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CHAPTER 4705

DEPARTMENT OF HEALTH

SERVICES FOR CHILDREN WITH HANDICAPS

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4705.0100 DEFINITIONS.

[For text of subps 1 and 2, see M R 1985]

Subp. 3. **Administrative review committee.** "Administrative review committee" means the committee, as identified by the commissioner of health, composed of administrative personnel from the Maternal and Child Health Division and the SCH program and a representative from the SCH field staff who have responsibility for the review of SCH decisions relating to eligibility and cost sharing for those applicants who wish review.

Subp. 4. **Allowable deductions.** "Allowable deductions" means those expenses incurred by household members for the following items:

A. medical/dental expenses for treatment and other health-care-related expenses paid during the previous 12 months which were not reimbursed by a third-party payer such as insurance or title XIX (medical assistance); and

B. transportation costs in order to obtain medical/dental care and services during the previous 12 months. Travel expenses by car are calculated at 27 cents a mile. Actual costs of train, airplane, bus, and taxi fares.

[For text of subps 5 to 10, see M R. 1985]

Subp. 11. **Cost-sharing schedule.** "Cost-sharing schedule" means the schedule which specifies income levels by number of members in the household and the corresponding percentage of that income level an applicant shall be required to share in the cost of treatment service(s), depending upon the level of their SCH adjusted income.

[For text of subps 12 to 26, see M.R. 1985]

Subp. 27. **State gross median income.** "State gross median income" means the income level at which 50 percent of the people in the state have incomes higher than the gross median income and 50 percent of the people in the state have incomes which are lower, as determined by the United States Secretary of Health and Human Services in accordance with procedures established in United States Code, title 42, section 2002 (a)(6), as amended through August 12, 1981, adjusted in accordance with regulations prescribed by the secretary to take into account the number of individuals in a household, at Code of Federal Regulations, title 45, section 96.85, as amended through November 16, 1983. State median income figures for each household size are published annually in the Federal Register.

[For text of subps 28 to 31, see M.R. 1985]

Statutory Authority: *MS s 144 05 to 144.07; 144 09 to 144 12*

History: *11 SR 104*

4705.0300 APPLICANT ELIGIBILITY FOR DIAGNOSTIC EVALUATION.

An applicant shall complete an application provided by SCH as described

in part 4705.0500. Any applicant, regardless of income, who meets all of the following criteria shall be eligible for a diagnostic evaluation authorized by SCH:

A. a resident of Minnesota, and

B. a child under 21 years of age with a suspected handicap, or an adult 21 years of age or over with cystic fibrosis or hemophilia.

In addition to items A and B, an applicant shall be required to make use of available third-party reimbursement sources for the examinations and tests necessary for a diagnostic evaluation. There shall be no out-of-pocket cost to the applicant for the actual examinations and tests. Prior written authorization shall be required for a diagnostic evaluation to be reimbursed in full or for that part not reimbursed by third-party payers by SCH.

Statutory Authority: *MS s 144.05 to 144.07; 144.09 to 144.12*

History: *11 SR 104*

4705.0400 APPLICANT ELIGIBILITY FOR TREATMENT SERVICES.

An applicant shall complete an application provided by SCH and described in part 4705.0500. Any applicant who meets all of the following criteria shall be eligible for SCH reimbursement to service providers for the cost of treatment service(s):

A. a resident of Minnesota; and

B. a child under 21 years of age who has a diagnosed handicapping condition as defined in parts 4705.0100 to 4705.1600, or an adult 21 years of age or older with cystic fibrosis or hemophilia.

In addition to items A and B, an applicant shall agree to participate in cost sharing if any is required, according to the specifications in part 4705.0600. An applicant shall be required to make use of available third-party reimbursement sources for treatment service(s). Prior written authorization shall be required for treatment service(s) to be reimbursed in full or in part by SCH.

An applicant who meets all of the criteria and requirements for eligibility, but whose handicapping condition may not require extended or sequential care, shall be eligible for SCH reimbursement to service providers in those instances where the cost of treatment is anticipated to exceed 40 percent of the applicant's adjusted gross income as defined in parts 4705.0100 to 4705.1600.

Statutory Authority: *MS s 144.05 to 144.07; 144.09 to 144.12*

History: *11 SR 104*

4705.0500 APPLICATION FOR SERVICE(S).

[For text of subps 1 to 3, see M.R. 1985]

Subp. 4. Financial responsibility under cost-sharing schedule. For applicants for treatment service(s), SCH shall give a written explanation to the applicant detailing the applicant's financial responsibility under the cost-sharing schedule, if cost-sharing is indicated under part 4705.0600.

[For text of subp 5, see M.R. 1985]

Subp. 6. Period of eligibility. The period in which an applicant shall remain eligible for SCH authorization for reimbursement to service providers of treatment costs shall be as follows:

A. One year from the date of the original eligibility determination.

B. SCH shall make an exception regarding the beginning date of eligibility in those instances where the child is in an unanticipated treatment situation and the applicant was unaware of the program before this time. Where the time required to process the application will cause delay in the provision of treatment service(s), a documented, initial contact with SCH shall be considered the begin-

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ning of eligibility if the application is received within 60 days of the initial contact.

