

STATE OF MINNESOTA

PROPOSED BIENNIAL BUDGET

1983-85

FOR

HEALTH, WELFARE, CORRECTIONS



PRESENTED BY GOVERNOR RUDY PERPICH

TO THE SEVENTY-THIRD LEGISLATURE

830384

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AGENCY: PUBLIC WELFARE, DEPARTMENT OF

1983-85 BIENNIAL BUDGET
PROGRAM STRUCTURE

<u>PROGRAMS</u>	<u>BUDGET ACTIVITIES</u> <u>MANAGEMENT ACTIVITIES</u>	<u>AGENCY REQUEST</u> <u>ALL FUNDS</u> (Dollars in Thousands)		<u>PAGE</u>
		<u>F.Y. 1984</u>	<u>F.Y. 1985</u>	
<u>WELFARE MANAGEMENT</u>	Executive Office	271.2	273.7	4-0111
	Policy Analysis and Planning	170.0	170.6	4-0113
	Fair Hearings and Appeals	288.3	290.3	4-0115
	Personnel	648.9	656.7	4-0117
	PROGRAM TOTAL	<u>1,378.4</u>	<u>1,391.3</u>	
<u>SUPPORT SERVICES</u>	Information Systems	512.9	526.0	4-0122
	Licensing	1,048.2	1,056.6	4-0124
	Long-Term Care Rates	742.7	486.2	4-0126
	Financial Management	53,674.6	54,297.0	4-0129
	Special Services	1,628.1	1,713.1	4-0139
	Local Fiscal Audits	508.2	513.4	4-0141
	Collections	892.5	901.6	4-0143
	PROGRAM TOTAL	<u>59,007.2</u>	<u>59,493.9</u>	

PROGRAMS	BUDGET ACTIVITIES MANAGEMENT ACTIVITIES	AGENCY REQUEST ALL FUNDS (Dollars in Thousands)		PAGE
		F.Y. 1984	F.Y. 1985	
SOCIAL SERVICES	Social Services	111,440.1	116,753.3	4- 0148
	Aging	15,147.5	15,160.4	4- 0157
	Blind Services	5,744.8	5,807.2	4- 0166
	Deaf Services	417.5	421.1	4- 0170
	PROGRAM TOTAL	<u>132,749.9</u>	<u>138,142.0</u>	
INCOME MAINTENANCE	Health Care Programs	1,101,074.9	1,278,521.6	4- 0176
	Administration of Health Care Programs	1,100,528.0	1,277,968.7	4- 0178
	Benefit Recovery	546.9	552.9	4- 0186
	Central Medical Disbursement	6,592.1	6,823.3	4- 0188
	Child Support Enforcement	430.1	470.7	4- 0190
	Operations Review	1,780.5	1,799.1	4- 0192
	Quality Review	869.6	875.1	4- 0194
	Food Stamp Review	249.0	250.8	4- 0196
	Corrective Action	282.1	287.5	4- 0198
	Income Maintenance Reports and Statistics	379.8	385.7	4-01100
	Assistance Payments	284,738.8	283,725.9	4-01102
	Administration of Assistance Payments	214.9	215.6	4-01104
	Supervision of AFDC-MSA-GA	252,452.9	251,401.7	4-01106
	Supervision of Food Stamps	230.3	236.5	4-01111
	Supervision of EPSDT	424.9	441.4	4-01113
	Supervision of Work-Training	1,228.1	1,231.1	4-01115
	Supervision of Refugee Assistance	30,187.7	30,199.6	4-01118
	Medical Assistance Program Integrity	4,280.1	4,498.1	4-01122
	Surveillance and Utilization Review	533.3	537.5	4-01124
	Utilization Control	3,746.8	3,960.6	4-01126
	PROGRAM TOTAL	<u>1,398,896.5</u>	<u>1,575,838.7</u>	

AGENCY: PUBLIC WELFARE, DEPARTMENT OF

1983-85 BIENNIAL BUDGET
PROGRAM STRUCTURE

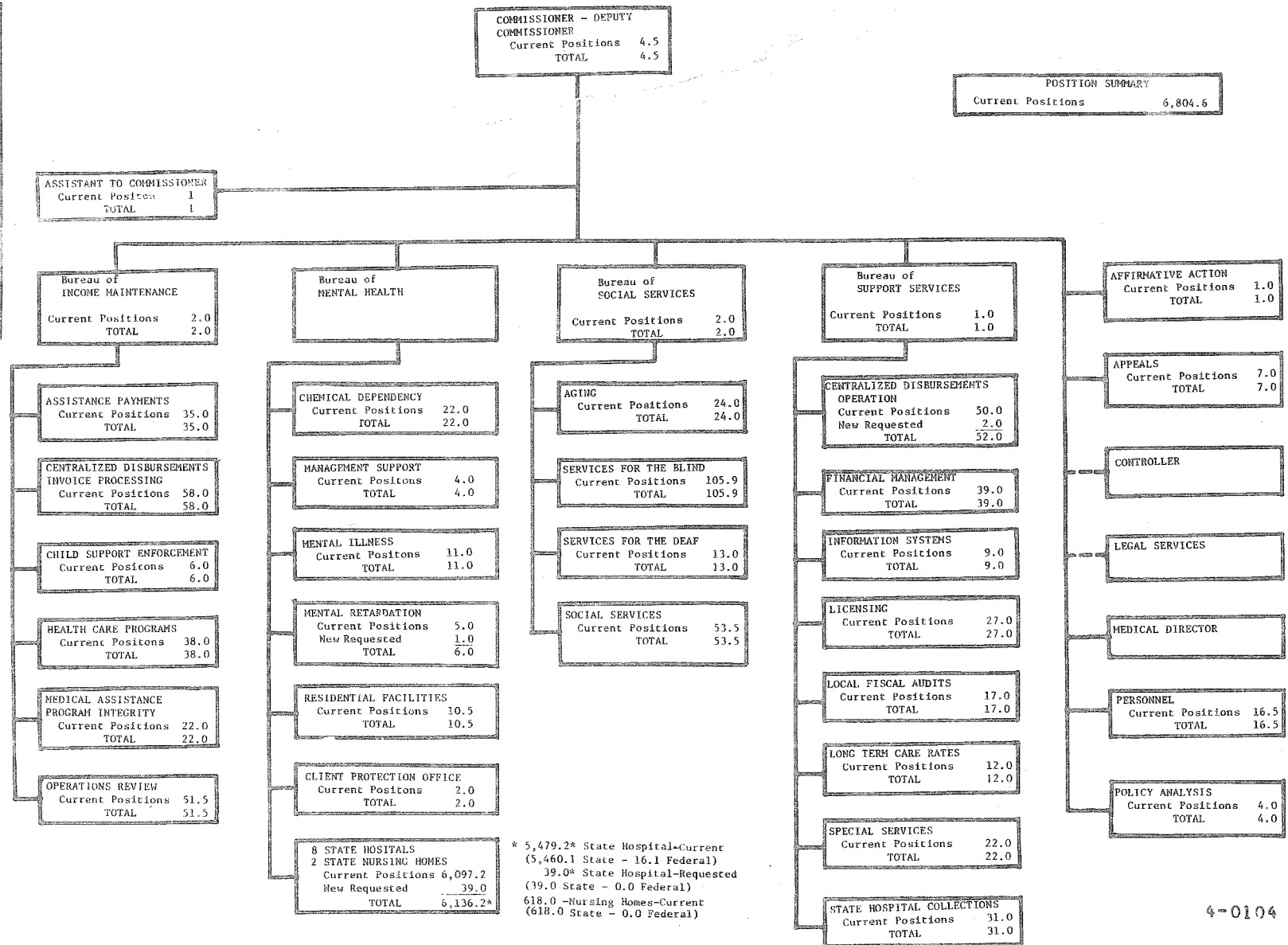
<u>PROGRAMS</u>	<u>BUDGET ACTIVITIES</u> <u>MANAGEMENT ACTIVITIES</u>	<u>AGENCY REQUEST</u> <u>ALL FUNDS</u> (Dollars in Thousands)		<u>PAGE</u>
		<u>F.Y. 1984</u>	<u>F.Y. 1985</u>	
<u>MENTAL HEALTH</u>	Program Offices	15,406.8	14,830.6	4-01131
	Mentally Ill Program Office	7,210.6	6,295.6	4-01133
	Mentally Retarded Program Office	3,187.5	3,604.6	4-01143
	Chemically Dependent Program Office	4,764.7	4,679.0	4-01148
	Mental Health Management	244.0	251.4	4-01161
	Central Office Support	626.9	642.9	4-01163
	State Hospitals	149,482.9	146,552.6	4-01165
	Anoka State Hospital	12,124.7	11,779.8	4-01168
	Brainerd State Hospital	19,270.8	18,998.9	4-01170
	Cambridge State Hospital	19,592.0	19,264.3	4-01173
	Faribault State Hospital	28,480.0	27,749.7	4-01175
	Fergus Falls State Hospital	17,291.9	16,958.8	4-01177
	Moose Lake State Hospital	14,316.8	13,963.1	4-01180
	St. Peter State Hospital	15,714.2	15,368.5	4-01183
	Security State Hospital-St. Peter	5,153.0	5,153.0	4-01185
	Willmar State Hospital	17,539.5	17,316.5	4-01187
	Rochester State Hospital	-0-	-0-	4-01190
	State Nursing Homes	16,376.8	16,093.3	4-01192
	Ah-Gwah-Ching Nursing Home	7,975.5	7,817.5	4-01195
	Oak Terrace Nursing Home	8,401.3	8,275.8	4-01197
	PROGRAM TOTAL	<u>181,893.4</u>	<u>178,119.4</u>	
	AGENCY TOTAL	<u>1,773,925.4</u>	<u>1,952,985.3</u>	

DEPARTMENT OF PUBLIC WELFARE

Organization Chart Current as of 10-1-82

POSITION RECONCILIATION (Current 10-1-82)		
AUTHORITY	CURRENT	REQUESTED FOR 6-30-85
Legislative Complement		
General Fund	6,520.1	6,680.1
Subtotal	6,520.1	6,680.1
Finance Authorized		
LAC Recommended	- 0 -	- 0 -
General Fund		
Other		
Agency Funds	- 0 -	- 0 -
Federal Funds	150.5	147.5
Subtotal	150.5	147.5
TOTAL AUTHORIZED POSITIONS	6,670.6	6,827.6
Employees on 6-30-82:	7,545.0*	
* Employees counted as FTE regardless of the amount of time they are employed; e.g., .5 time.		

This chart does not include those positions affected by the 3rd Special Session, Chapt. 1



AGENCY: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.


Agency Head

1/22/83
Date

AGENCY PURPOSE:

The Department of Public Welfare is primarily a supervisory agency. It maintains the legal and administrative framework in which county and private social service agencies operate, as well as the state hospitals and nursing homes.

The department provides this framework through planning, coordinating, setting policies and standards, licensing, monitoring, funding, developing administrative rules, and providing technical assistance. It does not engage in direct service except in its services to the blind and deaf, and through the state institutions.

In general, the department's policy is to provide, through county agencies, financial and social services to the poor, aged and disadvantaged of Minnesota, with the intention of helping them achieve maximum possible self-sufficiency.

OPERATION AND CLIENTELE:

The Department of Public Welfare, in addition to its administrative and support functions, has 3 program bureaus, each of which addresses (through programs operated by county and private agencies and state institutions) a specific kind of client. However, to varying extents these clienteles overlap, requiring the bureaus to coordinate their programs closely. This coordination must be accomplished in the context of a growing and increasingly complex body of regulations and restrictions issued by a number of federal agencies, by state and federal lawmakers, and by the courts. Consequently, a change in one program will usually have fairly immediate economic or social impact on one or more programs in other bureaus.

One of the major themes of this budget is continued implementation of the Community Social Services Act (CSSA). Before passage of CSSA, the department was charged with substantial responsibilities in the areas of direct service and decision-making about service delivery in the counties. Because that changed with CSSA, this budget emphasizes systematic reinforcement of county administration and county decision-making about local social and mental health services.

OPERATION AND CLIENTELE (Contd.)

A second major theme is the improvement and streamlining of the state welfare system's administration. During the last biennium, there has been increased strain on welfare resources as the products of a poor economy have manifested themselves: higher unemployment, more child abuse, more chemical dependency, reduced financial ability to adopt hard-to-place children, greater need for mental health services, and so on. However, as the need for welfare programs increases, the ability of taxpayers to pay for them decreases. Tension builds between the urgency of serving people in great need, and the pressures of diminishing dollars and of absorbing the administrative changes initiated by the federal government. The department believes it is now critically important to improve welfare administration so that the maximum possible service may be delivered for the welfare dollar. Proposals along these lines are to be found especially in the Mental Health proposal to end the "dual mental health systems" and in Support Services requests for computer information systems and change in nursing home reimbursement methods.

The Support Services Bureau and Commissioner's Office direct, control and support the line functions. Their activities include budget, audit, disbursement, collections and accounting, personnel, office management, hearings, information and data processing services.

The Support Services Bureau has been working with the counties to develop computer information systems for accounting, food stamps, child support enforcement and social service programs. This kind of computer system has become increasingly important in view of needs for uniform data, efficiency, non-duplication of effort and case management.

Nevertheless, one of the most pressing management needs of the department is an adequate computer information system. The Medicaid centralized reimbursement system is now 15 years old and outdated. Particularly in the light of frequent state and federal program changes, needs to respond accurately to budget proposals, and the pressure of heavier federal fiscal sanctions for errors, it has become a significant economic need to update the system.

A second management need is to revise the method in which nursing homes are reimbursed by the state Medicaid system -- a cost to the state of about \$40 million per month. Procedural changes can save the state money, speed up administration, and promote more efficient management by nursing homes.

