

**CHAPTER 9515**  
**DEPARTMENT OF HUMAN SERVICES**  
**STATE HOSPITAL ADMINISTRATION**

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**9515.1200 DEFINITIONS.**

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

**Subp. 3a. Client.** "Client" means a person receiving services at a state facility, whether or not those services require occupancy of a bed overnight. Client includes:

- A. an inpatient;
- B. a resident patient;
- C. an outpatient;
- D. a day patient;
- E. a patient; and
- F. a resident.

**Subp. 4. Cost of care.** "Cost of care" means the cost of providing services to state facility clients, calculated in accordance with Minnesota Statutes, section 246.50, subdivision 5.

*[For text of subps 5 and 6, see M.R.]*

**Subp. 6a. Financial file.** "Financial file" means financial data collected for the purpose of determining ability of the client or the responsible relative to pay the client's cost of care.

*[For text of subp 7, see M.R.]*

**Subp. 8. Homestead.** "Homestead" means the house owned and occupied by the client as his or her dwelling place, together with the land upon which it is situated as limited by Minnesota Statutes, section 510.02.

**Subp. 10.** [Repealed, 16 SR 1797]

*[For text of subps 11 and 12, see M.R.]*

**Subp. 13.** [Repealed, 16 SR 1797]

**Subp. 14.** [Repealed, 16 SR 1797]

**Subp. 15.** [Repealed, 16 SR 1797]

**Subp. 16. Person.** "Person" means a client, responsible relative, conservator, legal guardian, representative payee, trustee, county financial or social worker, case manager, or attorney.

*[For text of subps 17 to 19, see M.R.]*

**Subp. 19a.** [Repealed, 16 SR 1797]

**Subp. 20. Resource.** "Resource" means any property or benefit that is available to pay for the cost of care of the client.

*[For text of subp 21, see M.R.]*

Subp. 21a. **Services.** "Services" means all services in a state facility. The following are services:

- A. observation;
- B. care;
- C. treatment;
- D. diagnostic services;
- E. therapeutic services;
- F. counseling services treatment; and
- G. other related assistance.

Subp. 22. **State facility.** "State facility" means a regional treatment center, state nursing home, or other facility, as defined by Minnesota Statutes, section 246.50, subdivision 3.

**Statutory Authority:** *MS s 246.51*

**History:** *16 SR 1797*

#### **9515.1300 TIME OF DETERMINATION.**

Ability to pay the cost of care shall be determined when the client is admitted, when there is a change in the person's financial status, when a client, responsible relative, guardian, conservator, or representative payee reports a change in the financial status used in determining ability to pay, when the client has been hospitalized for 120 days or more, when the client is being discharged, and when the responsible relative's financial status has not been reviewed for one year.

Within the six-year period after the date of a client's discharge from the facility, the department from time to time may, and upon request of the client shall, reevaluate the client's ability to pay any balance of the charge for cost of care.

**Statutory Authority:** *MS s 246.51*

**History:** *16 SR 1797*

#### **9515.1400 PERSONS INTERVIEWED TO DETERMINE ABILITY TO PAY.**

In all instances the client shall be present at the interview to determine ability to pay unless the client is a minor or the treatment staff of the state facility attests the client's presence is medically contraindicated. When the client cannot be present at the interview, the reason shall be noted in the financial file for that client.

The client shall be the source of financial information to determine ability to pay except when the management of the client's financial affairs is in the hands of another person. When the client is not the source of financial information the reason shall be noted in the financial file for that client.

When the client is not able to act on his or her own behalf, the person interviewed shall be the client's legal guardian, the conservator, the parents of a minor child, a spouse, a relative of the client, a trustee, a representative payee, the client's legal representative, or a county social worker.

If the client is unable to pay the full cost of the care, the responsible relative shall be interviewed.

**Statutory Authority:** *MS s 246.51*

**History:** *16 SR 1797*

#### **9515.1500 FINANCIAL INTERVIEW.**

When a person is interviewed, the department shall:

*[For text of item A, see M.R.]*

B. provide the person with an informational pamphlet on cost of care and review with the person how the department determines the charges for the client's cost of care;

[For text of items C to G, see M.R.]

