

SF1257 - 6A - Background Studies Requirement Exemption

Chief Author: **Michelle Benson**
 Committee: **Finance**
 Date Completed: **4/13/2022 9:19:33 AM**
 Lead Agency: **Health Dept**
 Other Agencies:
 Health Licensing Boards Human Services Dept

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
Human Services Dept						
General Fund	-	-	563	376	600	
State Total						
General Fund	-	-	563	376	600	
Total	-	-	563	376	600	
Biennial Total			563			976

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Human Services Dept					
General Fund	-	-	4.5	4.5	4.5
Total	-	-	4.5	4.5	4.5

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Carlos Guereca **Date:** 4/13/2022 9:19:33 AM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2021	FY2022	FY2023	FY2024	FY2025
Human Services Dept						
General Fund		-	-	563	376	600
Total		-	-	563	376	600
Biennial Total				563		976
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Human Services Dept						
General Fund		-	-	563	376	600
Total		-	-	563	376	600
Biennial Total				563		976
2 - Revenues, Transfers In*						
Human Services Dept						
General Fund		-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-

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 Agency: **Health Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Carlos Guereca **Date:** 3/23/2022 7:00:09 PM
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State Cost (Savings) Calculation Details

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State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This bill permits the Department of Human Services to not conduct a background study on individuals who hold a valid license from a health-related licensing board listed under section 214.01, subdivision 2, and who have already completed a background study for their health-related licensing board. The bill requires the Department of Human Services to notify any health-related licensing board if a person licensed by such a board if the person is responsible for substantiated maltreatment. It also requires those health-related licensing boards to provide the Department of Human Services with a quarterly report of all licensed members and other publicly available data the health-related licensing board maintains on those licensed members.

Assumptions

The bill applies to health-related licensing boards listed under section Minnesota Statutes, section 214.01, subdivision 2. The department has one such entity under its responsibility within this section. It is the Office of Unlicensed Complementary and Alternative Health Care Practice (OCAP). OCAP does not license, certify, or register any of the unlicensed persons permitted to conduct activities within Minnesota Statutes, chapter 146A. OCAP serves only as a complaint investigation and enforcement entity should the department receive a complaint about an unlicensed person performing an OCAP covered service listed within chapter 146A. Therefore, OCAP has no data it can provide to the Department of Human Services under this bill’s language. The bill has no fiscal impact on the department.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact:

Agency Fiscal Note Coordinator Signature: Brian Awsumb

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SF1257 - 6A - Background Studies Requirement Exemption

Chief Author: **Michelle Benson**
 Committee: **Finance**
 Date Completed: **4/13/2022 9:19:33 AM**
 Agency: **Health Licensing Boards**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Carlos Guereca **Date:** 3/21/2022 12:37:11 PM
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State Cost (Savings) Calculation Details

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Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

Exempting certain licensed individuals from background studies. The commissioner of human services is not required to conduct a background study on any individual identified in paragraph (a) if the individual has a valid license issued by a health-related licensing board as defined in section 214.01, subdivision 2, and has completed the criminal background check as required in section 214.075.

The commissioner and each health-related licensing board shall enter into an agreement in order for each board to provide the commissioner with a quarterly roster list of individuals licensed by the board. The list must include for each licensed individual the individual's name, license number, date license issued, and the status of the individual's license.

Assumptions

To date, many of the Health Licensing Boards (HLB's) have existing agreements with the Minnesota Department of Health (MDH) and the Department of Human Services (DHS) to provide public licensee information through database linkages. Based upon existing processes for transfer of data, the HLB's make the following assumptions regarding the fiscal impact of SF1257:

1. Multiple HLB's have existing data base system connections with DHS.
2. HLB's *without* a pre-existing linkage will need to be added to the database connections.
3. An additional piece of information must be included in the reports from the HLB's to DHS: the initial licensure date.
4. The cost to add additional boards and to add an additional data field are negligible.
5. The HLB's expect to absorb the costs for the items identified in assumptions 2 and 3.

