

STATE OF MINNESOTA

DEPARTMENT OF HUMAN SERVICES

In the Matter of the Proposed Amendment
to the Department of Human Services' Rule
Governing Medical Assistance Reimbursement
to Day Service Providers, Minnesota Rules,
part 9525.1220

STATEMENT OF NEED
AND REASONABLENESS

The Department of Human Services' authority for promulgating this above-entitled rule amendment is contained in Minnesota Statutes, section 256B.501, subdivision 10.

The Commissioner of Human Services believes that the proposed amendment to Minnesota Rules, parts 9525.1200 to 9525.1330 is noncontroversial in nature and therefore appropriate for promulgation pursuant to Minnesota Statutes, sections 14.22 to 14.28. The amendment to part 9525.1220 simply restates directives that are already included in the rules governing Medical Assistance Reimbursement to Training and Habilitation Service Providers, Minnesota Rules, parts 9525.1200 to 9525.1330. The amendment was at the request of the Health Care Financing Administration and the intent of the amendment is to ensure that directives pertaining to client eligibility for training and habilitation services are clear.

BACKGROUND


The Health Care Financing Administration (HCFA) reviewed medical assistance reimbursement training and habilitation services from April 8, 1985 to April 12, 1985. One recommendation made by HCFA was that the "state stop claiming federal financial participation (FFP) for vocational component of Development Achievement Center (DAC) services for clients whose Individual Program Plans (IPP) show vocational activity as the first priority". The Department argued that (1) work has been recognized by HCFA as an area of habilitation when it focuses on the development and maintenance of life skills that enable the individual to function to the best of his or her capacity and (2) work-related activities in DAC's are primarily "therapeutic" as defined by 29 CFR 525.1 and are therefore habilitative. The Department did agree to modify its rules and regulations regarding the Medical Assistance (MA) funding of therapeutic work activity to fully comply with any forthcoming regulation changes or transmittals from the Department of Health and Human Services. In the meantime the Department agreed "to amend its rules governing MA reimbursement of training and habilitation services to more clearly state that persons capable of productive or competitive employment are not eligible for MA reimbursement of vocational activities".

Part 9525.1220, item G

The addition of item G is necessary to comply with HCFA's request that the Department amend its rules to more clearly state that persons capable of productive or competitive employment are not eligible for MA reimbursement of vocational activities. Item G is a restatement of the standard set in part 9525.1210, subpart 15 and referred to in part 9525.1250, subpart 1. Including item G in 9525.1220 will ensure that there is no confusion as to its application with regard to eligibility for service.

It is reasonable to include the item G., "the person is currently capable of only "inconsequential" work activity as defined in part 9525.1210, subpart 15 and the service provided is supervision, assistance, or training during habilitation work activities", in part 9525.1220 (Client Eligibility) because specific criteria for MA reimbursement of services for eligible persons are included in this part.

1-24-86
Date


LEONARD W. LEVINE, Commissioner
Department of Human Services