



Senior Advocate FYI

June 1, 2017

What a finish – so far – to the legislative activity for 2017!

Minnesota Legislative Events

Before the constitutionally required deadline for the legislative regular session, the Legislature provided Governor Dayton with their version of omnibus budget bills to balance the state's two year budget. Governor Dayton vetoed all ten budget bills which led to negotiations with the legislature's GOP leadership. These negotiations took time and eventually, just before the end of the regular session, both the Governor and the GOP leadership were able to reach an agreement on the spending levels for the state's two year budget.

Unfortunately, the Legislature was unable to complete the bill passage process before the constitutional deadline of midnight on Monday, May 22nd. The Governor agreed that an extremely short special session would be necessary to approve a balanced budget for the state. On Friday, May 26th, the Legislature passed its final omnibus budget bills. Governor Dayton signed the bills presented to him but did use a line item veto to remove appropriations for the House and Senate in the biennium. This action could bring the GOP leadership and Governor Dayton back together for further negotiations before the end of June and also averts a state government shutdown.

New Laws Summary

2017 First Special Session

Omnibus Health and Human Services Finance Bill. [Chapter 6](#). (SF2).
Selected provisions. Effective July 1, 2017 unless otherwise specified.

Home and Community-Based Services (HCBS) Related Items

Return to Community (RTC) Expansion. Effective July 1, 2017, this proposal expands the RTC program to several new targeted groups at risk of spend down to Medical Assistance. Effective July 1, 2019, this proposal also adds a new self-directed caregiver supports grant for family caregivers administered through the Minnesota Board on Aging (MBA) and its Area Agencies on Aging (AAAs) to support those individuals. Laws of Minnesota 2017, 1st Special Session, Chapter 6, Article 3, Sections 6-7.

Elderly Waiver (EW) Reform. Effective January 1, 2019, Elderly Waiver rates will partially adjust according to a new methodology based on Minnesota Department of Employment and Economic Development wage data. Ten percent of EW reimbursement will be based on the new formula. Ninety

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percent will be based on the existing formula to reimburse providers. Laws of Minnesota 2017, 1st Special Session, Chapter 6, Article 3, Section.

Minnesota Board on Aging (MBA) Specific Items

Alzheimer's Disease Working Group. Requires the MBA to appoint persons as outlined in the law to review and revise the 2011 report, Preparing Minnesota for Alzheimer's: the Budgetary, Social and Personal Impacts. The report must also consider and make recommendations regarding several issues outlined in the session law related to Alzheimer's disease and related dementias. Laws of Minnesota 2017, 1st Special Session, Chapter 6, Article 3, Section 48.

Other Items

Medical Assistance Excess Income Standard Increase. Raises the standard used for eligibility purposes from 80 percent to 81 percent of federal poverty guidelines. Laws of Minnesota 2017, 1st Special Session, Chapter 6, Article 4, Section 20.

Palliative Care Advisory Council. Creates an 18 member council who will advise the Commissioner on matters related to the establishment, maintenance, operations, and outcome evaluation of palliative care initiatives within the state. A report is required each year and the council will sunset January 1, 2025. Laws of Minnesota 2017, 1st Special Session, Chapter 6, Article 10, Section 57.

Advanced In-Home Activity-Monitoring Systems. Provides a small grant to conduct a comprehensive assessment of current literature, past research, and an environmental scan of the field related to advanced in-home activity-monitoring systems for older individuals. Laws of Minnesota 2017, 1st Special Session, Chapter 6, Article 18, Section 2.

Reports and Recommendations.

Selected provision regarding reports and recommendations from various laws.

Adult Day Services Staffing Ratio. The DHS Commissioner is required to produce a legislative report by January 1, 2019, regarding adult day services. Specifically, the report will study existing adult day services models, including resident acuity, staffing and support levels, and quality assurance; and project demand for adult day services into the future. Laws of Minnesota 2017, 1st Special Session, Chapter 6, Article 3, Section 47.

Tax Bill. [Chapter 1](#). (HF1).

Selected provision. Effective July 1, 2017 unless otherwise specified.

Social Security Benefit Subtraction. Creates an income tax subtraction for receipt of Social Security benefits up to the amount allowed in the statute. Laws of Minnesota 2017, 1st Special Session, Chapter 1, Article 1, Section 10.

2017 Regular Session

The following outlines bills that passed into law during the regular legislative session.

REAL ID Act Compliance. [Chapter 76](#). (HF3). This bill addresses Minnesota's compliance with the federal REAL ID Act of 2005 that governs various aspects of identity verification and security around driver's licenses and identification cards. The major impacts to individuals would be accessing federal facilities and boarding federally regulated commercial aircraft. Under this bill the state would begin to issue REAL ID compliant drivers' licenses and state identification cards no later than October 1, 2018.

Home Care Provider Training on Hearing Loss. [Chapter 51](#). (HF952). This bill permits home care providers to fulfill their orientation and annual training obligations under the home care licensing statutes by providing training on topics related to providing services to clients with hearing loss. The orientation or training may be provided online, and in order to fulfill the licensing requirements must include topics such as an explanation of age-related hearing loss and its effects on communication and health or information on strategies and technology to aid communication and reduce isolation.

Medical Assistance Estate Claim Modifications. [Chapter 46](#). (HF216). This bill limits estate recoveries from individuals 55 years of age or older to the amount of medical assistance paid for long-term care services (and related hospital and pharmacy services). It brings the language in line with the revised state plan approved by the Centers for Medicare and Medicaid Services (CMS), and allows MA estate recovery only for long-term services and supports expenses for estate claims pending or asserted on or after July 1, 2016.

Health Insurance Premium Subsidy Program. [Chapter 2](#). (SF1). For the period January 1, 2017, through December 31, 2017, this bill establishes a program which provides a subsidy of 25% of monthly gross premium in the individual market and is administered by the commissioner of management and budget through health carriers. Individuals receiving advance premium tax credits or enrolled in public program coverage are not eligible.

Federal Events

The big news coming at the end of April was the ending of the current continuing resolution (CR) for federal funding that was set to expire on Friday, April 28th at midnight. Both chambers of Congress agreed to a one week short-term continuing resolution to stave off a federal government shutdown. On Thursday, May 4th, Congress passed an omnibus appropriations bill funding the federal government through September 30th.

The National Association of States United for Aging and Disabilities (NASUAD) has produced two documents that are very helpful in understanding what the remaining 2017 federal budget contains. Their summary items can be found [here](#). The next step in the federal budget process will be the development of the 2018 federal budget which begins on October 1st.

The following week the U.S. House voted on a revised version of the American Health Care Act (AHCA) [H.R. 1628](#), its version of healthcare reform replacing the Affordable Care Act (ACA). The bill awaits transmittal to the Senate where changes and amendments are expected. The [Congressional Budget Office](#) has evaluated the bill and provided an estimate of its costs and savings. While the bill saves approximately \$119 billion, there is language that is concerning to older adults and people with

disabilities. Stay tuned for a special edition of the Senior Advocate FYI newsletter that focuses on the federal level activities occurring in Washington D.C. impacting Minnesotans.

A subscription to the SA-FYI can be arranged by sending email addresses to Nate Patterson at nathaniel.j.patterson@state.mn.us. You may also contact Nate to be removed from this mailing list. Thank you for your ongoing interest in policy and legislative issues that affect older Minnesotans.