**Statutory Authority:** *MS s 246.51*

**History:** 16 SR 1797

#### 9515.1900 DETERMINATION ORDER AND NOTICE OF RATE.

A determination order and notice of rate showing the cost of care, the amount the person is ordered to pay and the right to a review and an appeal shall be sent by the department to the person, and the person's guardian, conservator, or representative payee.

**Statutory Authority:** *MS s 246.51*

**History:** 16 SR 1797

#### 9515.2200 SOURCES OF INCOME CONSIDERED.

**Subpart 1. In general.** The client's ability to pay shall be determined from insurance benefits, net income, and value of property owned.

**Subp. 2. Insurance benefits.** When the investigation of the client's ability to pay discloses eligibility for insurance benefits, the client shall be determined to be able to pay the cost of care provided to the full extent of insurance benefits available. The dollar amount of this coverage need not be specified in the determination order.

When the insurance benefits pay less than the cost of care, the ability of the client to pay the remaining part of the cost of care shall be determined from the client's net income and nonexcluded property.

**Subp. 3. Net income.** The client's entire net income remaining after the deductions from gross income have been made in accordance with part 9515.2300, subpart 4, except Supplemental Security Income paid under section 1611(e)(1)(E) of the Social Security Act, United States Code, title 42, section 1382(e)(1)(E), as amended through November 10, 1986, shall be available to pay the cost of care.

**Subp. 4. Property.** As long as the client owns property not excluded under part 9515.2500, the client shall be determined able to pay the full cost of care.

**Statutory Authority:** *MS s 246.51*

**History:** 16 SR 1797

#### 9515.2300 NET INCOME OF CLIENT.

**Subp. 2. Lump sums.** Lump sums, other than excluded property, shall be treated as income in the month received and thereafter shall be treated as property, except that retroactive awards of retirement, survivors, and disability insurance shall be excluded as property for six months if retained after the month of receipt. The client shall report the lump sum to the department within ten working days.

[For text of subp 3, see M.R.]

**Subp. 4. Deductions from gross income to arrive at net income.** The following items shall be deducted from the client's monthly gross income:

[For text of items A and B, see M.R.]

C. Child care costs paid by the client and not reimbursed from any source.

D. Support payments ordered by a court and actually paid. If this deduction is taken, the individual for whom support is paid shall not be included as a member of the client's household in determining the monthly household living allowance in part 9515.2400.

[For text of items E to J, see M.R.]

K. A personal needs and clothing allowance of the client in the amount determined under Minnesota Statutes, section 256B.35 for persons receiving public assistance grants. In addition, a special personal allowance drawn solely from earnings from any productive employment under an individual plan of rehabilitation or work therapy shall be given to all clients in state facilities. The special personal allowance shall not exceed 50 percent of net monthly income.

L. Sixty percent of the income earned from child care in one's own home or, if the client chooses, the actual itemized business expenses incurred in providing child care subject to the limitations provided in parts 9515.1200, subparts 2 and 3; and 9515.2300, subpart 4, item 1.

M. A client receiving inpatient services without dependents living in his or her home shall be allowed the actual cost of his or her housing and utilities in the community for the month of admission and a period of three months of continuous hospitalization subsequent to that admission. A client receiving inpatient services with dependents living in his or her home shall be allowed a pro rata share of his or her household's total actual housing costs during the month of admission and for a period of three months of continuous hospitalization subsequent to that admission. This housing allowance shall be available to the client receiving inpatient services only twice in any one calendar year regardless of the number of times the client is admitted to a state facility in that calendar year. A client receiving outpatient services or former client shall be allowed the actual cost of his or her housing and utilities.

[For text of item N, see M.R.]