The Social Services Bureau is responsible for the specific human service programs provided by a variety of public and private delivery systems. These programs include family violence and child abuse prevention, day care, adoption and foster care programs, programs for the aging and direct services to the deaf and blind. Most of the funding for this bureau comes from state appropriations and from Title XX of the Social Security Act.

Further consolidation of social service programs under the Community Social Services Act is proposed, with inclusion of the following programs in the social service block grant: day care sliding fee, children under state guardianship, Rule 23 (funding for community services for the retarded), and Rule 14 (funding for chronically mentally ill). Additional funding is requested for subsidized adoption, making it possible to move hard-to-place children from foster care into permanent homes.

AGENCY: PUBLIC WELFARE, DEPARTMENT OF
(Continuation)

1983-85 Biennial Budget

SOCIAL SERVICES: (Contd.)

It is to be noted that in each of the fiscal years 1984 and 1985, \$16.7 million will be lost to state social service programs by federal Title XX cuts, \$1.759 million to services for older people and \$1.2 million for services for the blind (calculated in each case from the base year 1981).

The Income Maintenance Bureau programs provide cash assistance, food stamps, and payment to providers and medical and health care services to and for needy people. These programs are: Aid to Families with Dependent Children (AFDC), General Assistance (GA), Minnesota Supplemental Aid (MSA), Food Stamps, Medical Assistance (MA or Medicaid), General Assistance Medical Care (GAMC), and Catastrophic Health Expense Protection Program (CHEPP) (currently not funded).

Virtually all of the requirements and funding levels for these programs are dictated by state and federal legislation. The income maintenance budget required for the biennium to comply with these laws is \$1.4 billion. This is \$246.1 million above department of Finance guidelines. In order to contain the budget within the guidelines, reinstatement of "sunsetted" cuts, lower caps on reimbursement rates and reductions in services and/or case loads would be necessary. In addition, and also as a result of existing legislation, the department will have a projected deficit of approximately \$63 million in the five major income maintenance programs by the end of the current fiscal year.

In addition to the income maintenance programs, this bureau maintains a computer program that pays health care providers; a surveillance program that has gained national recognition for reducing and preventing Medicaid fraud; quality control programs that have brought AFDC and Medicaid error rates well below national averages; and programs to collect child support and third party medical payments.

Medical Assistance is the most costly welfare program, accounting for about half of the department budget. This budget reflects statutorily mandated increases, but proposes to reduce the cost of Medical Assistance in a manner that will do the least amount of harm to clients. The proposal is to reduce the rate of increase in health care provider reimbursement, which has been as high as 18 percent in some accounts in the recent past.

The projected need for alternative care and preadmission screening grants authorized by statute is \$8.4 million.

Based on analysis of critical need, the budget also recommends that the rateable reduction clause (which gives the Commissioner legal authority to reduce income maintenance program) be terminated on July 1, 1983, and that the General Assistance Medical Care program be fully funded. Should full funding not be possible, the department recommends capping the program and block-granting it to counties according to a formula reflecting past experience.

INCOME MAINTENANCE (Contd.)

Although no proposal appears in this budget that directly addresses the problem of unemployment, particularly in northeastern Minnesota, the department is cooperating with the Department of Economic Security efforts to target this problem. There is a need for a statewide employment policy, administered by Economic Security through an expanded unemployment compensation system that includes retraining and training efforts coordinated by the Department of Education. It is felt that the welfare system should play a supportive, not a leading, role in the solution of such a large-scale unemployment problem.

Based on departmental projections for income maintenance programs, the loss of federal dollars because of reduced federal funding will be \$51.0 million in F.Y. 1984 and \$39.3 million in F.Y. 1985. These figures measure the reduction of federal funding due to AFDC eligibility cuts and reduced MA matching rates contained in the 1981 Federal Reconciliation Act as well as a reduction in the basic federal matching rate for MA and AFDC from 54.39% to 52.67% scheduled for October 1, 1983. Some of these cuts will be picked up by state and county governments, while cuts resulting from eligibility changes will be borne by clients.

The Mental Health Bureau works to assure that needed services are provided to the mentally ill, mentally retarded and chemically dependent. In addition, it manages 8 state hospitals and 2 nursing homes.

Major concerns are: promoting the necessary range of community-based services for mental retardation, mental illness and chemical dependency by removing barriers to deinstitutionalization and by developing financial and programmatic systems and incentives which ensure that individuals are served in the least restrictive environments. By bringing these services under community control, care for clients will be at more appropriate levels, and in many cases at or closer to home. For that reason, the budget includes increased funding for semi-independent living, a budget and separate legislation to include in CSSA the categorical funds for the mentally ill. Cost containment strategies are an essential component of this approach. The department is in the process of implementing its six-year plan for the care the mentally retarded. Full staffing will be needed this biennium.

In other legislation not part of this budget, the department is requesting clarification of the state's authority to evaluate programs for the chemically dependent which are funded by state or federal funds.

The reduction of federal funds under the Alcohol/Drug/Mental Health Block Grant was \$1.1 million in Federal F.Y. 1982, or 24% less than the categorical grants in the base years of 1980 and 1981. Federal funding is projected to continue at this level through Federal F.Y. 1984.

During the Third Special Session (1982), the department budget was reduced by \$24.328 million. \$10.952 million was cut from the F.Y. 1983 base and thus, was carried over into F.Y.s 1984 and 1985 as a reduction. If this reduction is continued, it will seriously impair the department's ability to provide required services. (More detail on these consequences appears on appropriate program pages.) Therefore, the department is requesting restoration of the lost funds, specifically, \$1.915 million for aging and nutrition programs, \$5.2 million for Medical Assistance, \$435,000 for central office salaries, supplies and expense; and \$2.800 million for state institution salaries and \$602,000 for state institution supplies and expense.

GOVERNOR'S RECOMMENDATION:

From the Department of Public Welfare's biennial request of \$1,978,073.7 the Governor is recommending reductions of \$423,271.8 with a downward adjustment of the inflation factors from 7% to 5%.

The Governor recommends reductions in the following activities:

- Eliminate State Administration Aid Program
- Modify CSSA - DWI Detox Mandates
- Eliminate Funding for CHEPP
- Disapprove Centralized Disbursement Request
- Disapprove increases for GA
- Disapprove increases for GAMC
- Decrease MA - 8% rate cap legislation
- Decrease MA - rental concept legislation
- Eliminate MASH-KA-WISEN - CD subsidy increase
- Fund State Hospitals from Receipts
- Advisory Committee on Alcohol and Drug Abuse Sunset

The Governor recommends the following increases:

- AFDC - 5% COLA adjustment each year
- Support Services - 6 new audit positions

The detailed rationale for these budget decisions is contained in the program and activity narratives that follow.

AGENCY FISCAL SUMMARY - BIENNIAL BUDGET

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY PROGRAM:											
WELFARE MANAGEMENT	1,683.1	1,152.3	1,303.1	1,356.1	22.3	1,378.4	1,369.0	22.3	1,391.3	1,375.2	1,384.0
SUPPORT SERVICES	47,879.8	54,470.2	50,802.0	51,062.6	7,944.6	59,007.2	51,195.4	8,298.5	59,493.9	51,539.8	51,375.8
SOCIAL SERVICES	121,997.1	123,143.1	108,222.6	125,364.2	7,385.7	132,749.9	125,486.1	12,655.9	138,142.0	131,875.2	137,159.8
INCOME MAINTENANCE	996,163.9	1088,848.1	1084,345.6	1084,963.6	313,932.9	1398,896.5	1085,649.0	490,189.7	1575,838.7	1327,726.9	1478,988.4
MENTAL HEALTH	145,458.2	152,446.7	170,250.9	174,344.0	7,549.4	181,893.4	173,592.1	4,527.3	178,119.4	180,230.8	176,323.8
TOTAL	1313,182.1	1420,060.4	1414,924.2	1437,090.5	336,834.9	1773,925.4	1437,291.6	515,693.7	1952,985.3	1692,747.9	1845,231.8
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	134,128.0	141,150.8	154,437.4	157,271.4	4,471.8	161,743.2	157,276.8	4,477.4	161,754.2	160,644.2	160,649.6
EXPENSES & CONTRACTUAL SERVICES	14,302.3	12,116.5	17,169.3	18,644.8	1,113.8	19,758.6	19,897.2	795.7	20,692.9	19,304.4	19,944.2
SUPPLIES & MATERIALS	12,256.7	12,923.2	14,024.0	16,048.3	2,225.2	18,273.5	15,385.8	204.3	15,590.1	18,038.0	15,222.6
EQUIPMENT	886.8	1,272.9	997.0	1,125.3	374.9	1,500.2	729.1	6.0	735.1	1,484.3	730.6
REAL PROPERTY	31.9	107.7									
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	1151,571.4	1252,484.0	1228,296.5	1243,615.5	328,649.2	1572,264.7	1243,617.5	510,210.3	1753,827.8	1492,891.8	1648,299.6
OTHER EXP ITEMS	5.0	5.3									
INTERAGENCY TRANSFERS				385.2		385.2	385.2		385.2	385.2	385.2
TOTAL EXPENDITURES	1313,182.1	1420,060.4	1414,924.2	1437,090.5	336,834.9	1773,925.4	1437,291.6	515,693.7	1952,985.3	1692,747.9	1845,231.8
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	642,472.2	699,304.9	670,033.9	692,938.1	256,860.9	949,799.0	692,876.0	335,398.7	1028,274.7	749,896.4	804,905.5
DEDICATED APPROPRIATIONS:											
GENERAL	31,928.2	39,157.3	44,620.0	44,620.0	12,654.0	57,274.0	44,620.0	21,112.0	65,732.0	53,095.2	57,979.1
SPEC REV/APPORTIONMT	212.7	253.6	277.4	293.3		293.3	310.0		310.0	123,197.2	123,678.6
AGENCY	518.7	467.2	369.7	398.5		398.5	427.1		427.1	398.5	427.1
GIFTS AND DEPOSITS	393.8	292.0	520.1	228.7		228.7	232.0		232.0	228.7	232.0
FEDERAL	637,656.5	680,585.4	699,103.1	698,611.9	67,320.0	765,931.9	698,826.5	159,183.0	858,009.5	765,931.9	858,009.5
TOTAL FINANCING	1313,182.1	1420,060.4	1414,924.2	1437,090.5	336,834.9	1773,925.4	1437,291.6	515,693.7	1952,985.3	1692,747.9	1845,231.8
POSITIONS BY FUND:											
GENERAL	6,900.1	6,815.3	6,520.1	6,504.1	176.0	6,680.1	6,504.1	176.0	6,680.1	6,645.1	6,645.1
FEDERAL	166.9	152.4	150.5	147.5		147.5	147.5		147.5	147.5	147.5
TOTAL POSITIONS	7,067.0	6,967.7	6,670.6	6,651.6	176.0	6,827.6	6,651.6	176.0	6,827.6	6,792.6	6,792.6

PROGRAM: WELFARE MANAGEMENT
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

OPERATION (Contd.):

6. Conducting an administrative appeals process to resolve legal disputes between agencies and applicants or recipients of the department's income maintenance and social service programs.
7. Supervising and providing personnel administrative assistance to all department, state hospital, and county merit system managers and supervisors.

CLIENTELE:

The direct clientele of the program are the department's activity managers; the Governor; the legislature; the United States Departments of Health and Human Services, Agriculture and Labor; county boards of commissioners; and human services boards. Indirectly, all Minnesota public welfare recipients are the clients.

EXPLANATION OF BUDGET REQUEST:

An increase for this program of \$10,000 is requested for the biennium. Details of this increase are included on the following Welfare Management budget activities pages.

An increased level of funding of \$12,300 for F.Y. 1984 and \$12,300 for F.Y. 1985 is requested to restore the salary appropriation and complement of .5 position which was reduced by the 3rd Special Session 1982, Chapter 1.

GOVERNOR'S RECOMMENDATIONS:

The Governor concurs with the agency's request to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

PROGRAM PURPOSE:

This program combines the Department's Executive Office and the 3 executive support offices of Personnel, Appeals and Policy Analysis. The program has the following responsibilities:

1. To provide overall direction and leadership to the department, its programs and facilities.
2. To carry out the policy directives of the executive, legislative and judicial branches of the state and federal governments.
3. To implement federal and state laws and regulations related to public welfare programs and state administrative agencies.
4. To achieve uniform, equitable and legal administration of all programs.
5. To efficiently and effectively manage the expenditures of fiscal resources for their intended purposes.
6. To advocate changes or additions to public welfare programs which are necessary to meet the essential needs of recipients.
7. To effectively manage the department's human resources for the purpose of achieving the department's goals and objectives.

OPERATION:

The Department of Public Welfare is organized according to function and the clients served. Welfare Management directs and coordinates the activities of the four operating Bureaus of Income Maintenance, Social Services, Mental Health and Support Services. This is accomplished by:

1. Establishing department goals and objectives and assigning responsibilities to the appropriate program or support bureau.
2. Developing a department work plan and monitoring its implementation.
3. Developing a department budget and presenting it to the Governor and legislature.
4. Developing a department legislative program.
5. Representing the department's interests in dialogue with the Governor, the legislature, federal agencies and other state and local human services agencies.