Expenditure and/or Revenue Formula

There is no fiscal impact for the HLB's

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact: Tracey Sigstad (651-201-2527)

Agency Fiscal Note Coordinator Signature: Tracey Sigstad

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SF1257 - 6A - Background Studies Requirement Exemption

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 Committee: **Finance**
 Date Completed: **4/13/2022 9:19:33 AM**
 Agency: **Human Services Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		X

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General Fund	-	-	4.5	4.5	4.5
Total	-	-	4.5	4.5	4.5

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Steve McDaniel **Date:** 4/13/2022 9:18:18 AM
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Total		-	-	563	376	600
Biennial Total				563		976
2 - Revenues, Transfers In*						
General Fund		-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

NOTE: This fiscal note estimates the impact of the second engrossment of SF1257.

Section 1 (amends 144.057, subd. 1):

Specifies that the DHS commissioner is not required to conduct a background study on an individual who has a valid license issued by a health-related licensing board and has completed the background check required for that licensure. Requires an entity that employs individuals who meet these requirements to separate those individuals from the entity's roster for NETStudy 2.0.

Effective the day following final enactment.

Section 2 (amends 245C.03, subd. 5a):

Updates language to reflect changes to 144.057, subd. 1.

Section 3 (amends 245C.31, subd. 1):

Requires the DHS commissioner to notify a health-related licensing board if an individual licensed by that board is responsible for substantiated maltreatment. Requires the board to make a determination whether to impose disciplinary or corrective action under chapter 214.

Section 4 (amends 245C.31, subd. 2):

Updates language on notifications to indicate that individuals are licensed by the health-related board.

Section 5 (adds 245C.31, subd, 3a):

Requires the DHS commissioner and each health-related licensing board to enter into a data sharing agreement so that the board can provide DHS with a quarterly roster list of licensed individuals (name, date of birth, license number, and license status).

Assumptions

DHS will have responsibility for conducting maltreatment reviews of board-licensed healthcare professionals and for making determinations of substantiated maltreatment under section 626.557 or chapter 260E. DHS is required to inform the board if an individual licensed by that board is responsible for substantiated maltreatment.

Sharing data

Data sharing agreements between each board and DHS will be required to access the boards' data. The agreements would be renewed on a two year, rolling schedule. The agreements' scope will vary from board to board, requiring substantial time to effectively coordinate the development, implementation, and oversight of the new interagency agreements. This new scope cannot be absorbed by existing resources in the Office of the Inspector General's Chief Legal Counsel.

Facilitating the new interagency agreements will require a permanent 0.5 FTE (MAPE 14) attorney (Human Services Program Rep 2).

System functionality

Searching for matches between the boards' roster list of licensed individuals and the data of substantiated maltreatment findings reported in Social Services Information System (SSIS) requires an automated process. The current functionality for data matching and review findings documentation would no longer be available in NETStudy 2.0 because the current system design requires that an individual have a DHS background study application.

The fact that this functionality would not be available in the NETStudy 2.0 system, coupled with the need to schedule the project with the external developer in accordance with ongoing work and the build schedule of prioritized development, necessitates the creation of a way to match health board data against maltreatment data outside of NETStudy 2.0 in the short term. The required build to create a separate database to receive health board data and match with SSIS maltreatment data would cost \$513,000 in FY 2023, with an ongoing maintenance cost of \$103,000 annually in FY 2024-2025.

DHS will manually enter data into the Adobe Experience Manager (AEM) system to create the required notification letters and will send them to the boards and licensed individual. The required changes to AEM would cost \$38,000 in FY 2023, with an ongoing maintenance cost of \$8,000 annually in FY 2024-2025. MNIT will make the changes necessary to create a notification letter with information entered manually. This process will continue to be in place as the registry checks move to NETStudy 2.0.

The longer term goal is to maximize system integration by performing checks of licensed individuals against the maltreatment registry within NETStudy 2.0 when development can be scheduled. Required system changes to NETStudy 2.0 by an external vendor would cost \$180,000 in FY 2025; this estimate assumes a contract is in place with an external

vendor before the start of FY 2024. MNIT will upgrade database and web servers at a cost of \$89,000 in FY 2025.

The above work requires a temporary 1.0 FTE (MAPE 15) project manager (Management Analyst 4) to oversee systems development and integration, including coordination of requirements gathering, testing, and communication with the boards and other project partners.

The Management Analyst 4 (MA 4) project manager would be integral to coordinating implementation of systems development for the maltreatment review process. The project manager would be the main point of contact between DHS and the Health-Related Licensing Boards, developing relationships with the 17 licensing boards and providing consistent communication, coordination, and knowledge transfer throughout the various phases of project implementation. The project manager would attend internal and external partner meetings to provide updates on the project and answer questions, and coordinate communication and/or facilitate conversations between technical development staff and the health licensing boards during requirements gathering, testing, and production deployment.

