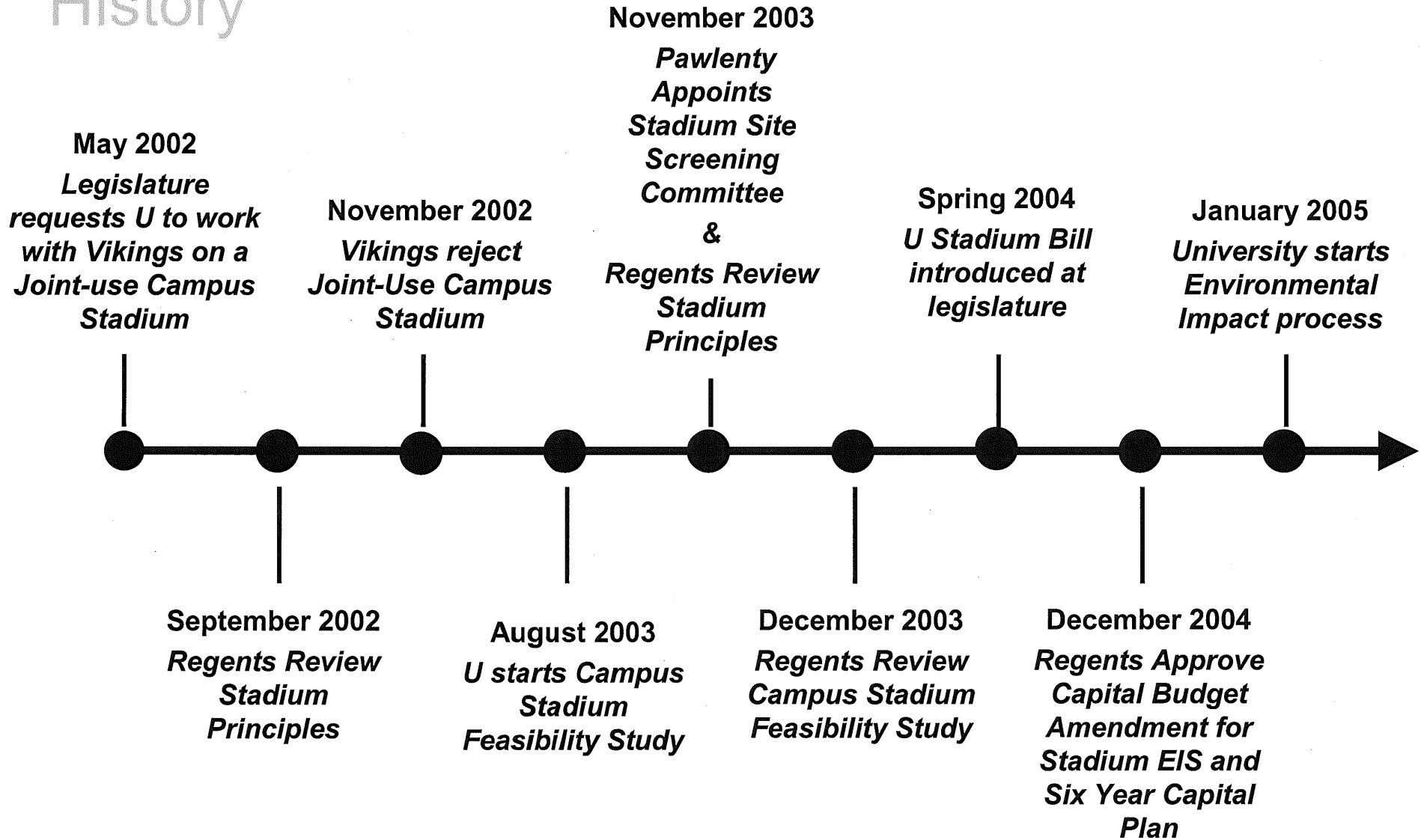
1 Senator ..... moves to amend S.F. No. 237 as follows:

2 Page 3, line 21, after the period, insert "The board must  
3 also certify to the commissioner that a provision for affordable  
4 access for University students to the University sporting events  
5 held at the football stadium has been made."