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: WELFARE MANAGEMENT

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
EXECUTIVE OFFICE	822.5	237.5	262.2	256.9	14.3	271.2	259.4	14.3	273.7	270.5	272.3
POLICY ANALYSIS	157.0	136.4	133.7	170.0		170.0	170.6		170.6	169.9	170.2
FAIR HEARINGS & APPEALS	189.1	257.2	278.0	283.3	5.0	288.3	285.3	5.0	290.3	287.7	289.0
PERSONNEL	514.5	521.2	629.2	645.9	3.0	648.9	653.7	3.0	656.7	647.1	652.5
TOTAL	1,683.1	1,152.3	1,303.1	1,356.1	22.3	1,378.4	1,369.0	22.3	1,391.3	1,375.2	1,384.0
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	1,488.5	1,037.0	1,132.2	1,173.1	14.3	1,187.4	1,173.1	14.3	1,187.4	1,187.4	1,187.4
EXPENSES & CONTRACTUAL SERVICES	189.1	106.6	159.3	170.5	8.0	178.5	182.7	8.0	190.7	175.3	183.8
SUPPLIES & MATERIALS	5.0	7.4	7.9	8.5		8.5	9.0		9.0	8.5	8.7
EQUIPMENT	.5	1.3	3.7	4.0		4.0	4.2		4.2	4.0	4.1
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXP ITEMS											
TOTAL EXPENDITURES	1,683.1	1,152.3	1,303.1	1,356.1	22.3	1,378.4	1,369.0	22.3	1,391.3	1,375.2	1,384.0
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	1,643.0	1,122.9	1,270.5	1,322.9	22.3	1,345.2	1,335.8	22.3	1,358.1	1,342.0	1,350.8
DEDICATED APPROPRIATIONS:											
FEDERAL	40.1	29.4	32.6	33.2		33.2	33.2		33.2	33.2	33.2
TOTAL FINANCING	1,683.1	1,152.3	1,303.1	1,356.1	22.3	1,378.4	1,369.0	22.3	1,391.3	1,375.2	1,384.0
POSITIONS BY FUND:											
GENERAL	50.2	32.2	31.0	31.0	.5	31.5	31.0	.5	31.5	31.5	31.5
FEDERAL	2.5	2.5	2.5	2.5		2.5	2.5		2.5	2.5	2.5
TOTAL POSITIONS	52.7	34.7	33.5	33.5	.5	34.0	33.5	.5	34.0	34.0	34.0

4-0110

ACTIVITY: EXECUTIVE OFFICE
Program: WELFARE MANAGEMENT
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	444.4	127.7	124.4	115.6	116.7

ACTIVITY DESCRIPTION:

This activity provides overall direction and leadership to the department, its programs and facilities. The Executive Office consists of the commissioner, the deputy commissioner, the assistant to the commissioner and 2 clerical support positions. In concert with the department cabinet, it is responsible for management of:

1. All department activities so that the department's mission and the goals of the Governor, legislature, and federal programs are secured;
2. The efficient and effective expenditures of fiscal resources for their intended purposes and in compliance with accepted standards;
3. Communication with those national, state, and local entities, both in the public and private sector, with which an understanding of issues and effective coordination of effort is essential.

The major functions of this activity are:

1. To manage the department in conformity with its mission and the goals of the Governor, legislature and federal programs.
2. To develop a department work plan which supports these goals.
3. To develop a legislative program for the department in cooperation with the Governor and constituent agencies.
4. To monitor policy and practice in the state institutions, as members of the governing board.
5. To ensure that department programs conform to federal and state statute.
6. To integrate, to the maximum extent, state and local perceptions of issues or situations in the development of state policy.
7. To represent the department's interests in dialogue with the Governor, legislature, federal and other state and local (public and private) human services agencies.
8. To ensure efficient and effective use of available funds.
9. To implement the Welsch v. Noot consent decree.

ACCOMPLISHMENTS AND STATISTICS:

1. Current biennial budget was developed and F.Y. 1981-83 annual spending plans were revised to accommodate increasing costs and decreasing revenues.
2. Departmental work plan has been developed and is being implemented.
3. Effective communication with local government and private sector boards and agencies has been maintained, although at a reduced level of frequency and dialogue due to staff reduction.
4. Policies in state institutions and other programs are under continuing review.
5. An annual employee performance appraisal system is in effect.
6. Continued review of organizational structure and staff allocations.

ACCOMPLISHMENTS AND STATISTICS: (Contd.)

7. Departmental monitoring systems (Fair Hearings, Quality Control, desk and on-site audits, utilization reviews, and reporting mechanisms) are in place and provide documentation of compliance with established policies.
8. Planning and coordination of multi-agency issues and services are enhanced through periodic inter-departmental cabinet meetings with the Departments of Correction, Health and Economic Security.
9. Requirements of the Welsch v. Noot consent decree are being met.

ALTERNATIVES/BUDGET ISSUES:

1. During periods of economic stress the human needs that are provided by the welfare system increase while resources for these needs decrease.
2. Continuing commitment to local administration and community-based delivery of services is reaffirmed. This requires adequate and available department standard-setting, technical assistance, and consultation resources.

EXPLANATION OF BUDGET REQUEST:

An increased level of funding of \$14,300 for F.Y. 1984 and \$14,300 for F.Y. 1985 is requested to restore the salary appropriation and complement of .5 position which was reduced by the 3rd Special Session 1982, Chapter 1.

GOVERNOR'S RECOMMENDATIONS:

The Governor concurs with the agency's request to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

ACTIVITY: POLICY ANALYSIS
Program: WELFARE MANAGEMENT
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: The Office of Policy Analysis assists the commissioner and department managers with program policies, budget policies and legislative activities. The office prepares reports, conducts analyses and assesses the effectiveness of policy and budget decisions made to implement legislative mandates; prepares and analyzes department legislative proposals and responds to requests from the Governor and legislature for fiscal or program information; and conducts special studies requested by the Governor or legislature or assigned by the commissioner.

MAJOR OBJECTIVES:

1. To ensure that all department legislative proposals are prepared on time and in the proper form.
2. To advise the commissioner and managers on policy and fiscal implications of all welfare-related legislation which is not department initiated so that a department position may be established.
3. To respond to legislators and legislative staff with accurate and concise fiscal and technical information on department-related issues within the time frames requested.
4. To provide the governor's office with an analysis of all legislative bills referred to the department for a recommendation within the time frames requested.
5. To assist department managers in policy and fiscal analyses and program evaluations, on request.
6. To conduct special studies, make recommendations, and report results to the commissioner, Governor, and legislature within the time frames requested.
7. To cooperate with the Department of Energy, Planning and Development on studies concerning recipients of state human services programs.

ACCOMPLISHMENTS AND STATISTICS:

In F.Y. 1981:

- Conducted a cost, utilization and impact analysis on options to the MA program as contingency planning for the development of the department's 1981-1983 biennial budget.
- Completed an evaluation report on the "Sharing Life in the Community" (SLIC) program and submitted it to the legislature.
- Completed an "Out-of-Home Placement of Children" report and submitted it to the commissioner.
- Developed the state level Community Support Project (CSP) evaluation plan for the National Institute of Mental Health (NIMH).
- Provided technical evaluation support to the Chemical Dependency Program Office on program evaluation required by the legislature.
- Provided department-wide coordination for the development of the 1981-83 biennial budget.

In F.Y. 1982:

- In cooperation with the Departments of Education and Health, completed a needs assessment report on handicapped children under 4 years of age and submitted it to the legislature.
- Developed the program evaluation component for Rule 36 - Treatment for Adult Mentally Ill.
- Completed a study and report of the personal care attendant component of the Medical Assistance Program and submitted it to the commissioner.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	85.6	68.6	60.2	69.4	69.7

ACCOMPLISHMENTS AND STATISTICS: (Contd.)

- Conducted a sample survey of counties to assess what happened to General Assistance recipients who were terminated from the program due to the 7-1-81 eligibility changes.
- Coordinated a department-wide impact analysis of how the changes in the Federal Reconciliation Act of 1981 affected department programs and presented findings to the legislature.
- Provided technical evaluation assistance to the Bureaus of Mental Health and Social Services covering CSSA data needs and evaluation, the closure of Rochester State Hospital, Rule 14-Chronic mentally ill persons and Rule 29.
- Provided staff support to the Governor's Health Care Task Force.
- Coordinated department-wide analysis of legislative budget decisions for the 1981-83 biennial budget and presented a summary to the legislature.

In F.Y. 1983:

- A study of Medical Assistance funding of Developmental Achievement Centers is in progress and is expected to be completed and reported to the 1983 legislature.
- Department-wide coordination to the development of the 1983-85 biennial budget is currently being provided.
- An analysis of the impact of the legislative changes to the GAMC program which were effective 7-1-81 is currently being conducted.
- Continued assistance on current and anticipated projects will be provided as needed, including conducting studies requested by the legislature, Governor and the commissioner, providing technical evaluation to department bureaus, coordinating the development of the department's legislative packages and responding to inquiries from legislators and legislative staff.

LEGISLATIVE ACTIVITIES:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Department bills submitted to legislature	15	9	10	10	10
Department bills enacted	8	10 ¹	10	10	10
Welfare-related bills tracked ²	337	324	325	325	325
Welfare-related bills enacted ²	69	59	60	60	60
Formal fiscal notes completed	58	35	75	35	75
Bills analyzed for Governor	10	18	15	20	15
Continued assistance on current and anticipated projects will be provided as needed.					

¹ Three bills enacted in 1982 were introduced in 1981.

² Exclusive of companion bills.

EXPLANATION OF BUDGET REQUEST: The same level of funding is requested.

GOVERNOR'S RECOMMENDATIONS:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: EXECUTIVE OFFICE

PROGRAM: WELFARE MANAGEMENT

AGENCY: PUBLIC WELFARE,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	182.3	56.6	55.7	61.1	14.3	75.4	61.1	14.3	75.4	75.4	75.4
-REGULAR UNCLASSIFIED	518.9	147.7	171.0	157.7		157.7	157.7		157.7	157.7	157.7
-PART-TIME/SEAS./OTHER	3.9	.2									
-PREMIUM PAY											
-OVERTIME PAY	.3										
-MISCELLANEOUS PAYROLL	.7	1.0									
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	706.2	205.5	226.7	218.8	14.3	233.1	218.8	14.3	233.1	233.1	233.1
EXPENSES & CONTRACTUAL SERVICES	114.7	29.7	33.5	35.9		35.9	38.4		38.4	35.2	37.0
SUPPLIES & MATERIALS	1.6	2.3	1.0	1.1		1.1	1.1		1.1	1.1	1.1
EQUIPMENT			1.0	1.1		1.1	1.1		1.1	1.1	1.1
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	822.5	237.5	262.2	256.9	14.3	271.2	259.4	14.3	273.7	270.5	272.3
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	822.5	237.5	262.2	256.9	14.3	271.2	259.4	14.3	273.7	270.5	272.3
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	822.5	237.5	262.2	256.9	14.3	271.2	259.4	14.3	273.7	270.5	272.3
POSITIONS BY FUND											
GENERAL	21.5	5.5	5.0	5.0	.5	5.5	5.0	.5	5.5	5.5	5.5
TOTAL POSITIONS	21.5	5.5	5.0	5.0	.5	5.5	5.0	.5	5.5	5.5	5.5

4-0112

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: POLICY ANALYSIS

MANAGEMENT ACTIVITY: POLICY ANALYSIS

AGENCY: PUBLIC WELFARE, DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	97.5	108.1	84.4	123.9		123.9	123.9		123.9	123.9	123.9
-REGULAR UNCLASSIFIED	46.1	24.3	40.4	36.6		36.6	36.6		36.6	36.6	36.6
-PART-TIME/SEAS./OTHER	8.3										
-PREMIUM PAY		.1									
-OVERTIME PAY		.1									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	151.9	132.6	124.8	160.5		160.5	160.5		160.5	160.5	160.5
EXPENSES & CONTRACTUAL SERVICES	4.7	3.5	8.3	8.9		8.9	9.4		9.4	8.8	9.0
SUPPLIES & MATERIALS	.4	.2	.6	.6		.6	.7		.7	.6	.7
EQUIPMENT		.1									
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	157.0	136.4	133.7	170.0		170.0	170.6		170.6	169.9	170.2
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	157.0	136.4	133.7	170.0		170.0	170.6		170.6	169.9	170.2
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	157.0	136.4	133.7	170.0		170.0	170.6		170.6	169.9	170.2
POSITIONS BY FUND											
GENERAL	6.0	5.0	4.0	4.0		4.0	4.0		4.0	4.0	4.0
TOTAL POSITIONS	6.0	5.0	4.0	4.0		4.0	4.0		4.0	4.0	4.0

4-0114

ACTIVITY: FAIR HEARINGS AND APPEALS 1983-85 Biennial Budget
Program: WELFARE MANAGEMENT
Agency: PUBLIC WELFARE, DEPARTMENT OF

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	72.3	91.3	97.3	99.2	99.9

ACTIVITY DESCRIPTION:

Referees conduct fact-finding, adversary hearings to determine the facts and to issue an appropriate order to resolve disputes between agencies and applicants or recipients of income maintenance and social service programs. Applicants and recipients of welfare benefits, their representatives, and county welfare agency representatives present evidence and testimony.

The major function of this activity is to hold an administrative hearing and issue a correct decision within 90 days of the the day the appeal was filed.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Appeals Received:	1,980	3,615	3,795	3,984	4,183
Aid to Families with Dependent Children	592	1,494	1,568	1,646	1,728
General Assistance	495	1,025	1,076	1,129	1,185
Medical Assistance	567	542	569	597	626
Minnesota Supplemental Aid	38	50	52	54	56
Social Services	91	292	306	321	337
Food Stamps	197	212	222	233	244
Percent of Appeals Completed Within 90 Days ¹	99%	97%	96%	96%	96%

A considerable increase has been experienced in the number of appeals received, and a fifth referee was added in September, 1981.

¹In cases where a decision was not rendered within 90 days, a requested delay by the applicant or recipient is the primary reason for taking longer than 90 days.

ALTERNATIVES/BUDGET ISSUES:

The increasing volume of appeals indicates that before the end of the first year of the biennium, it may be necessary to appoint an additional referee and clerical worker.