SCH shall send the applicant written notification of the date upon which eligibility begins. To maintain eligibility, an applicant must complete another application at the end of the eligibility period.

Statutory Authority: *MS s 144 05 to 144.07, 144 09 to 144.12*

History: *11 SR 104*

4705.0600 COST-SHARING.

Subpart 1 **Applicants who must cost-share.** Any applicant whose SCH adjusted income as defined and described in part 4705.0100, subpart 24 is above 60 percent of the state gross median income shall be required to share in the treatment costs of all service(s) authorized by SCH. SCH shall reimburse service providers for remaining expenses for authorized treatment service(s) which are not covered by the applicant's cost-sharing or third-party reimbursement sources. No cost sharing is required of an applicant who is a ward of the state or whose SCH adjusted income falls below 60 percent of the state gross median income

Subp. 2. **Adjusted gross income.** The adjusted gross income used in any cost-sharing calculations shall be that of the applicant as applicant is defined in part 4705.0100, subpart 5. The income of a stepparent who does not adopt a child is not considered in cost-sharing calculations.

Subp. 3. **Amount of cost-sharing.** The amount of cost-sharing required of an applicant is determined in the following manner:

A. Step No. 1: The includable assets are totalled. If applicable, the household member deduction is subtracted from this total.

B. Step No. 2: The amount derived in Step No. 1 is then added to the adjusted gross income.

C. Step No. 3: The total of the allowable deductions is subtracted from the amount derived in Step No. 2. This figure indicates the SCH adjusted income.

D. [Repealed, 11 SR 104]

E. Step No. 4: The percentage that the applicant must share in the cost of treatment is based on the applicant's SCH adjusted income level and on the number of members in the household. This percentage is calculated according to the SCH cost-sharing schedule which must be updated annually to reflect any change in the state median income. The cost share schedule is determined for each household size, by establishing a zero cost share level for applicant families whose SCH adjusted income is equal to or less than 60 percent of the state gross median income. Increments of \$1,000 are used to establish each succeeding cost share level for each size household. The percentage that an applicant family will share in the cost of treatment increases one percent for each \$1,000, or fraction thereof, of applicant income above 60 percent of the state gross median income for that size household. For example, if X equals 60 percent of the state gross median income for Minnesota families with four members, applicant families of four members who have SCH adjusted incomes equal to or less than X will have a zero cost share obligation. Applicant families of four members whose SCH adjusted incomes fall between X and X plus \$1,000 will have a one percent cost share obligation. The SCH cost-sharing schedule is incorporated by reference. It is subject to frequent change. The SCH cost-sharing schedule shall be published annually in the State Register no later than 30 days prior to the effective date of the schedule. It is available at the Ford Law Library, 117 University Avenue, Saint Paul, Minnesota 55155.

[For text of subps 4 to 6, see M.R. 1985]

Statutory Authority: *MS s 144 05 to 144.07, 144.09 to 144.12*

History: *11 SR 104*

4705.0900 LIMITATIONS ON AUTHORIZATION OF REIMBURSEMENT FOR TREATMENT SERVICE(S).

SCH shall authorize reimbursement to a service provider only for treatment that is part of the treatment plan for an individual's handicapping condition. SCH shall not authorize reimbursement for the treatment of conditions determined by SCH to be primarily cosmetic in nature. SCH shall not authorize reimbursement for costs of equipment such as hospital beds or wheelchairs unless no other resource is available. Within any 12-month period, SCH shall pay no more than \$10,000 for the care of an individual. SCH shall not authorize reimbursement for treatment service(s) not associated with an individual's eligible condition. An exception shall be made and treatment services not associated with an individual's eligible condition shall be authorized, subject to the \$10,000 per 12-month period limit, when the SCH medical director has determined that medical conditions exist which, if left untreated, could have a deleterious impact upon the applicant's health status.

SCH shall not authorize reimbursement for treatment services for individuals 21 years of age or over with hemophilia except as specified in part 4705.1000.

Statutory Authority: *MS s 144.05 to 144.07, 144.09 to 144.12*

History: *11 SR 104*

4705.1400 RESPONSIBILITIES BETWEEN SCH AND SERVICE PROVIDERS.

[For text of subpart 1, see M.R. 1985]

Subp. 2. Payment of service providers. SCH shall pay service providers at the same rates for medical, dental, and hospital care up to the maximum allowable charges as set forth in the most current Medical Assistance Rates Schedule established by the Minnesota Department of Human Services pursuant to its authority found in parts 9500.0750 to 9500.1080. A copy of the most current Medical Assistance Rates Schedule is incorporated by reference, and is available at the Ford Law Library, 117 University Avenue, Saint Paul, Minnesota 55155. It is subject to frequent change. In instances where there are not established rates, SCH shall reimburse service providers at rates based upon the following criteria:

- A. complexity of service;
- B. time involved in completing the service,
- C. training and skills of the service provider; and
- D. reasonableness of fees in the context of the community.

SCH is the payer of last resort. SCH reimbursement of treatment costs to service providers shall be made only after arrangements have been made by the service provider to collect third-party and cost-sharing payments.

[For text of subps 3 to 6, see M.R. 1985]

Statutory Authority: *MS s 144.05 to 144.07; 144.09 to 144.12*

History: *11 SR 104*

4705.1600 [Repealed, 11 SR 104]