**Statutory Authority:** *MS s 246.51*

**History:** *16 SR 1797*

**9515.2400 MONTHLY HOUSEHOLD LIVING ALLOWANCE SCHEDULE.**

Number in Household	Monthly Household Living Allowance
1	\$ 539
2	\$ 809
3	\$1,073
4	\$1,349
5	\$1,618
6	\$1,888
over 6	\$1,888 plus \$ 280 for each additional person

The number of persons in the household of a client receiving inpatient services is the number of dependents the client claims. The number in the household of a client receiving outpatient services or former client shall be the client plus the number of dependents claimed. The gross monthly income of a client's spouse, if any, shall be deducted from the housing allowances shown above.

By July 1 of each year, the department shall adjust the monthly household living allowance to reflect the annual percentage change reported in the most recent Consumer Price Index, for all urban consumers in the Minneapolis-Saint Paul area. The Consumer Price Index shall be as published by the Bureau of Labor Statistics, United States Department of Labor. The year 1967 is the standard reference base period.

By July 1 of each year, the department shall publish the adjusted monthly household living allowance in a department bulletin.

**Statutory Authority:** *MS s 246.51*

**History:** *16 SR 1797*

### 9515.2500 PROPERTY OF CLIENT.

Subpart 1. **In general.** Property shall be available to pay for the cost of the client's care to the extent owned by the client, subject to the exclusions in subparts 2 to 7.

Subp. 2. **Real property.** The value of the client's homestead is excluded from consideration as a resource.

The value of real property owned by the client which produces a net income is excluded from consideration as a resource. Real property which the client is selling on a contract for deed and for which the client receives payments is considered income producing property.

Subp. 3. **Personal property.** The value of the following personal property is excluded from consideration as a resource:

A. the value of personal property other than stocks, bonds, and other investment instruments which is owned by the client and which yields or contributes to the production of a net income, such as tools, farm implements, livestock, and business inventory and fixtures acquired prior to hospitalization;

B. the cash or liquid assets for a single client and the cash or liquid assets for a married couple shall be the standard for medical assistance recipients as provided in Minnesota Statutes, section 256B.056, subdivision 3, as from time to time amended;

*[For text of items C to G, see M.R.]*

H. manufactured home used as a home by the client or the client's dependents;

*[For text of items I to K, see M.R.]*

L. life insurance owned by the client is the standard for medical assistance recipients as provided in Minnesota Statutes, section 256B.056, subdivision 3, as from time to time amended;

*[For text of item M, see M.R.]*

N. burial expenses, including a burial lot and a prepaid burial account, shall be the standard for medical assistance recipients as provided in Minnesota Statutes, section 256B.056, subdivision 3, as from time to time amended.

Subp. 4. **Waiver of property as a resource.** The department shall waive consideration of property in excess of the exemptions when the client's equity cannot be liquidated, the offered price is less than 80 percent of the market value given by two appraisers agreeable to both parties, or the cost of repairs necessary to meet the conditions of sale exceeds 35 percent of the offered price.

Each case shall be referred to the department's reimbursement division central office and decided on the merits of the facts recorded in the client's financial file to substantiate the circumstances.

The decision to waive the consideration shall be examined at least annually for changes in market value, opportunity for sale or mortgage, and other pertinent factors.

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

Subp. 6. **Documentation required.** When property described in subpart 5 is transferred during the period between two years prior to admission to a state facility and six years following discharge, the client or the representative shall provide documentation of the circumstances of the transfer.

**Subp. 7. Exemption.** The provisions of subparts 5 and 6 do not apply when the client is not continuing to accrue charges and the full cost of care has been paid. The provisions of subparts 5 and 6 do not apply to property excluded from consideration under other provisions of parts 9515.1000 to 9515.2600.

**Statutory Authority:** *MS s 246.51*

**History:** *16 SR 1797*

### **9515.2600 RESPONSIBLE RELATIVE'S ABILITY TO PAY.**

**Subpart 1. In general.** When the client is determined not to be able to pay the full cost of care, the department shall determine the ability of each responsible relative of the client to pay the amount permitted by statute.

*[For text of subp 2, see M.R.]*

**Subp. 3. Insurance benefits.** The responsible relative shall inform the department about dependent benefits from hospital and medical insurance carried by the relative.