EXPLANATION OF BUDGET REQUEST:

An increase of \$10,000 is requested for the biennium; \$5,000 for F.Y. 1984 and \$5,000 for F.Y. 1985. The funds will be used to cover the increased travel costs for this activity which have resulted from an increased workload and higher fuel costs. This increase meets the criteria established in the Department of Finance budget guidelines. The same level of funding is requested for the remainder of the activity.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

Due to the recent changes implemented by the federal government, the complexity of welfare eligibility regulations has increased. This complexity, combined with difficult economic times, has increased the volume of eligibility appeals. As a consequence, appeals officers caseload and travel schedules have doubled since 1981. In order for appeals officers to effectively discharge their responsibilities, the additional \$5,000 per year travel funding is necessary.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: FAIR HEARINGS & APPEALS

PROGRAM: WELFARE MANAGEMENT

AGENCY: PUBLIC WELFARE, DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	169.3	227.4	251.2	254.6		254.6	254.6		254.6	254.6	254.6
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY	.1	1.0									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	169.4	228.4	251.2	254.6		254.6	254.6		254.6	254.6	254.6
EXPENSES & CONTRACTUAL SERVICES	18.8	27.1	26.0	27.8	5.0	32.8	29.8	5.0	34.8	32.2	33.5
SUPPLIES & MATERIALS	.8	1.6	.8	.9		.9	.9		.9	.9	.9
EQUIPMENT	.1	.1									
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	189.1	257.2	278.0	283.3	5.0	288.3	285.3	5.0	290.3	287.7	289.0
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	189.1	257.2	278.0	283.3	5.0	288.3	285.3	5.0	290.3	287.7	289.0
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	189.1	257.2	278.0	283.3	5.0	288.3	285.3	5.0	290.3	287.7	289.0
POSITIONS BY FUND											
GENERAL	6.0	7.0	7.0	7.0		7.0	7.0		7.0	7.0	7.0
TOTAL POSITIONS	6.0	7.0	7.0	7.0		7.0	7.0		7.0	7.0	7.0

4-0116

ACTIVITY: PERSONNEL ADMINISTRATION
Program: WELFARE MANAGEMENT
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The purpose of this activity is to provide guidance, assistance and services to managers and supervisors to assure effective, efficient, and legal use of the department's staff. Functions include manpower planning and recruitment; examination development and implementation; position classification, salary, and benefits administration; employee counseling; staff orientation, career planning, training and education; affirmative action; labor relations; performance evaluation; recordkeeping; and certification and management of the state's independent merit system agencies. The activity is essential in order for the department to receive federal funds, to provide assistance to managers and supervisors, and to ensure fair and equitable treatment of staff. Some of the specific goals of this activity are:

1. To increase the number of employees in management and supervisory positions who are subject to affirmative action requirements.
2. To train staff of the public welfare system based on assessed training needs.
3. To provide county boards with a personnel system based on merit principles.
4. To administer the labor relations functions by representing the commissioner in contract negotiations, bargaining unit determinations and arbitration hearings, and to develop and implement strike plans, and administer collective bargaining agreements.
5. To manage a personnel program in the department.
6. To fill the department's role in securing statewide compliance with Federal Access by Handicapped requirements.

ACCOMPLISHMENTS AND STATISTICS:

F.Y. 1982 - 94% of managers and supervisors trained in sexual harassment policy.
F.Y. 1982 and 1983 - 95% of alleged discrimination complaints resolved before reaching formal stage.

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Percent of Minority Employees	4.5%	4%	4%	4%	4%
Percent of Women in management and supervisory positions	32%	25%	30%	35%	40%
Merit System applicants	5,800	5,300	5,600	5,600	5,600
Merit System appointments	910	679	800	800	800
Individual position audits	1,150	1,069	1,095	1,095	1,095
Merit System Rule Changes	15	31	15	15	15
Number of Training Sessions	343	236	250	275	300

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	297.7	258.3	311.8	315.8	319.9

ACCOMPLISHMENTS AND STATISTICS: (Contd.)

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Number of Training Participants	4,194	3,425	3,500	3,750	4,000
Department Strike Plans	12	12	11	11	11
Class Studies Completed	5	9	5	5	5
No. Jobs Involved in Class Studies Completed	147	3,400	1,000	800	800
Major Classifications Revised or Developed	10	24	30	20	20
Examinations Developed	13	15	40	30	30
Number of Department job audits	1,750	2,000	3,000	2,500	2,500

ALTERNATIVES/BUDGET ISSUES:

Uncertainty and ambiguity of federal 504 (access by handicapped) regulations. Allowing state institution employees the right to strike threatens patient care. Centralizing authority for labor relations in the D.O.E.R. and having all contracts negotiated on the same schedule. Development of equitable classification plan to meet needs of state institutions and central office. Development of alternative training methods using new technology to compensate for reduced staff.

The Merit System is 3 systems (county welfare, health, and public safety) resulting in duplication of effort. It would be less costly to have a single combined system.

EXPLANATION OF BUDGET REQUEST:

An increased level of funding of \$3,000 for F.Y. 84 and \$3,000 for F.Y. 85 is requested to restore the administrative expense appropriation reduced by the 3rd Special Session 1982, Chapter 1.

GOVERNOR'S RECOMMENDATIONS:

The Governor concurs with the agency's request to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: PERSONNEL

PROGRAM: WELFARE MANAGEMENT

AGENCY: PUBLIC WELFARE, DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	450.9	466.6	529.5	539.2		539.2	539.2		539.2	539.2	539.2
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	8.9	1.0									
-PREMIUM PAY		.2									
-OVERTIME PAY	.3	2.2									
-MISCELLANEOUS PAYROLL	.4	.5									
-OTHER BENEFITS	.5										
TOTAL PERSONAL SERVICES	461.0	470.5	529.5	539.2		539.2	539.2		539.2	539.2	539.2
EXPENSES & CONTRACTUAL SERVICES	50.9	46.3	91.5	97.9	3.0	100.9	105.1	3.0	108.1	99.1	104.3
SUPPLIES & MATERIALS	2.2	3.3	5.5	5.9		5.9	6.3		6.3	5.9	6.0
EQUIPMENT	.4	1.1	2.7	2.9		2.9	3.1		3.1	2.9	3.0
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	514.5	521.2	629.2	645.9	3.0	648.9	653.7	3.0	656.7	647.1	652.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	474.4	491.8	596.6	612.7	3.0	615.7	620.5	3.0	623.5	613.9	619.3
DEDICATED APPROPRIATIONS:											
FEDERAL	40.1	29.4	32.6	33.2		33.2	33.2		33.2	33.2	33.2
TOTAL FINANCING	514.5	521.2	629.2	645.9	3.0	648.9	653.7	3.0	656.7	647.1	652.5
POSITIONS BY FUND											
GENERAL	16.7	14.7	15.0	15.0		15.0	15.0		15.0	15.0	15.0
FEDERAL	2.5	2.5	2.5	2.5		2.5	2.5		2.5	2.5	2.5
TOTAL POSITIONS	19.2	17.2	17.5	17.5		17.5	17.5		17.5	17.5	17.5

PROGRAM: SUPPORT SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM PURPOSE:

The Support Services Program centralizes responsibility for many of the functions that affect more than one of the program bureaus or the entire department. For example, the support services program directs the planning, development and maintenance of the information systems of all program bureaus. Integrating functions that are part of many program activities allows greater efficiency and expertise, and reduces duplications of effort.

The general functions of the program are:

1. To direct and support the program bureaus in carrying out the purposes of public welfare programs as specified in law.
2. To meet the operational goals of the department by providing office services, data processing, accounting, auditing, and budgeting services.
3. To assure uniform or equitable administration of specific public welfare programs in the statewide welfare system by developing and helping to issue department rules and by insuring compliance with rules through licensing, auditing, and rate setting.
4. To budget, collect, disburse, account for, and audit public welfare funds so that appropriate and cost effective expenditures are made.
5. To inform elected officials and the public about welfare programs.
6. To obtain the information needed to meet federal and state reporting requirements and to use information to analyze programs and make them more equitable and efficient.

To improve the manner in which we carry out the responsibilities of this bureau, there are four major goals for the biennium:

1. To make the best use of the funds appropriated for direct recipient services by analyzing the financial, administrative and program aspects and recommending or making changes that will contain or reduce costs without decreasing essential services or service quality. Information from existing reporting systems and audits, as well as from special studies, is used. Long-term medical care and licensing requirements are the areas of primary concentration.
2. To be more accountable for public expenditures through expanded analysis of expenditure and compliance data so that systematic corrective actions can be taken. Small data processing applications will be used for routine storage and data calculations so that staff time can be used to aggregate, analyze and develop management information.
3. To increase the effectiveness of staff resources in the program and in the local agencies by furnishing technical assistance and training. Identifying and analyzing how program staff time is used will result in allocating time in relation to the significance of the tasks to be accomplished.

4. To have cost beneficial operating procedures by reviewing current methods and developing alternatives as warranted. This includes new strategies for producing and inventorying forms, developing rules, and informing agency staff about operating procedures.

OPERATION:

Support Services assists in the activities of the Social Services, Income Maintenance, Mental Health, and Welfare Management programs.

1. Establishes in rule, standards for child caring and placing agencies, residential and day treatment facilities, and licenses agencies that meet the standards;
2. Establishes per diem rates for long-term medical care facilities based on cost reports submitted by the facilities;
3. Plans, develops and maintains information systems;
4. Audits long-term care facilities, local agencies and contractors to make certain cost reports and other financial data is accurate and proper;
5. Provides financial services to the department including budgeting, accounting, reporting, distributing funds, and establishing financial practices.
6. Provides office management and office services in the areas of printing, forms management, purchasing, rulemaking and word processing;
7. Collects from responsible parties for the cost of state hospital services.

CLIENTELE:

The direct clients of the program are the department's activity managers to whom services are provided; the federal, state and local agencies, both public and private, who are given services or information; and the public and private local agencies that are licensed, regulated, audited or provided technical assistance. Indirectly, all Minnesota's public welfare recipients are the clients.

EXPLANATION OF BUDGET REQUEST:

An increase for this program of \$16,054,300 is requested for the biennium; \$7,850,200 in F.Y. 1984 and \$8,204,100 in F.Y. 1985. Of this increase, \$15,738,300 is the amount that would be required to fund the State Administrative Aid program for the biennium. Details of this increase are included on the Support Services activity narrative and grant and aid analysis pages that follow.

An additional increased level of funding of \$94,400 for F.Y. 1984 and \$94,400 for F.Y. 1985 is requested to restore the (operating expense and salary) appropriations (and complement of three) reduced by the 3rd Special Session 1982, Chapter 1.

PROGRAM: SUPPORT SERVICES
(Continuation)
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

GOVERNOR'S RECOMMENDATION:

The Governor concurs in the department's request for restoration of cuts made by the 3rd Special Session 1982, Chapter 1. These cuts represented savings accrued due to artificially high vacancy rates caused by budget reductions imposed during F.Y. 1982. If made permanent, the department's ability to carry out its responsibilities would be seriously impaired.

The Governor concurs in the department's requests for \$51,000 biennial increases in Licensing and Special Services. These increases are necessary to maintain service levels.

The Governor further recommends an additional increase of \$260,000 for the biennium to finance 6 new auditor positions in the Long-Term Care Rates Unit and the Local Fiscal Audits Unit. These positions are needed to properly audit and monitor the approximately \$400 million in annual long-term care disbursements.

In addition, the Governor supports the department's request to change the reimbursement basis for nursing homes. In line with this recommendation, the commissioner of the Department of Public Welfare will submit proposed legislation necessary to accomplish that change. Such legislation will include a \$265,000 appropriation for nursing home appraisals.

The Governor does not concur in the department's change request of \$15,738,300 for Administrative Aid. Since the Administrative Aid payments were suspended for F.Y. 1983, there has been no noticeable effect on operations.

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: SUPPORT SERVICES

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
INFORMATION SYSTEMS	381.1	303.8	477.7	485.6	27.3	512.9	498.7	27.3	526.0	509.7	518.6
LICENSING	785.5	935.9	1,001.8	1,032.7	15.5	1,048.2	1,041.1	15.5	1,056.6	1,045.8	1,051.1
LONG TERM CARE RATES	534.6	270.0	467.7	477.7	265.0	742.7	486.2		486.2	801.6	548.4
FINANCIAL MANAGEMENT	44,317.1	50,430.6	46,032.4	46,091.5	7,583.1	53,674.6	46,097.0	8,200.0	54,297.0	46,112.5	46,116.1
SPECIAL SERVICES	1,046.0	1,368.9	1,502.9	1,596.8	31.3	1,628.1	1,679.8	33.3	1,713.1	1,608.2	1,669.6
LOCAL FISCAL AUDITS	107.1	399.7	485.2	508.2		508.2	513.4		513.4	571.8	575.3
COLLECTIONS	708.4	761.3	834.3	870.1	22.4	892.5	879.2	22.4	901.6	890.2	896.7
TOTAL	47,879.8	54,470.2	50,802.0	51,062.6	7,944.6	59,007.2	51,195.4	8,298.5	59,493.9	51,539.8	51,375.8
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	3,526.1	3,999.2	4,356.2	4,492.0	67.1	4,559.1	4,492.1	67.1	4,559.2	4,680.1	4,680.2
EXPENSES & CONTRACTUAL SERVICES	927.7	1,363.6	1,606.0	1,726.9	316.8	2,043.7	1,855.5	53.8	1,909.3	2,015.2	1,848.1
SUPPLIES & MATERIALS	25.9	24.0	28.4	30.3		30.3	32.5		32.5	30.4	32.0
EQUIPMENT	28.8	50.1	27.5	29.5		29.5	31.4		31.4	30.2	31.6
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	43,371.3	49,033.3	44,783.9	44,783.9	7,560.7	52,344.6	44,783.9	8,177.6	52,961.5	44,783.9	44,783.9
OTHER EXP ITEMS											
TOTAL EXPENDITURES	47,879.8	54,470.2	50,802.0	51,062.6	7,944.6	59,007.2	51,195.4	8,298.5	59,493.9	51,539.8	51,375.8
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	14,606.3	14,972.1	8,842.6	9,093.2	7,944.6	17,037.8	9,220.4	8,298.5	17,518.9	9,570.4	9,400.8
DEDICATED APPROPRIATIONS:											
GIFTS AND DEPOSITS	2.4										
FEDERAL	33,271.1	39,498.1	41,959.4	41,969.4		41,969.4	41,975.0		41,975.0	41,969.4	41,975.0
TOTAL FINANCING	47,879.8	54,470.2	50,802.0	51,062.6	7,944.6	59,007.2	51,195.4	8,298.5	59,493.9	51,539.8	51,375.8
POSITIONS BY FUND:											
GENERAL	159.0	150.0	145.0	145.0	3.0	148.0	145.0	3.0	148.0	154.0	154.0
FEDERAL	11.0	10.0	10.0	10.0		10.0	10.0		10.0	10.0	10.0
TOTAL POSITIONS	170.0	160.0	155.0	155.0	3.0	158.0	155.0	3.0	158.0	164.0	164.0

4-0121

ACTIVITY: INFORMATION SYSTEMS
Program: SUPPORT SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: This activity assists the program bureaus and supporting operations by developing and maintaining systems for collecting and processing data. Accountability for large and complex welfare programs depends on computerized recording of essential data about persons and families served and benefits provided. This activity covers both currently operating systems and those which need to be developed in the counties, state hospitals and nursing homes and in the department itself. Such systems include data exchange and interface with federal and other state agencies.