University of Minnesota On-Campus Stadium  
Presentation to Minnesota Senate  
March 23, 2005



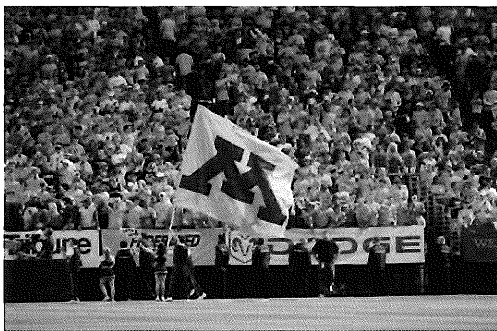
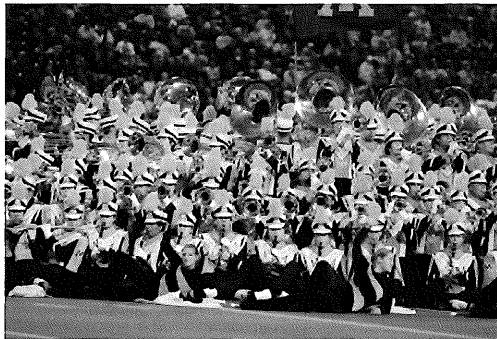
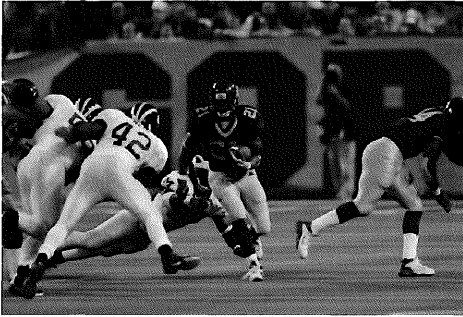
# History



## Why Now?

- An on-campus stadium re-enforces and celebrate the Collegiate Way by creating a greater sense of campus community and University spirit. In addition the stadium will offer new revenue opportunities, and connect more Minnesotans with the University.
- The University has played college football on campus for about 100 of its 123 year football history. College football belongs on campus.
- The Metrodome lease expires in 2011 and the future of the Metrodome is uncertain. New stadiums take 4 to 5 years to plan, design, finance, and construct.
- The U needs to make sure it has an appropriate place to play football. Money and scheduling issues exist at the Metrodome. A campus stadium is the best long-term solution for the U.

# Gopher Stadium – Project Components



## Site (Environmental Cleanup, Land Purchase, Demolition)

Located adjacent to Mariucci and Williams Arenas, includes remediation of existing soil, stadium excavation, soil preparation & acquisition of land required for reconstruction of 23<sup>rd</sup> Avenue S.E.

## District (Parking, Roads, Utilities, Landscape)

Includes 2 landscaped plazas for game day activities, realignment of Oak Street, widening of University Avenue, intersection signals & surfacing parking replacement

## Stadium

Traditional Collegiate 'Look and Feel'