Dependent benefits to a client shall be considered the same as the client's insurance.

Any difference between benefits to a client and others covered by the responsible relative's policy shall be verified.

The responsible relative shall complete and sign the forms necessary to verify eligibility for benefits and assign benefits to pay the cost of care of the client.

The amount of the premium paid by the responsible relative may be deducted from the responsible relative's total obligation to pay.

**Subp. 4. Liability of responsible relatives.** When the sum of the benefits described in subpart 3 and the client's other resources pay less than the full cost of care, the ability of each responsible relative to pay shall be determined in the statutory order of liability for cost of care. When two responsible relatives have the same order of liability for cost of care, a determination shall be made for each one except that a joint determination shall be made for parents who reside in the same household.

**Subp. 5. Limitations on relative's ability to pay.** The ability of a responsible relative to pay shall be determined from the annual gross earnings of the responsible relative subject to the following limitations:

*[For text of item A, see M.R.]*

**B.** No responsible relative who is a resident of Minnesota shall be ordered to pay more than ten percent of the cost of care for each client except that the responsible relative who has failed to provide the information, documents, and proofs which are necessary to determine ability to pay as required by part 9515.1500, items F and G may be ordered to pay the full cost of care until such time as they are provided.

**C.** The department may require full payment of the full cost of care for a client whose parents or parent, spouse, guardian, or conservator do not reside in Minnesota and are financially able to pay as determined by the department.

**D.** Only the annual gross earnings of the spouse of a client shall be used to determine the spouse's ability to pay.

*[For text of items E to G, see M.R.]*

**Subp. 6. Determination of relative's ability to pay.** A responsible relative who provides the department the information, documents, and proofs necessary to determine ability to pay as provided in part 9515.1500, items F and G shall have his or her ability to pay determined from the table in subpart 8. For purposes of this table, household size consists of the responsible relative and the responsible

relative's dependents living in the responsible relative's household, other than the client.

A responsible relative who chooses not to provide the department the information, documents, and proofs necessary to determine ability to pay as provided in part 9515.1500, items F and G may be determined liable for the full cost of care.

**Subp. 7. Purpose of table.** The table in subpart 8 shall be used to determine a relative's ability to pay, as described in subpart 6. When there is a change in the cost of care, the department shall revise subpart 8. Adjustments shall be made according to the following formula: at each level of annual gross earnings, daily payments equal to ten percent of the cost of care for the previous year shall be adjusted to equal either the daily payment at the next lower level of earnings plus 25 percent, or ten percent of the cost of care for the current year, whichever is less; successive levels of earnings shall be added to subpart 8 if needed to incorporate daily payments up to ten percent of the cost of care for the current year; the daily payment of a responsible relative whose earnings are above these levels shall be at ten percent of the current cost of care.

**Subp. 8. Daily payment based on ability to pay according to household size and annual gross earnings of responsible relatives.**

Annual Gross Earnings of Responsible Relative	Household Size									
	1	2	3	4	5	6	7	8	9	10
11,000-11,999	.33	0								
12,000-12,999	.45	.33	0							
13,000-13,999	.57	.45	.33	0						
14,000-14,999	.72	.57	.45	.33	0					
15,000-15,999	.87	.72	.57	.45	.33	0				
16,000-16,999	1.05	.87	.72	.57	.45	.33	0			
17,000-17,999	1.23	1.05	.87	.72	.57	.45	.33	0		
18,000-18,999	1.45	1.23	1.05	.87	.72	.57	.45	.33	0	
19,000-19,999	1.81	1.45	1.23	1.05	.87	.72	.57	.45	.33	0
20,000-20,999	2.26	1.67	1.45	1.23	1.05	.87	.72	.57	.45	.33
21,000-21,999	2.82	1.92	1.67	1.45	1.23	1.05	.87	.72	.57	.45
22,000-22,999	3.52	2.17	1.92	1.67	1.45	1.23	1.05	.87	.72	.57
23,000-23,999	4.41	2.45	2.17	1.92	1.67	1.45	1.23	1.05	.87	.72
24,000-24,999	5.51	3.06	2.45	2.17	1.92	1.67	1.45	1.23	1.05	.87
25,000-25,999	6.89	3.82	2.75	2.45	2.17	1.92	1.67	1.45	1.23	1.05
26,000-26,999	8.61	4.77	3.05	2.75	2.45	2.17	1.92	1.67	1.45	1.23