Specific activities include: 1) assisting staff in identifying information needs, studying the alternatives for meeting these needs, designing the detailed system, and providing or arranging for the personnel to translate the design into an operational system; 2) analyzing changes required by policy, law, or new requirements and preparing detailed specifications for the changes needed to maintain the systems; and 3) arranging and coordinating services purchased from the Information Services Bureau of the Department of Administration and other data processing suppliers. The major functions of this activity are:

1. To maintain existing systems by incorporating changes required by policy and legislative changes.
2. To develop data collection and processing systems in appropriate areas not yet supported by systems.
3. To identify and assist other activities to evaluate and use computer technology to increase their efficiency or effectiveness. For example, the cashier might enter information onto a computer file that has multiple uses rather than manually posting and then photocopying the checks.
4. To develop systems to assemble and process data from counties and hospitals into systemwide information for auditing, monitoring, supervising and reporting on agencies and programs.
5. To assist counties to jointly develop, maintain and use effective data processing systems.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Number of Systems Maintained	42	43	53	59	63
Counties Using Common Systems					
Grant Payments System	22	32	42	52	60
GAMC Payments System	75	81	81	82	83
Child Support System	10	17	20	25	30
Community Services Information Systems	2	12	65	80	80
Hospital Subsystems Developed ¹	0	0	6	6	5

¹ The overall design is complete and staff is proceeding to work with institutions to develop systems to operate in each facility.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	186.7	168.8	191.9	193.7	198.6

ALTERNATIVES/BUDGET ISSUES:

1. Legislative or program changes often require modifications of a system. Staff and funding to make modifications is essential in keeping the systems running and useful.
2. As there are more operating systems, maintaining and modifying them reduces the time and resources available for new developments.
3. The changes in computer technology, particularly micro and mini systems, and its increased use by state agencies raises issues about how state government should exercise control over data processing
4. Funding mechanisms for county systems are needed so that counties can be assured that services purchased from the state are available and will continue.
5. The accumulated effects of changing information needs, administrative and technological change, and repeated modifications causes systems to become inefficient or ineffective. Resources to redevelop these systems are needed before they become unusable.
6. State Institutions are complex organizations responsible for a wide range of personal and community functions for their residents. Current technology in equipment and systems is urgently needed to assist them in doing this most effectively and efficiently.
7. Declining cost vs. capability of computer technology offers the most promising method of maintaining services at lower or constant cost. "Seed money" and greater budget flexibility are necessary for such a "harvest".

LEGISLATIVE ISSUES:

Legislation for dedicated receipts is being proposed to authorize the department to make systems available to counties, to charge for the cost of services, and to apply the payments to the cost of the service.

EXPLANATION OF BUDGET REQUEST:

An increased level of funding of \$27,300 for F.Y. 1984 and \$27,300 for F.Y. 1985 is requested to restore the operating expense appropriation reduced by the 3rd Special Session 1982, Chapter 1.

GOVERNOR'S RECOMMENDATIONS:

The Governor concurs with the agency's request to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: INFORMATION SYSTEMS

PROGRAM: SUPPORT SERVICES

AGENCY: PUBLIC WELFARE, OPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	290.4	269.0	335.6	328.6		328.6	328.6		328.6	328.6	328.6
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY		.4									
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	290.5	269.4	335.6	328.6		328.6	328.6		328.6	328.6	328.6
EXPENSES & CONTRACTUAL SERVICES	90.3	33.9	139.9	154.6	27.3	181.9	167.6	27.3	194.9	178.7	187.6
SUPPLIES & MATERIALS	.3	.5	1.2	1.3		1.3	1.4		1.4	1.3	1.3
EQUIPMENT			1.0	1.1		1.1	1.1		1.1	1.1	1.1
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	381.1	303.8	477.7	485.6	27.3	512.9	498.7	27.3	526.0	509.7	518.6
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	381.1	303.8	477.7	485.6	27.3	512.9	498.7	27.3	526.0	509.7	518.6
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	381.1	303.8	477.7	485.6	27.3	512.9	498.7	27.3	526.0	509.7	518.6
POSITIONS BY FUND											
GENERAL	10.0	9.0	9.0	9.0		9.0	9.0		9.0	9.0	9.0
TOTAL POSITIONS	10.0	9.0	9.0	9.0		9.0	9.0		9.0	9.0	9.0

4-0123

ACTIVITY: LICENSING
Program: SUPPORT SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	463.4	449.0	388.3	401.8	406.1

ACTIVITY DESCRIPTION:

This activity licenses day care and residential facilities, services and agencies for the purpose of assuring protection, proper care and the programs necessary for the health, safety and development of children and adults who are mentally retarded, physically handicapped, mentally ill, emotionally disturbed, or chemically dependent.

The major functions of this activity are:

1. To inspect, consult with, and monitor residential and nonresidential facilities, programs and agencies to determine whether they comply with law and rule; and to take enforcement action, when necessary, to deny, make probationary, suspend, or revoke a license.
2. To develop, review and revise licensing rules in conjunction with appropriate program offices so that the rules provide standards for use by applicants, operators and licensing consultants.
3. To investigate complaints about licensed and unlicensed facilities and programs to assure the safety and well-being of residents and participants.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Group residential programs licensed	484	505	525	535	545
Capacity (Number of Spaces Licensed)	9,983	10,415	10,900	11,400	11,750
Group day care programs licensed	889	903	925	935	950
Capacity (Number of Spaces Licensed)	30,719	32,201	33,000	33,500	34,000
Child Caring/Placing Agencies licensed	26	26	26	26	26
Family foster homes licensed	4,950	5,001	5,025	5,050	5,075
Family day care homes licensed	8,250	9,331	10,500	10,750	11,000

Developed and took to hearing a rule, 12 MCAR 2.010, to implement the Vulnerable Adults Act in facilities which are licensed by the Division. At the request of the Legislative Commission to Review Administrative Rules (LCRAR), revised the personnel requirements in the standards for Child Caring Agencies (12 MCAR 2.004) through the hearing process.

ALTERNATIVES/BUDGET ISSUES:

1. The department's six-year plan for the mentally retarded has resulted in a continued increase in applications for licenses for community programs and facilities for the mentally retarded.
2. Funding provided by the 1982 legislature and a newly promulgated rule (12 MCAR 2.036) for facilities for the mentally ill have resulted in a substantial increase in applications.

ALTERNATIVES/BUDGET ISSUES: (Contd.)

3. The Division is lengthening the licensing cycle from 1 year to 2 years in order to accommodate the increasing volume of licensed facilities and a reduction in staff.

LEGISLATIVE ISSUES:

Legislation is being proposed to increase the ceiling on fees that are collected and to remove the exemption of facilities and programs for the mentally retarded. This legislation would also exclude the Department of Public Welfare from the Business Licensing Act because the licenses it issues are program licenses, not business licenses.

EXPLANATION OF BUDGET REQUEST:

An increase of \$31,000 is requested for the biennium, \$15,500 for each year. Funds are requested for the following purposes:

1. An increase of \$22,000 is requested to pay the costs of appeals. This increase is needed because the number of licensed facilities has increased steadily and because the cost of the hearing examiner's time increased from \$35 to \$53 per hour in F.Y. 1982.
2. An increase of \$9,000 is requested for travel. This change is needed because travel costs have increased as a result of larger case loads and larger mileage allowances. This increase meets the criteria established in the Department of Finance budget guidelines.

The same level of funding is requested for the remainder of this activity.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: LICENSING

PROGRAM: SUPPORT SERVICES

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	699.0	806.6	888.0	911.0		911.0	911.0		911.0	911.0	911.0
-REGULAR UNCLASSIFIED	.7										
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY		.3									
-OVERTIME PAY		1.9									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.2										
TOTAL PERSONAL SERVICES	699.9	808.8	888.0	911.0		911.0	911.0		911.0	911.0	911.0
EXPENSES & CONTRACTUAL SERVICES	84.7	125.8	111.6	119.4	15.5	134.9	127.6	15.5	143.1	132.5	137.7
SUPPLIES & MATERIALS	.8	.5	1.7	1.8		1.8	1.9		1.9	1.8	1.8
EQUIPMENT	.1	.8	.5	.5		.5	.6		.6	.5	.6
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	785.5	935.9	1,001.8	1,032.7	15.5	1,048.2	1,041.1	15.5	1,056.6	1,045.8	1,051.1
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	600.5	741.1	761.4	787.9	15.5	803.4	796.3	15.5	811.8	801.0	806.3
DEDICATED APPROPRIATIONS:											
FEDERAL	185.0	194.8	240.4	244.8		244.8	244.8		244.8	244.8	244.8
TOTAL FINANCING	785.5	935.9	1,001.8	1,032.7	15.5	1,048.2	1,041.1	15.5	1,056.6	1,045.8	1,051.1
POSITIONS BY FUND											
GENERAL	19.0	19.0	18.0	18.0		18.0	18.0		18.0	18.0	18.0
FEDERAL	9.0	9.0	9.0	9.0		9.0	9.0		9.0	9.0	9.0
TOTAL POSITIONS	28.0	28.0	27.0	27.0		27.0	27.0		27.0	27.0	27.0

ACTIVITY: LONG-TERM CARE RATES
Program: SUPPORT SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity establishes rules and sets rates for long-term care facilities paid through the Medical Assistance Program as required by M.S. 256B.41-256B.51. Facilities include nursing homes, boarding care homes, and residential care facilities for the mentally retarded. The activity reviews annual cost reports and promulgates the rules under which rates are set (12 MCAR 2.049 and 2.052). The review serves two purposes: 1) it analyzes cost and statistical data as an audit process, and 2) it establishes the allowed rate for each facility. This activity also reviews annual inpatient hospital cost reports to make year-end settlements for services to welfare recipients.

The major functions of this activity are:

1. To set per diem rates for long-term care facilities according to the established rules.
2. To review cost reports of Minnesota hospitals and compute year-end settlements for inpatient care of welfare recipients.
3. To review, analyze and develop alternative methods of reimbursing facilities for long-term care so that welfare and private paying residents receive quality care at reasonable costs.
4. To reduce the time required for rate setting activities through improved administrative procedures, clearer communications with providers, automated information processing, and a modified appeal process.
5. To analyze cost data on a systematic basis so it can be evaluated and actions to contain costs can be taken.
6. To develop for local agencies a reimbursement formula for nonmedical residential facilities.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
1. Rate determinations for nursing homes and boarding care facilities	500	504	504	510	510
2. Rate determinations for facilities for the mentally retarded	257	285	320	325	330
3. Annual inpatient hospital cost settlements (181 hospitals)					
a. Title XIX	143	164	271	180	180
b. GAMC	94	52	52	150	180
c. Other	0	61	40	50	50

An alternative method of determining rates for nursing homes and boarding care facilities was developed.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	265.0	123.3	192.1	190.8	193.0

During 1982 a task force of legislators, providers, advocates and the public recommended alternative methods of reimbursement to facilities for the mentally retarded. Changes in Rule 12 MCAR 2.052 are being promulgated.

ALTERNATIVES/BUDGET ISSUES:

1. Transfers of mentally retarded persons from state hospitals to community facilities involve more difficult-to-care-for residents. This increases costs and reduces other services, such developmental achievement services.
2. Proposed federal changes in Medical Assistance may have a major impact on the state's costs for long-term care.
3. The major and continuing issue is how to provide long-term care services to an increasing number of people, to assure that care meets quality standards, and to contain costs.

LEGISLATIVE ISSUES:

An alternative method of reimbursement was introduced in the last biennium. The need for statutory change continues so that: 1) patient care needs are properly recognized, 2) property-related payments are related to values of the facilities, and 3) per diem rates do not increase more than inflation rates. The legislation is being proposed again to amend M.S. 256B.41 to reimburse nursing home operators a "rental value" for facilities in lieu of depreciation, interest and investment allowances. Uniform increases for operating costs are another part of the proposal.

EXPLANATION OF BUDGET REQUEST:

An increase of \$265,000 is requested for the first year of the biennium. This increase is requested to provide funding for appraisal of the 487 nursing homes by the Department of Revenue. The appraisal would be used to determine the rental value of nursing homes under the proposed legislation.