50,000 Capacity in Open-air Horseshoe-shaped Bowl

Expandable to 80,000

39 Suites, 300 indoor club seats, 1,250 outdoor club seats

30,000 square foot indoor club, 750 loge seats

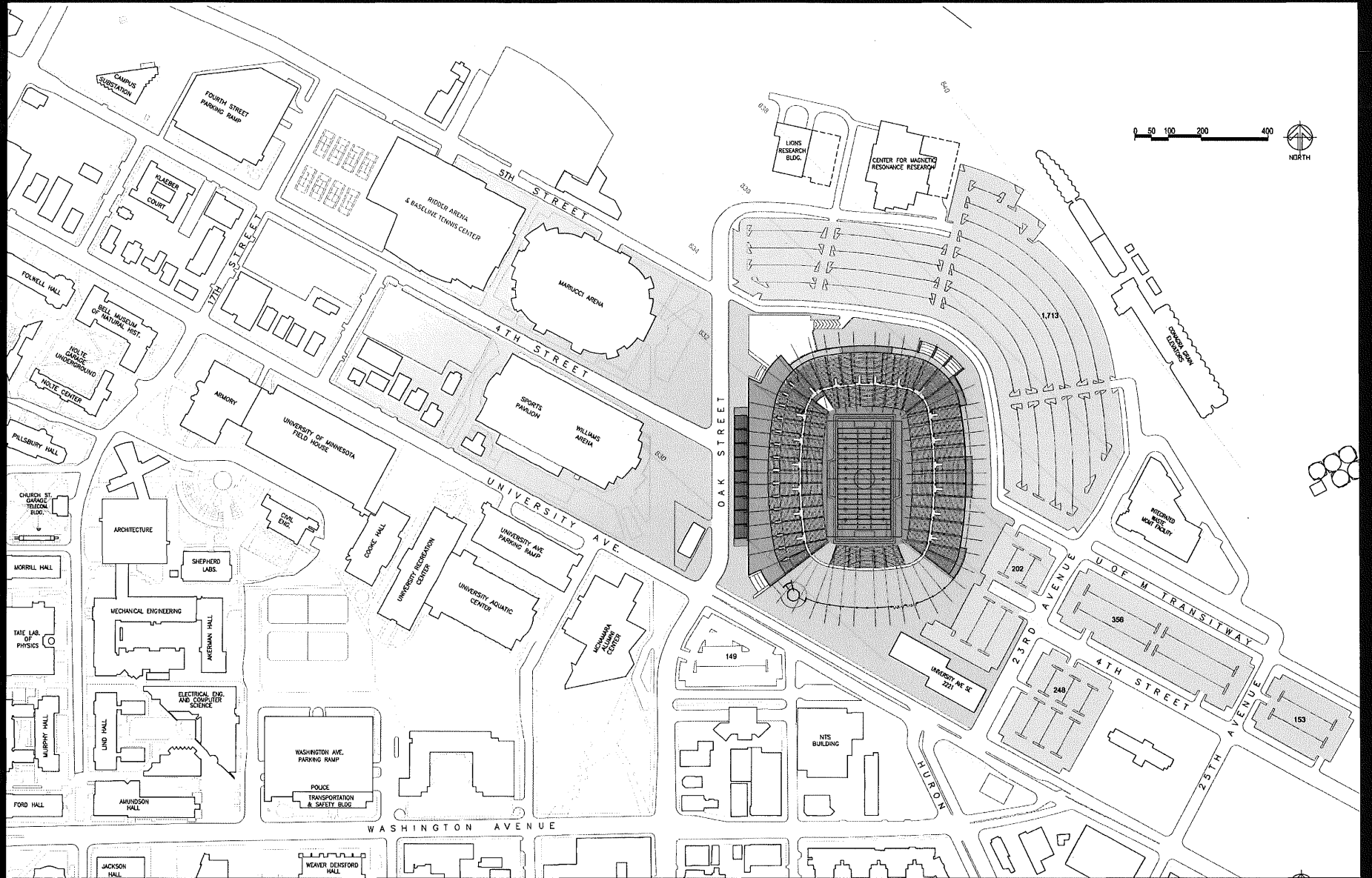
Hall of Fame

Home for the Marching Band

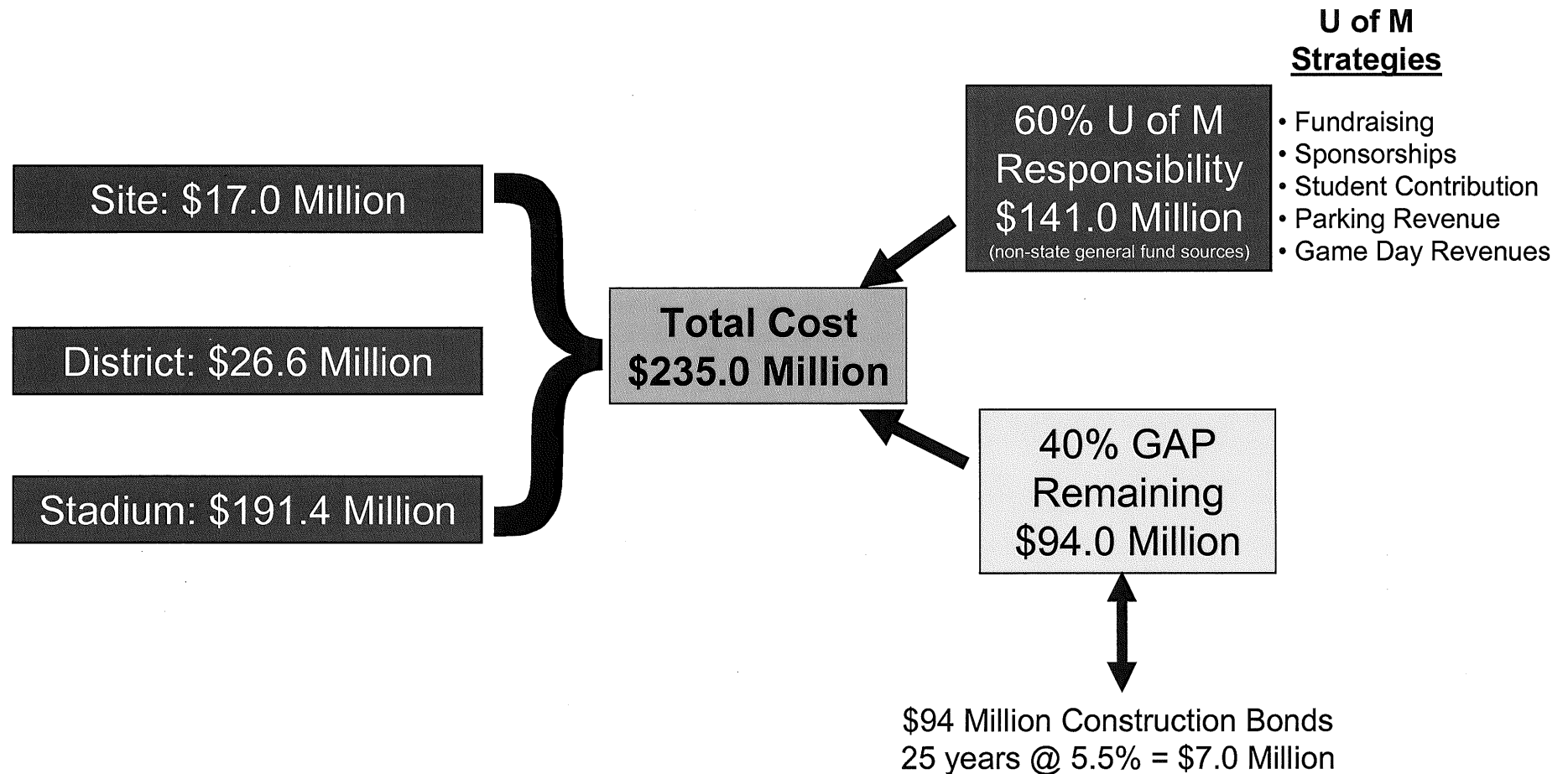
Suitable for Recreational Sports and Soccer

Home & Visitor locker room, media facilities, storage

Austere but Nice



# Gopher Stadium Costs/Financing Concept



# Proposed Financing: \$235 M

✓ 60% U of M Responsibility	\$141.0 M
➤ Student Support	\$ 50.0 M
➤ Game Day Parking	\$ 16.0 M
➤ Sponsorships/Fundraising	\$ 75.0 M
<i>[Stadium Naming/Sponsorships &amp; Private Gifts]</i>	
✓ 40% State Responsibility	\$ 94.0 M







For more information go to [www.umn.edu/stadium](http://www.umn.edu/stadium)

1 Senator Higgins from the Committee on State and Local  
2 Government Operations, to which was re-referred

3 S.F. No. 237: A bill for an act relating to a University  
4 of Minnesota football stadium; providing a process for state  