In addition to coordination and communication responsibilities, the project manager would provide technical expertise and specialize in overseeing the NETStudy 2.0 systems design development and integration as contracted with the external developer. The project manager would track progress of system development, document the completion of project tasks, identify and address system issues with the vendor that could be problematic for DHS and the licensing boards. The MA 4 project manager would work closely with the development vendor and MNIT in requirements gathering and definition, including file layouts for each board, data import process, and matching logic; developing a test plan and test cases; and coordinating deployment schedule for various test and production environments. The project manager would also provide technical expertise while developing training materials and notices to the 17 health licensing boards.

Reviewing maltreatment findings

Data from the Health-Related Licensing Boards Biennial Report (July 1, 2018 – June 30, 2020) counts over 298,000 licensed individuals across the health licensing boards at the time of the published report, and an estimated 30,000 individuals are licensed annually. Based on the biennial report, estimated new licensed individuals, and DHS data from 2021, DHS estimates receiving 4,000 possible maltreatment matches per year, and staff will need to confirm the identity of each of those individuals. An estimated 40% (1,600) of those matches will require review to determine if the maltreatment results in a disqualification, documentation of the department's findings, and sending notification letters to the boards and the health-related board licensed individual.

The above work requires the following three permanent FTEs:

2.0 FTE (MAPE 11) researchers (Human Services Program Representative 1) to review records to determine if maltreatment would result in disqualification.

1.0 FTE (MAPE 5) operations support specialist (Human Services Program Specialist 1) to enter data, support researchers, and generate notification letters.

Although searching for matches between the boards' roster list of licensed individuals and the data of substantiated maltreatment findings reported in Social Services Information System (SSIS) is automated, the matching programming is assumed to allow for estimation in matches. This means that for each potential match, the researcher or operations

support specialist would need to review the information available in the SSIS database and the database of licensed individuals to cross reference additional pieces of identifying information to confirm whether the flagged case is for a licensed individual. After the researcher or operations support specialist manually verifies identity, the researcher must gather documentation. The researcher must enter an “entity number” into the Licensing Information System database (LIS). The LIS database will then provide a “work group number.” This work group number is then entered into the SSIS database. Information in SSIS is not housed on a single screen, and the researcher must navigate multiple screens to collect the documents and consolidate them into a single file, which will be the basis for the maltreatment review. The documentation gathering process for each review takes an estimated 30 minutes.

During the maltreatment review, the researcher will look at SSIS records, which include case notes from the social worker and investigation interviews. Notes may range from a few pages to hundreds. Researchers not only review the facts of the investigation, but look for specific details in order to determine whether the maltreatment was serious and/or recurring. During the review, the researcher compares the findings of the SSIS records with definitions in statute, and may consult with supervisors and leads as needed. Once the researcher has concluded the record review, the researcher must document their finding, and begin the notification process. The record review and documentation process takes on average of 1.5 hours to complete. For the last step in the process, notifying the licensing board and the licensed individual, the researcher might receive assistance from the operations support specialist.

The Human Services Program Specialist 1 operations support specialist will support researchers in the identity verification process, generating notifications, and offering customer support to external parties. For each letter, the operations support specialist will need to manually draft, route for review and approval, print, mail, and save an electronic version of the letter. Completing this process for each set of letters (one to the Health-Related Licensing Board and one to the licensed individual) takes an average of 10 minutes, not considering time for supervisors to review and approve the draft. The operations support specialist will also be responsible for providing customer support answering phone calls and emails about the maltreatment review process.

Expenditure and/or Revenue Formula

Fiscal Tracking Summary (\$000's)						
Fund	BACT	Description	FY2022	FY2023	FY2024	FY2025
GF	11	4.5 FTE for Background Studies/Legal		422	471	471
GF	REV1	FFP @ 32%		(135)	(151)	(151)
GF	11	P/T Vendor Contracts for NETStudy 2.0				180
GF	11	Systems State Share (@ 50%)		276	56	100
		Total Net Fiscal		563	376	600

		Impact				
		Full Time Equivalents		4.5	4.5	4.5

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

DHS background study data

State labor contracts

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