The same level of funding is requested for the remainder of this activity.

ACTIVITY: LONG-TERM CARE RATES
(Continuation)
Program: SUPPORT SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

GOVERNOR'S RECOMMENDATION:

The Governor recommends the \$265,000 increase requested. In line with this recommendation, the commissioner of public welfare will submit proposed legislation necessary to manage this activity within the resources recommended.

The Governor also recommends an increase of \$65,000 each year in this activity.

This increase is for 3 additional auditor positions and their associated travel and supply costs. These staff are needed to clear a backlog of over 700 rate appeal cases. Once this backlog is cleared (with assistance from the local fiscal audits staff) the staff will try to stay current with rate reviews, cost reports and per diem assignments. With the state disbursing over \$400 million annually for long-term care, it is essential that the department be staffed to adequately monitor these disbursements.

However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: LONG TERM CARE RATES

PROGRAM: SUPPORT SERVICES

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	409.7	185.0	355.8	358.0		358.0	358.0		358.0	418.5	418.5
-REGULAR UNCLASSIFIED		11.2									
-PART-TIME/SEAS./OTHER	4.4	2.3									
-PREMIUM PAY											
-OVERTIME PAY		2.4									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.2										
TOTAL PERSONAL SERVICES	414.3	200.9	355.8	358.0		358.0	358.0		358.0	418.5	418.5
EXPENSES & CONTRACTUAL SERVICES	119.9	68.7	108.0	115.5	265.0	380.5	123.8		123.8	378.3	125.0
SUPPLIES & MATERIALS	.4	.4	1.7	1.8		1.8	1.9		1.9	2.0	2.0
EQUIPMENT			2.2	2.4		2.4	2.5		2.5	2.8	2.9
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	534.6	270.0	467.7	477.7	265.0	742.7	486.2		486.2	801.6	548.4
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	534.6	235.5	417.7	424.2	265.0	689.2	428.9		428.9	748.1	491.1
DEDICATED APPROPRIATIONS:											
FEDERAL		34.5	50.0	53.5		53.5	57.3		57.3	53.5	57.3
TOTAL FINANCING	534.6	270.0	467.7	477.7	265.0	742.7	486.2		486.2	801.6	548.4
POSITIONS BY FUND											
GENERAL	22.0	10.0	12.0	12.0		12.0	12.0		12.0	15.0	15.0
TOTAL POSITIONS	22.0	10.0	12.0	12.0		12.0	12.0		12.0	15.0	15.0

4-0128

ACTIVITY: FINANCIAL MANAGEMENT ADMINISTRATION
Program: SUPPORT SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity does the accounting, budgeting, and fiscal reporting for the Department. Major tasks include: 1) preparing annual operating budgets and biennial budget requests, 2) processing receipts and accounts payable for the central office, 3) maintaining fiscal records and reports on all state and federal funds expended by the department, 4) preparing fiscal reports and collecting federal program funds, 5) computing and distributing state and federal administrative costs, local aids and income maintenance program funds to local agencies, 6) issuing and monitoring community social service funding to local agencies, and 7) establishing financial guidelines and providing technical assistance to local agencies and state institutions by revising the administrative manual, issuing instructional bulletins and training local staff.

The major functions of the activity are:

1. To provide fiscal management and guidance to the department staff, local agencies and institutions in accordance with proper budgeting and accounting procedures within a framework of state and federal laws, rules and regulations.
2. To secure maximum federal participation in all programs having federal support, including federal administrative reimbursement.
3. To prepare the financial portion of budgets and associated documents to reflect the commissioner's policies and directions in accordance with state budget policies and with maximum activity manager input.
4. To make prompt, accurate, lawful payments of valid department obligations; to maintain accurate financial records; and to prepare clear, timely financial reports.
5. To provide technical assistance and training for the accounting staffs of local agencies.
6. To make certain that department fiscal operations and financial record keeping are in accordance with generally accepted accounting principles.

ACCOMPLISHMENTS AND STATISTICS:

1. During the present biennium, this activity has provided financial technical assistance to all activities under the department's program structure. The clientele for this assistance are 26 budget activities, 62 management activities, 10 state institutions, and the local agencies.
2. Staff assisted in developing a county financial and reporting system (C.O.F.A.R.S.) that will standardize county financial records and implemented this in 35 counties.
3. During the present biennium this activity has been instrumental in locating and achieving (department wide) the many appropriation reductions as required by the regular and special sessions of the legislature.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input type="checkbox"/> No					

ACCOMPLISHMENTS AND STATISTICS: (Contd.)	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
4. The federal administrative reimbursement earned on our various programs is proceeding as anticipated	\$ 9,801.0	\$ 9,407.9	\$10,315.6	\$10,315.6	\$11,116.4
5. Federal funds processed through Department	\$ 637,644.4	\$ 700,360.7	\$ 680,273.6	\$ 679,985.2	\$ 734,225.3
6. All budgets were prepared according to established standards and were accomplished with increased activity manager input. Budgets were submitted during F.Y. 1982 for 540 separate account identifiers (AID numbers) within 160 separate appropriation account identifiers (APID numbers) within 26 budget activities.					
7. Ninety-five percent of central office accounts payable obligations are being processed within 30 days. A total of 237,000 separate transactions were processed during F.Y. 1982.					

LEGISLATIVE ISSUES:

Legislation is being proposed to secure county advance funding of the county share of the Medical Assistance (MA) and General Assistance (GA) and General Assistance Medical Care (GAMC) program payments made through the centralized disbursement system.

Should the legislature choose not to fund the State Administrative Aid program, the department recommends that the statute authorizing the program be repealed.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested for the administrative portion of this activity. An increase of \$15,738,300 would be necessary to fund the state administrative aid program for the biennium. Details concerning the grants and aids requests are contained on the grants and aids analysis pages that follow.

An additional increased level of funding of \$22,400 for F.Y. 1984 and \$22,400 for F.Y. 1985 is requested to restore the salary appropriation (and complement of one) reduced by the 3rd Special Session 1982, Chapter 1.

PROGRAM: FINANCIAL MANAGEMENT ADMINISTRATION
(Continuation)

1983-85 Biennial Budget

Agency: SUPPORT SERVICES
PUBLIC WELFARE, DEPARTMENT OF

GOVERNOR'S RECOMMENDATION:

The Governor recommends restoration of the cuts made by the 3rd Special Session 1982, Chapter 1.

The Governor does not concur in the department's change level request for restoration of Administration Aid funding. The Legislature in its January 1982 Special Session (HF #2) repealed the administrative aid appropriation for F.Y. 1983. This has had no noticeable effect on operations.

Additionally, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: FINANCIAL MANAGEMENT

PROGRAM: SUPPORT SERVICES

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	818.2	981.3	986.1	1,028.6	22.4	1,051.0	1,028.6	22.4	1,051.0	1,051.0	1,051.0
-REGULAR UNCLASSIFIED	.7	67.8	45.0	56.5		56.5	56.5		56.5	56.5	56.5
-PART-TIME/SEAS./OTHER	5.1	6.6									
-PREMIUM PAY		1.7									
-OVERTIME PAY	.3	127.4									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	70.1	63.1	143.9	143.9		143.9	143.9		143.9	143.9	143.9
TOTAL PERSONAL SERVICES	894.4	1,247.9	1,175.0	1,229.0	22.4	1,251.4	1,229.0	22.4	1,251.4	1,251.4	1,251.4
EXPENSES & CONTRACTUAL SERVICES	48.2	143.5	66.4	71.0		71.0	76.0		76.0	69.7	73.0
SUPPLIES & MATERIALS	2.4	4.4	5.4	5.8		5.8	6.2		6.2	5.7	6.0
EQUIPMENT	.8	1.5	1.7	1.8		1.8	1.9		1.9	1.8	1.8
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	43,371.3	49,033.3	44,783.9	44,783.9	7,560.7	52,344.6	44,783.9	8,177.6	52,961.5	44,783.9	44,783.9
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	44,317.1	50,430.6	46,032.4	46,091.5	7,583.1	53,674.6	46,097.0	8,200.0	54,297.0	46,112.5	46,116.1
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	11,271.1	11,199.6	4,407.4	4,466.5	7,583.1	12,049.6	4,472.0	8,200.0	12,672.0	4,487.5	4,491.1
DEDICATED APPROPRIATIONS:											
FEDERAL	33,046.0	39,231.0	41,625.0	41,625.0		41,625.0	41,625.0		41,625.0	41,625.0	41,625.0
TOTAL FINANCING	44,317.1	50,430.6	46,032.4	46,091.5	7,583.1	53,674.6	46,097.0	8,200.0	54,297.0	46,112.5	46,116.1
POSITIONS BY FUND											
GENERAL	43.0	40.0	39.0	39.0	1.0	40.0	39.0	1.0	40.0	40.0	40.0
FEDERAL	1.0										
TOTAL POSITIONS	44.0	40.0	39.0	39.0	1.0	40.0	39.0	1.0	40.0	40.0	40.0

GRANTS AND AIDS ANALYSIS FOR: EQUALIZATION AID 1983-85 Biennial Budget

Activity: FINANCIAL MANAGEMENT
Program: SUPPORT SERVICES
Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References: LAWS OF MINNESOTA 1981, CHAPTER 360, SECTION 19

PURPOSE:

The Equalization Aid statute requires the Commissioner of Public Welfare to distribute this appropriation to distressed counties to help pay their welfare costs.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

This appropriation is distributed to counties to help offset their welfare and administrative costs. It is distributed to the highest ranked counties based on the formula developed from the 4 factors outlined in the law.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

The formula uses four factors identified in Laws of Minnesota 1981, Chapter 360, Section 19. The formula is applied as follows:

- A relative ranking for each county is separately established for each of these factors:
 - recipient rate
 - per capita taxable income
 - per capita taxable value
 - per capita welfare expenditures

The better off a county is financially compared to the other counties for each factor - the lower the rank.
- All 4 rankings are added together for each county, establishing a single ranking list.
- A deviation point is established where there is an obvious gap between the rank points of 2 counties. All counties above this deviation point are considered distressed for the purpose of this calculation.
- Each county's deviation points are calculated by subtracting their combined rank points (step 2) from the deviation point established in step 3. This results in the most distressed county having the largest number of deviation points.
- The deviation points are converted to a ratio. This ratio is combined with the ratio of each distressed county's net welfare costs, excluding salaries, and multiplied by the appropriation. The result is each county's share of equalization aid.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-01-08-080-01	
	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES FY1984	AGENCY ESTIMATES FY1985	RECOMMENDATIONS FY1984	RECOMMENDATIONS FY1985
G & A TO COUNTIES GENERAL	1,423.4	1,366.5	1,423.4	1,423.4	1,423.4	1,423.4	1,423.4
SUBTOTAL	1,423.4	1,366.5	1,423.4	1,423.4	1,423.4	1,423.4	1,423.4

ALL RECIPIENTS BY FUND GENERAL	1,423.4	1,366.5	1,423.4	1,423.4	1,423.4	1,423.4	1,423.4
TOTAL	1,423.4	1,366.5	1,423.4	1,423.4	1,423.4	1,423.4	1,423.4

6. Each county's equalization aid allocation is compared to its net welfare costs. The amount of equalization aid received cannot be more than 75% of the net costs. If any county's allocation is greater than 75%, its allocation is reduced, and the other county allocations are proportionately increased.

SIGNIFICANT STATISTICS:

The distribution of equalization aid for Fiscal Years 1980 through 1982 is as shown below:

County	F.Y. 1980	F.Y. 1981	F.Y. 1982
Aitkin	26,540	-0-	-0-
Beltrami	195,933	95,236	349,621
Carlton	51,272		
Cass	175,070	276,219	204,424
Clearwater	96,723	103,464	138,940
Hubbard	31,209	55,343	10,280
Kanabec	35,899	92,372	12,419
Koochiching	63,795	208,044	260,238
Mahnomen	32,410	20,283	18,984
Mille Lacs	85,847	167,707	129,688
Morrison	120,241	71,925	38,834
Pine	214,242	284,680	203,036
Todd	54,226	18,139	-0-
Wadena	22,793	29,988	-0-
Total	\$1,206,200	\$1,423,400	\$1,366,464

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATIONS:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: STATE ADMINISTRATIVE AID GRANTS 1983-85 Biennial Budget

Activity: FINANCIAL MANAGEMENT
Program: SUPPORT SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256D.22

PURPOSE:

State Administrative Aid reimburses counties for certain Income Maintenance administrative costs.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

Counties are reimbursed on a quarterly basis up to 50% of all non-federal salary and fringe expense in providing financial assistance.

1. Reimbursement is made for county Income Maintenance employees who are permanent or probationary, and provisional limited term employees who fill established jobs while the incumbent is on leave. Intermittent employees or trainees employed on a full-time, established training program performing the duties of the classified position for which they will be eligible to receive immediate appointment at the completion of the training period are also reimbursed.
2. No reimbursement is made for salary costs of: a) single county welfare directors; b) fiscal personnel and their supporting clerical staff (who spend 30% or more of their time processing public assistance claims and payments); c) emergency employees, trainees (other than those defined above as eligible for reimbursement) consultants, Emergency Employment Act personnel, and any other non-regularly assigned employees.
3. Reimbursement for salary expenses is limited to regular compensation not in excess of that paid similarly situated state employees; the employer's cost of hospitalization, medical and major medical health insurance, Social Security, Public Employees Retirement Association and Municipal Employees Retirement Association, and workman's compensation. No reimbursement shall be made for travel or any other reimbursable expenses including bonuses.
4. The Merit System Supervisor (after consultation with appropriate state personnel and personnel from other civil service systems which have been approved by the Federal Civil Service Commission to cover county welfare personnel in Minnesota) must develop comparability schedules between positions in all county welfare departments and classes established by the State Department of Employee Relations. In making such schedules the likeness of job duties and qualifications must be considered. These comparability schedules are used in limiting reimbursement per #3 above.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-01-08-080-02	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *								
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS		
				FY1984	FY1985	FY1984	FY1985	
G & A TO COUNTIES								
GENERAL	7,240.1	6,950.5		7,560.7	8,177.6			
SUBTOTAL	7,240.1	6,950.5		7,560.7	8,177.6			

ALL RECIPIENTS BY FUND								
GENERAL	7,240.1	6,950.5		7,560.7	8,177.6			
TOTAL	7,240.1	6,950.5		7,560.7	8,177.6			

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

Counties are reimbursed for up to 50% of the non-federal salary and fringe administrative expenditures reported in providing financial assistance. If the appropriation is insufficient to pay all approved claims there is a pro rata reduction in payments.