5 support of a football stadium at the University of Minnesota;  
6 appropriating money; amending Minnesota Statutes 2004, sections  
7 297A.71, by adding a subdivision; 340A.404, subdivision 4a;  
8 proposing coding for new law in Minnesota Statutes, chapter 473.

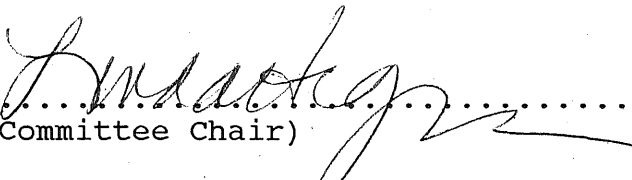
9 Reports the same back with the recommendation that the bill  
10 be amended as follows:

11 Page 2, line 31, after the period, insert "The board must  
12 ensure to the greatest extent practicable, that materials  
13 derived from American made steel are used in the construction of  
14 the stadium."

15 Page 3, line 21, after the period, insert "The board must  
16 also certify to the commissioner that a provision for affordable  
17 access for University students to the University sporting events  
18 held at the football stadium has been made."

19 And when so amended the bill do pass and be re-referred to  
20 the Committee on Finance. Amendments adopted. Report adopted.

21  
22  
23  
24  
25  
26

  
.....  
(Committee Chair)

March 23, 2005.....  
(Date of Committee recommendation)