## 3300.2040 CONSIDERATION OF ECONOMIC CONDITIONS.

The department must provide a variance to the contract starting point in part 3300.2035, subpart 4, for a provider that establishes that it was unable to produce the number of hours required by the provider's contract during the previous contract period due to circumstances beyond the control of the provider's management.

- A. Circumstances beyond the control of the provider's management include conditions such as fire or natural disaster, the cessation of a major contract, the movement of a major employer out of the area, or a local unemployment level substantially higher than the statewide average.
- B. A provider seeking a variance to the contract starting point must request this variance in the annual application for state grant funds in part 3300.2035. The request for variance to the contract starting point must state the reasons for the request and the plan for corrective action to meet contracted hours during the next contract period.
- C. A provider who requests and is granted a variance to the contract starting point will retain the work hour level from the previous contract period. However, the underproduction of contracted hours is subject to repayment in the adjustment of the allocated state grant funds in part 3300.2035, subpart 8.

**Statutory Authority:** MS s 268.021; 268.0122; 268A.03; 268A.15

**History:** 22 SR 2294

**Published Electronically:** October 8, 2007