Pursuant to Laws of Minnesota 1981 (Third Special Session Chapter 2, Section 2, Subdivision 4) the original appropriation of \$7,240,100 for 1983 was cancelled. Counties absorbed the loss of this reimbursement by using county revenues or reducing expenditures.

SIGNIFICANT STATISTICS:	Actual	Actual	Estimated	Estimated	Estimated
	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
Actual reimbursement percentage	32%	29%	-0-	-0-	-0-
Appropriation disbursed	\$7,240,100	\$6,950,496	-0-	-0-	-0-

ALTERNATIVES:

Should the legislature choose not to fund the State Administrative Aid program, the department recommends that the statute authorizing the program (M.S. 256D.22) be repealed.

BUDGET ISSUES:

There is a high probability the elimination of this funding and the consequent reduction in income maintenance staff by counties will lead to increased error rates in the programs and will also have an adverse affect on clients.

GRANTS AND AIDS ANALYSIS FOR: STATE ADMINISTRATIVE AID GRANTS 1983-85 Biennial Budget
(Continuation)

Activity: FINANCIAL MANAGEMENT

Program: SUPPORT SERVICES

Agency: PUBLIC WELFARE, DEPARTMENT OF

EXPLANATION OF BUDGET REQUEST:

An increase of \$15,738,300 would be necessary to fund this program for the biennium. The statutory authority for this program was suspended during F.Y. 1983 (Laws of Minnesota 1981, Third Special Session Chapter 2, Section 2, Subd. 4). The estimated appropriations necessary for F.Y. 1984 and 1985, when the statutory authority will resume, are based on an analysis of historical cost increases and projected salary increases for county income maintenance personnel during the biennium. The total reimbursable expenditures (salaries) are estimated to increase by about 8% each year to a total of \$54,005,100 in F.Y. 1984 and \$58,411,053 in F.Y. 1985. The federal participation is 50%. A state appropriation sufficient to reimburse counties at the same rate (14%) that was possible in F.Y. 1982 would be a change level request of \$7,560,700 for F.Y. 1984 and \$8,177,600 for F.Y. 1985.

GOVERNOR'S RECOMMENDATION:

The Governor recommends no funding for this activity.

The 1982 Legislature deleted funding of this activity for F.Y. 1983 as a cost savings measure. This has caused no noticeable effect on operations.

GRANTS AND AIDS ANALYSIS FOR: GENERAL RELIEF INDIANS 1983-85 Biennial Budget

Activity: FINANCIAL MANAGEMENT
Program: SUPPORT SERVICES
Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 245.76

PURPOSE:

The General Relief Indian Aid program reimburses counties for up to 75% of their costs of relief provided to American Indians.

RECIPEINT IDENTIFICATION AND ELIGIBILITY CRITERIA:

This appropriation is distributed to counties to reduce their costs for providing relief to persons of Indian blood. An Indian is defined as a person who has at least 1/4 Indian blood or a person listed on the rolls of the United States Bureau of Indian Affairs as an Indian and who is not residing on the Red Lake Indian Reservation. The term "relief" is defined in statute primarily through exclusions; relief does not include children under state guardianship, state wards, university hospital care, sanitorium care, or state institutional charges.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

Total statewide eligible expenditures as claimed by counties incurring Indian Relief costs are divided by the appropriation to determine the percentage of reimbursement. This percentage is multiplied by each county's eligible expenditures to determine the county's share of the appropriation.

SIGNIFICANT STATISTICS:

Counties Receiving Reimbursement - F.Y. 1981

County	Total Eligible Expenditures	State Share (37.36%) Final Earnings
Becker	\$ 71,977.70	\$ 26,889.73
Beltrami	66,671.49	24,907.41
Carlton	74,912.88	27,986.26
Cass	202,263.28	75,562.36
Clearwater	18,838.23	7,037.66
Cook	3,640.22	1,359.93
Fillmore	202.28	75.57
Freeborn	19,148.20	7,153.46
Hennepin	2,106,496.47	786,953.69
Houston	11.15	4.17
Itasca	23,154.10	8,650.00

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-01-08-080-03	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
OTHER AIDS TO INDIVIDUALS							
GENERAL	1,239.4	1,189.7	1,239.4	1,239.4	1,239.4	1,239.4	1,239.4
SUBTOTAL	1,239.4	1,189.7	1,239.4	1,239.4	1,239.4	1,239.4	1,239.4

ALL RECIPIENTS BY FUND							
GENERAL	1,239.4	1,189.7	1,239.4	1,239.4	1,239.4	1,239.4	1,239.4
TOTAL	1,239.4	1,189.7	1,239.4	1,239.4	1,239.4	1,239.4	1,239.4

SIGNIFICANT STATISTICS:

Counties Receiving Reimbursement - F.Y. 1981

County	Total Eligible Expenditures	State Share (37.36%) Final Earnings
Koochiching	38,171.41	14,260.23
Region VIII - North	3,133.13	1,170.49
Mahnomen	59,051.41	22,060.67
Mille Lacs	12,396.65	4,631.19
Mower	8,941.36	3,340.35
Pennington	1,956.00	730.73
Pine	15,683.45	5,859.09
Pipestone	2,229.60	832.94
Ramsey	463,328.45	173,092.16
St. Louis	117,693.18	43,968.31
Sherburne	1,972.37	736.85
Winona	3,004.00	1,122.25
Wright	2,715.57	1,014.50
	\$3,317,592.58	\$1,239,400.00

Reimbursement Provided for:

Foster Care-Children	72.2%
Adult Maintenance:	
Residential Treatment -	
Chemical Dependency	25.5%
Cash Grants	1.5%
Medical	.3%
Housing	.2%
Food	.1%
Utilities Transportation and Other	.2%
Total	100%

GRANTS AND AIDS ANALYSIS FOR: GENERAL RELIEF INDIANS 1983-85 Biennial Budget
(Continuation)
Activity: FINANCIAL MANAGEMENT
Program: SUPPORT SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: RED LAKE BAND
CHIPPEWA INDIANS

1983-85 Biennial Budget

Activity: FINANCIAL MANAGEMENT
Program: SUPPORT SERVICES
Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256.965

PURPOSE:

The Red Lake Indian Aid reimburses counties for their cost of welfare attributable to the Red Lake Band of Chippewa Indians who reside on the Red Lake Indian Reservation.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

County welfare program costs of Red Lake Indian members residing on the Red Lake Indian Reservation are eligible for reimbursement of 100 % of net county costs incurred within the limits of the appropriation. Programs available for reimbursement include:

1. Aid to Families with Dependent Children
2. Medical Assistance
3. Emergency Assistance to Needy Families with Dependent Children
4. Social service programs
5. Administrative costs for above programs

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

Clearwater and Beltrami County Welfare Departments report total welfare grants and administrative costs attributable to eligible Red Lake Indians. Applicable state and federal program funds are also reported and deducted to determine net county costs attributable to eligible Red Lake Indians.

SIGNIFICANT STATISTICS: Red Lake Indian Funds Disbursed

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Clearwater County	\$ 22,054	\$ 23,812	\$ 34,727	34,727	34,727
Beltrami County	\$280,158	\$302,488	\$461,373	461,373	461,373
Total	\$302,212	\$326,300	\$496,100	496,100	496,100
% Net County Costs Reimbursed	100%	100%	100%	100%	100%

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-01-08-080-04	
	ACTUAL FY1981	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *					
		ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
OTHER AIDS TO INDIVIDUALS							
GENERAL	446.1	326.3	496.1	496.1	496.1	496.1	496.1
SUBTOTAL	446.1	326.3	496.1	496.1	496.1	496.1	496.1

ALL RECIPIENTS BY FUND							
GENERAL	446.1	326.3	496.1	496.1	496.1	496.1	496.1
TOTAL	446.1	326.3	496.1	496.1	496.1	496.1	496.1

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: FEDERAL ADMINISTRATIVE AID 1983-85 Biennial Budget
(Continuation)
Activity: FINANCIAL MANAGEMENT
Program: SUPPORT SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF

SIGNIFICANT STATISTICS:

- 1. All counties receive federal administrative reimbursement.
- 2. Reimbursement by program is as follows:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Medical Assistance	\$ 8,258,540	\$ 8,743,600	\$ 9,533,400	\$ 9,533,400	\$ 9,533,400
AFDC	9,151,547	10,519,600	11,233,300	11,233,300	11,233,300
IV-D	7,858,036	11,509,600	11,333,300	11,333,300	11,333,300
Food Stamps	5,035,420	6,287,400	7,175,000	7,175,000	7,175,000
County-wide Indirect	1,341,157	2,000,000	2,100,000	2,100,000	2,100,000
Staff Development	1,377,600	140,100	250,000	250,000	250,000
Total ¹	<u>\$33,022,300</u>	<u>\$39,200,300</u>	<u>\$41,625,000</u>	<u>\$41,625,000</u>	<u>\$41,625,000</u>

¹All Social Service Block Grant funds, including administration and purchase of service funds are included on the Community Social Services Act Grants and Aids Analysis page.

FEDERAL FUNDING CHANGES:

For the Medical Assistance program (Title XIX) Federal rate of participation has been reduced from 50% to 46% for federal fiscal year 1984. Reductions for federal fiscal year 1985 are not known.

For the Child Support Enforcement program (TITLE IV-D) the federal rate of participation was reduced from 75% to 70% effective October 1, 1982.

The fiscal year 1981 Staff Development amount (\$1,377,600) includes Title XX reimbursement which became part of the Social Service Block Grant funds in fiscal year 1982. These funds are shown on the Community Social Services Act Grants and Aids Analysis page.

EXPLANATION OF AGENCY ESTIMATES:

This is a federal grant. The same level of federal funding is expected.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-01-08-080-05	
	ACTUAL FY1981	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *			AGENCY ESTIMATES		RECOMMENDATIONS
		ACTUAL FY1982	ESTIM. FY1983		FY1984	FY1985	FY1984 FY1985
G & A TO COUNTIES FEDERAL	33,022.3	39,200.3	41,625.0		41,625.0	41,625.0	41,625.0 41,625.0
SUBTOTAL	33,022.3	39,200.3	41,625.0		41,625.0	41,625.0	41,625.0 41,625.0
ALL RECIPIENTS BY FUND FEDERAL	33,022.3	39,200.3	41,625.0		41,625.0	41,625.0	41,625.0 41,625.0
TOTAL	33,022.3	39,200.3	41,625.0		41,625.0	41,625.0	41,625.0 41,625.0

PURPOSE:

This grant distributes federal funds to counties for administrative costs incurred in the following federally funded assistance programs: Food Stamps, Medical Assistance (Title XIX), Aid to Families with Dependent Children (Title IV-A), Child Support Enforcement (Title IV-D), and Staff Development (Title IV-A and Title XIX).

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

Federal reimbursement for administrative costs is available to all counties administering the various federal programs. To be eligible for federal administrative reimbursement, counties must allocate administrative costs based on an approved cost allocation plan.

In addition, all counties may submit an acceptable county-wide indirect cost allocation plan. This will entitle counties to receive federal reimbursement for county expenditures incurred by other county agencies which are properly allocated to the county welfare agency. If a county does not submit a county-wide indirect cost plan it will not be entitled to receive federal reimbursement for county-wide indirect costs.

A standard department cost allocation plan approved by the federal government is used by most counties. Counties using the standard plan need not submit to the state or federal agency. Hennepin, Ramsey and St. Louis Counties do not use the standard plan and so must submit their cost allocation plans through the Department of Public Welfare for approval by the federal government.

CRITERIA DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Reimbursement to counties is based on the following federal rates:

Medical Assistance Administration	46%
Aid to Families with Dependent Children Administration	50%
Child Support Enforcement Administration	70%
Food Stamps Administration	50%
County-wide Indirect Costs (OMB Circular A-87)	50%
Staff Development	50%

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve F.Y. 1983-85 objectives.

ACTIVITY: SPECIAL SERVICES
Program: SUPPORT SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity manages a large number of administrative functions centrally so that the department can achieve certain efficiencies, maintain cost controls, keep paperwork to a minimum, assure conformance and compliance with federal and state laws, have uniform administrative procedures, and maintain consistent quality in administrative services.

The major functions are:

1. To manage the department's rulemaking process.
2. To issue accurate and timely instructions to local agencies through manuals, rules, and bulletins.
3. To monitor and assure compliance with the Minnesota Government Data Practices Act.
4. To develop public education and information materials as required by law or program needs.
5. To design, print and store forms and distribute them to local agencies, medical providers and private agencies.
6. To operate a word processing center for typing and document preparation so that the department can maintain and improve the quality of materials with fewer clerical staff.
7. To operate the mailroom, provide records management and photocopy services, process tort claims, control travel arrangements, organize office space for the department staff, and provide audio-visual and purchasing services for the department staff.
8. To do special projects for the department which are designed to improve efficiency, contain costs, and maintain quality of services.

