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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE No. 120

January 16, 2007

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The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to human services; modifying group residential housing rates; amending
1.3 Minnesota Statutes 2006, sections 256I.04, subdivision 3; 256I.05, by adding a
1.4 subdivision.

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

1.6 Section 1. Minnesota Statutes 2006, section 256I.04, subdivision 3, is amended to read:

1.7 Subd. 3. **Moratorium on the development of group residential housing beds.** (a)

1.8 County agencies shall not enter into agreements for new group residential housing beds
1.9 with total rates in excess of the MSA equivalent rate except: (1) for group residential
1.10 housing establishments licensed under Minnesota Rules, parts 9525.0215 to 9525.0355,
1.11 provided the facility is needed to meet the census reduction targets for persons with
1.12 developmental disabilities at regional treatment centers; (2) to ensure compliance with
1.13 the federal Omnibus Budget Reconciliation Act alternative disposition plan requirements
1.14 for inappropriately placed persons with developmental disabilities or mental illness;
1.15 (3) up to 80 beds in a single, specialized facility located in Hennepin County that will
1.16 provide housing for chronic inebriates who are repetitive users of detoxification centers
1.17 and are refused placement in emergency shelters because of their state of intoxication,
1.18 and planning for the specialized facility must have been initiated before July 1, 1991, in
1.19 anticipation of receiving a grant from the Housing Finance Agency under section 462A.05,
1.20 subdivision 20a, paragraph (b); (4) notwithstanding the provisions of subdivision 2a, for
1.21 up to 190 supportive housing units in Anoka, Dakota, Hennepin, or Ramsey County
1.22 for homeless adults with a mental illness, a history of substance abuse, or human
1.23 immunodeficiency virus or acquired immunodeficiency syndrome. For purposes of this
1.24 section, "homeless adult" means a person who is living on the street or in a shelter or

2.1 discharged from a regional treatment center, community hospital, or residential treatment
2.2 program and has no appropriate housing available and lacks the resources and support
2.3 necessary to access appropriate housing. At least 70 percent of the supportive housing
2.4 units must serve homeless adults with mental illness, substance abuse problems, or human
2.5 immunodeficiency virus or acquired immunodeficiency syndrome who are about to be
2.6 or, within the previous six months, has been discharged from a regional treatment center,
2.7 or a state-contracted psychiatric bed in a community hospital, or a residential mental
2.8 health or chemical dependency treatment program. If a person meets the requirements of
2.9 subdivision 1, paragraph (a), and receives a federal or state housing subsidy, the group
2.10 residential housing rate for that person is limited to the supplementary rate under section
2.11 256I.05, subdivision 1a, and is determined by subtracting the amount of the person's
2.12 countable income that exceeds the MSA equivalent rate from the group residential housing
2.13 supplementary rate. A resident in a demonstration project site who no longer participates
2.14 in the demonstration program shall retain eligibility for a group residential housing
2.15 payment in an amount determined under section 256I.06, subdivision 8, using the MSA
2.16 equivalent rate. Service funding under section 256I.05, subdivision 1a, will end June 30,
2.17 1997, if federal matching funds are available and the services can be provided through a
2.18 managed care entity. If federal matching funds are not available, then service funding will
2.19 continue under section 256I.05, subdivision 1a; ~~or (6) (5)~~ for group residential housing
2.20 beds in settings meeting the requirements of subdivision 2a, clauses (1) and (3), which
2.21 are used exclusively for recipients receiving home and community-based waiver services
2.22 under sections 256B.0915, 256B.092, subdivision 5, 256B.093, and 256B.49, and who
2.23 resided in a nursing facility for the six months immediately prior to the month of entry
2.24 into the group residential housing setting. The group residential housing rate for these
2.25 beds must be set so that the monthly group residential housing payment for an individual
2.26 occupying the bed when combined with the nonfederal share of services delivered under
2.27 the waiver for that person does not exceed the nonfederal share of the monthly medical
2.28 assistance payment made for the person to the nursing facility in which the person resided
2.29 prior to entry into the group residential housing establishment. The rate may not exceed
2.30 the MSA equivalent rate plus \$426.37 for any case; or (6) for an additional two beds,
2.31 resulting in a total of 32 beds, for a facility located in Hennepin County providing services
2.32 for recovering and chemically dependent men that has had a group residential housing
2.33 contract with the county and has been licensed as a board and lodge facility with special
2.34 services since 1980.

2.35 (b) A county agency may enter into a group residential housing agreement for beds
2.36 with rates in excess of the MSA equivalent rate in addition to those currently covered

3.1 under a group residential housing agreement if the additional beds are only a replacement
3.2 of beds with rates in excess of the MSA equivalent rate which have been made available
3.3 due to closure of a setting, a change of licensure or certification which removes the beds
3.4 from group residential housing payment, or as a result of the downsizing of a group
3.5 residential housing setting. The transfer of available beds from one county to another can
3.6 only occur by the agreement of both counties.

3.7 Sec. 2. Minnesota Statutes 2006, section 256I.05, is amended by adding a subdivision
3.8 to read:

3.9 Subd. 1h. **Supplementary rate for certain facilities serving chemically**
3.10 **dependent males.** Notwithstanding subdivisions 1a and 1c, beginning July 1, 2007,
3.11 a county agency shall negotiate a supplementary rate in addition to the rate specified
3.12 in subdivision 1, not to exceed \$700 per month, including any legislatively authorized
3.13 inflationary adjustments, for a group residential housing provider that:

3.14 (1) is located in Ramsey County and has had a group residential housing contract
3.15 with the county since 1982 and has been licensed as a board and lodge facility with special
3.16 services since 1979; and

3.17 (2) serves recovering and chemically dependent males, providing 24-hour-a-day
3.18 supervision.