9515.2600 STATE HOSPITAL ADMINISTRATION

27,000-27,999	10 76	5 96	3 37	3 05	2 75	2 45	2 17	1 92	1 67	1 45
28,000-28,999	13 45	7 46	4 21	3 37	3 05	2 75	2 45	2 17	1 92	1 67
29,000-29,999	16 81	9 32	5 26	3 72	3 37	3 05	2 75	2 45	2 17	1 92
30,000-30,999	21 01	11 65	6 57	4 07	3 72	3 37	3 05	2 75	2 45	2 17
31,000-31,999	23 30	14 56	8 21	4 45	4 07	3 72	3 37	3 05	2 75	2 45
32,000-32,999	26 29	18 20	10 26	4 83	4 45	4 07	3 72	3 37	3 05	2 75
33,000-33,999	27 15	22 75	12 83	6 03	4 83	4 45	4 07	3 72	3 37	3 05
34,000-34,999	27 15	27 15	16 04	7 53	5 25	4 83	4 45	4 07	3 72	3 37
35,000-35,999	27 15	27 15	20 05	9 41	5 67	5 25	4 83	4 45	4 07	3 72
36,000-36,999	27 15	27 15	25 06	11 76	6 12	5 67	5 25	4 83	4 45	4 07
37,000-37,999	27 15	27 15	27 15	14 70	7 56	6 12	5 67	5 25	4 83	4 45
38,000-38,999	27 15	27 15	27 15	18 38	9 45	7 56	6 12	5 67	5 25	4 83
39,000-39,999	27 15	27 15	27 15	22 96	11 81	9 45	7 56	6 12	5 67	5 25
40,000-40,999	27 15	27 15	27 15	27 15	14 76	11 81	9 45	7 56	6 12	5 67
41,000-41,999	27 15	27 15	27 15	27 15	18 45	14 76	11 81	9 45	7 56	6 12
42,000-42,999	27 15	27 15	27 15	27 15	23 06	18 45	14 76	11 81	9 45	7 56
43,000-43,999	27 15	27 15	27 15	27 15	27 15	23 06	18 45	14 76	11 81	9 45
44,000-44,999	27 15	27 15	27 15	27 15	27 15	27 15	23 06	18 45	14 76	11 81
45,000-45,999	27 15	27 15	27 15	27 15	27 15	27 15	27 15	23 06	18 45	14 76
46,000-46,999	27 15	27 15	27 15	27 15	27 15	27 15	27 15	27 15	23.06	18 45
47,000-47,999	27 15	27 15	27 15	27 15	27 15	27 15	27 15	27 15	27 15	23 06
48,000-48,999	27 15	27 15	27 15	27 15	27 15	27 15	27 15	27 15	27 15	27 15

**Subp. 9. Maximum rate.** When the annual gross earnings exceed the amount shown in the table in subpart 8, the daily payment shall be at the statutory limitation of ten percent of the cost of care.

**Subp. 10. Verification of financial information.** The annual gross earnings of a relative and the number of dependents of a relative shall be verified from the relative's Minnesota state income tax return or, in the case of a relative who is not a resident of Minnesota and does not file a Minnesota state income tax return, from the United States income tax return.

The amount of the premium paid by the relative to provide dependent hospital and medical insurance coverage for the client shall be verified.

**Subp. 11. Clothing and personal needs allowance of a minor.** The parents of a client who is an unmarried, dependent child are responsible for meeting the child's clothing and personal needs allowance in addition to the amount they are determined able to pay to meet the cost of care.

**Statutory Authority:** *MS s 246.51*

**History:** *16 SR 1797*