ACCOMPLISHMENTS AND STATISTICS:

1. Office Management Practices F.Y. 1982:
 - a. developed a precise inventory system for forms and equipment to control costs;
 - b. restructured the word processing work shift which allows for more productive use of equipment and helps the department cope with decreasing clerical staff;
 - c. initiated teleconferencing to handle meetings and training sessions to reduce travel costs and better use staff time;
 - d. issued 1,048 manual pages and 271 bulletins;
 - e. used a travel coordination system to find the most efficient travel methods;
 - f. managed the adoption of 29 rules and repeal of 7 rules.
2. Special Projects F.Y. 1982:
 - a. produced a slide-tape program for local agencies and others about the Minnesota Government Data Practices Act;
 - b. initiated and secured private funding for the Mental Health Players, a public education project about mental illness;

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	713.1	674.7	636.9	676.4	709.2

- c. developed and produced, in cooperation with the Minnesota Dance Theatre, the Guthrie Theater and a local TV station, statewide multi-media campaigns to inform the public about the Vulnerable Adult Abuse Reporting Act and to solicit Christmas gifts for the mentally handicapped in state hospitals;
 - d. developed and printed a series of brochures on "parenting" to help prevent child abuse.
3. Maintained the same level of service in spite of a continued decline in department-wide administrative expenses (printing, postage, travel, repairs, telecommunications and supplies), as a percent of the entire agency budget. Although it was already less than 1% in F.Y. 1981, specifically .389%, it was further reduced to .383% in F.Y. 1982.

EXPLANATION OF BUDGET REQUEST:

An increase of \$20,000 is requested for the biennium; \$9,000 in F.Y. 1984 and \$11,000 in F.Y. 1985. This increase is requested because of the increased costs of typewriter service contracts. This request meets the criteria established in the Department of Finance Budget Guidelines.

An additional increased level of funding of \$22,300 for F.Y. 1984 and \$22,300 for F.Y. 1985 is requested to restore the salary appropriation (and complement of one) reduced by the 3rd Special Session 1982, Chapter 1.

GOVERNOR'S RECOMMENDATIONS:

The Governor concurs with the departments request for a change level in this activity. Due to budget reductions during the past biennium the department is now placing increased reliance on repairs rather than purchasing of new replacement equipment. Repair is a more cost efficient alternative to increased office equipment purchases. The modest increase requested, \$9,000 in F.Y. 1984 and \$11,000 in F.Y. 1985 are needed if the department is to be able to continue to pursue this policy.

The Governor further recommends restoration of cuts made by the 3rd Special Session 1982, Chapter 1. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: SPECIAL SERVICES

PROGRAM: SUPPORT SERVICES

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAHE	CHANGE	TOTAL	SAHE	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	478.6	427.6	464.5	485.8	22.3	508.1	485.8	22.3	508.1	508.1	508.1
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	34.3	10.1									
-PREMIUM PAY		.3									
-OVERTIME PAY	.1	1.6									
-MISCELLANEOUS PAYROLL		.3									
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	513.1	439.9	464.5	485.8	22.3	508.1	485.8	22.3	508.1	508.1	508.1
EXPENSES & CONTRACTUAL SERVICES	485.5	868.7	1,007.1	1,077.5	9.0	1,086.5	1,158.2	11.0	1,169.2	1,066.8	1,126.3
SUPPLIES & MATERIALS	19.5	14.6	14.6	15.6		15.6	16.7		16.7	15.5	16.4
EQUIPMENT	27.9	45.7	16.7	17.9		17.9	19.1		19.1	17.8	18.8
REAL PROPERTY											
VEST SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	1,046.0	1,368.9	1,502.9	1,596.8	31.3	1,628.1	1,679.8	33.3	1,713.1	1,608.2	1,669.6
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	1,003.5	1,331.1	1,458.9	1,550.7	31.3	1,582.0	1,631.9	33.3	1,665.2	1,562.1	1,621.7
DEDICATED APPROPRIATIONS:											
GIFTS AND DEPOSITS	2.4										
FEDERAL	40.1	37.8	44.0	46.1		46.1	47.9		47.9	46.1	47.9
TOTAL FINANCING	1,046.0	1,368.9	1,502.9	1,596.8	31.3	1,628.1	1,679.8	33.3	1,713.1	1,608.2	1,669.6
POSITIONS BY FUND											
GENERAL	26.0	21.0	20.0	20.0	1.0	21.0	20.0	1.0	21.0	21.0	21.0
FEDERAL	1.0	1.0	1.0	1.0		1.0	1.0		1.0	1.0	1.0
TOTAL POSITIONS	27.0	22.0	21.0	21.0	1.0	22.0	21.0	1.0	22.0	22.0	22.0

ACTIVITY: LOCAL FISCAL AUDITS
Program: SUPPORT SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity is responsible for auditing about 460 nursing homes, 320 residential facilities for the mentally retarded, and 200 grantees and contractors of the department. The Audit Division exists to meet the requirements of M.S. 256B.29 and other state and federal laws and regulations and to respond to the needs of the department's programs and grantees. On-site audits must be made to determine that the local agencies are reporting the proper costs in their claims for state and federal reimbursement. The on-site audits: 1) ensure integrity of cost statements submitted by vendors; 2) identify deficiencies so that corrective actions can be taken by the vendor and the department; and 3) determine that vendors, grantees and counties meet federal and state requirements on their claims for public funds.

Audits of counties and other grantees are coordinated so that the department does not duplicate the efforts of the federal agencies, the State Auditor or the Legislative Auditor. For example, the State Auditor's efforts are directed toward review of the counties' overall financial systems; whereas, the department verifies amounts and correctness of charges to the various welfare programs and cost allocation plans.

The major functions of this activity are:

1. To determine that contractors and grantees report costs accurately and meet the performance standards, budget, and expenditure limitations of their agreements.
2. To determine that local agencies are properly reporting program costs so that claims for reimbursement meet state and federal requirements.
3. To audit all nursing homes over a 4-year period as required by Laws of Minnesota for 1982, Chapter 476.
4. To verify that established vendor rates are correct and that reported costs meet state and federal requirements through on-site review of the books and records of nursing homes and residential facilities for the mentally retarded.
5. To evaluate the department's control of expenditures and compliance with standards through internal audits.
6. To correct areas with potentially high disallowances by aggregating and profiling audit results.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
1. Nursing Home Audits	134	36	115	115	115
2. Audits of Residential Facilities for the mentally retarded	46	59	50	50	50
3. Grantee and Contractor Audits	1	1	10	10	10

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	56.5	191.0	223.2	233.8	236.2

ACCOMPLISHMENTS AND STATISTICS: (Contd.)	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
4. Local Agency Audits	-0-	-0-	-0-	5	5
5. Internal Audits		1	5	5	5
6. Audit Disallowances	\$1,384,000	\$ 515,000	\$ 600,000	\$ 600,000	\$ 600,000

ALTERNATIVES/BUDGET ISSUES:

1. State statutes require 100 percent audit of nursing homes over a 4-year period. The Department of Health and Human Services requires a sample audit of nursing homes and residential care facilities for the mentally retarded. For counties and the department's contractors and grantees, federal regulations require 100 percent audit every 2 years. Annual audits are required by law for "mental health" and "alcohol and drug" block grants. At the current staffing level, the Audit Division will not meet these minimum state and federal auditing requirements. The only alternative is to contract the audits with certified public accountants. This would result in a large increase in state expenditures and a decrease in the comparability of findings.
2. The General Accounting Office has also broadened the federal audit requirements of welfare programs from the traditional financial and compliance examination to include reviews of economy and efficiency and desired program results.
3. Because of the diversity of welfare programs, the substantial expenditures, and the number of locations, internal audits for the central office and outstate facilities have increased.
4. Full compliance with all of the department's audit requirements can be accomplished through increased staffing, expanded funding to contract with certified public accountants, reduction in state statutory minimums for nursing home audits, or a combination of these approaches. In the alternative, audits will be done on the basis of urgency, for example, specific suspected problem areas or programs under threat of federal compliance action.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor recommends increases in this activity of \$65,000 in F.Y. 1984 and \$65,000 in F.Y. 1985. This is for 3 additional auditor positions and their associated travel and supply costs. These staff are needed to improve the monitoring standards of the department and also bring us into compliance with the new federal single audit process. It is estimated that each additional auditor will save the State an estimated 4 times their salaries each year in penalties, refunds and disallowances. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: LOCAL FISCAL AUDITS

PROGRAM: SUPPORT SERVICES

AGENCY: PUBLIC WELFARE,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	105.3	371.0	417.7	436.0		436.0	436.1		436.1	496.5	496.6
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY		.1									
-OVERTIME PAY		1.4									
-MISCELLANEOUS PAYROLL	.7										
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	106.1	372.5	417.7	436.0		436.0	436.1		436.1	496.5	496.6
EXPENSES & CONTRACTUAL SERVICES	1.0	25.3	63.4	67.8		67.8	72.6		72.6	70.3	73.5
SUPPLIES & MATERIALS		1.1	.5	.5		.5	.6		.6	.7	.8
EQUIPMENT		.8	3.6	3.9		3.9	4.1		4.1	4.3	4.4
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	107.1	399.7	485.2	508.2		508.2	513.4		513.4	571.8	575.3
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	107.1	399.7	485.2	508.2		508.2	513.4		513.4	571.8	575.3
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	107.1	399.7	485.2	508.2		508.2	513.4		513.4	571.8	575.3
POSITIONS BY FUND											
GENERAL	5.0	20.0	17.0	17.0		17.0	17.0		17.0	20.0	20.0
TOTAL POSITIONS	5.0	20.0	17.0	17.0		17.0	17.0		17.0	20.0	20.0

4-0142

ACTIVITY: COLLECTIONS
 Program: SUPPORT SERVICES
 Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	88,754.8	99,088.1	110,600.0	112,100.0	113,600.0

ACTIVITY DESCRIPTION:

This activity bills and collects for the cost of state hospital care from patients, their relatives, and public and private third parties. Collections are deposited to the state's general fund. The activity implements collection policies and procedures and prepares the cost reports necessary to obtain federal reimbursement. The reimbursement staff investigates patients' and relatives' financial resources, determines appropriate payments, bills all payers, collects, prepares legal actions, and assists patients in financial planning.

Authority for this activity is provided by M.S. 246.50 to 246.55 and 12 MCAR 2.027.

The clientele are state hospital patients and their responsible relatives, guardians, conservators, trustees, insurance companies, other payers, staffs of the local agencies, courts, and federal and state government agencies.

The major functions of this activity are:

1. To determine the ability of patients and relatives to pay for cost of care.
2. To identify other possible payment resources.
3. To bill responsible payers and collect amounts due.
4. To take legal action against delinquent payers as circumstances warrant.
5. To file claims against estates for the difference between the costs and the amounts paid.
6. To achieve the greatest cost effectiveness as measured by comparing total revenue collected to operating expenses.

ACCOMPLISHMENTS AND STATISTICS:

Revenue deposited to the general revenue fund in the last 10 years averaged 67.6% of the total expenditure for the state hospitals. In 1980, 77.8% of state hospital expenditures were collected, compared to 16.8% in 1970 due to the increased availability of funds from other public programs and from private insurance coverage. In compliance with the Legislature's recommendation, costs of care for 1983 to 1985 are based on separate rates for each patient disability group instead of one all-inclusive rate. This change is expected to increase federal payments for mentally retarded patients. During 1982, this activity has implemented several changes in statutes pertaining to reimbursement, and DPW Rule 27, 12 MCAR 2.027.

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Financial Investigations	9,565	9,016	9,500	9,800	9,800
MA Collections	\$76,800,000	\$85,888,100	\$ 95,500,000	\$ 96,300,000	\$ 97,000,000
Other Collections	\$11,954,800	\$13,200,000	\$ 15,100,000	\$ 15,800,000	\$ 16,600,000
Total Collections	\$88,754,800	\$99,088,100	\$110,600,000	\$112,100,000	\$113,600,000
Cost as % of Revenue	0.76%	0.75%	0.73%	0.72%	0.71%

ALTERNATIVES/BUDGET ISSUES:

The activity plans to implement a monitoring system for collections. The system will provide information on the history and current status of cases for use by collections staff in financial investigations and legal actions.

LEGISLATIVE ISSUES:

1. Legislation is being proposed to amend M.S. 253B.11, Subd. 2, to define the county of financial responsibility for the costs of temporary confinement in state hospitals and to specify the method for resolving disputes of financial responsibility. These changes will be consistent with county responsibility under public assistance programs.
2. Legislation is being proposed to amend M.S. 501.125 to allow court-ordered payments from discretionary trusts for cost of care of beneficiaries in state hospitals and to subject spendthrift trusts to satisfaction of claims for cost of care of beneficiaries in state hospitals.

EXPLANATION OF BUDGET REQUEST:

An increased level of funding of \$22,400 for F.Y. 1984 and \$22,400 for F.Y. 1985 is requested to restore the salary appropriation (and complement of 1) reduced by the 3rd Special Session 1982, Chapter 1.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

The commissioner of Public Welfare will submit proposed legislation necessary to manage this activity within the resources recommended.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: COLLECTIONS

PROGRAM: SUPPORT SERVICES

AGENCY: PUBLIC WELFARE, DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	606.7	658.0	719.6	743.6	22.4	766.0	743.6	22.4	766.0	766.0	766.0
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	.8										
-PREMIUM PAY											
-OVERTIME PAY		.7									
-MISCELLANEOUS PAYROLL		1.1									
-OTHER BENEFITS	.3										
TOTAL PERSONAL SERVICES	607.8	659.8	719.6	743.6	22.4	766.0	743.6	22.4	766.0	766.0	766.0
EXPENSES & CONTRACTUAL SERVICES	98.1	97.7	109.6	121.1		121.1	129.7		129.7	118.9	125.0
SUPPLIES & MATERIALS	2.5	2.5	3.3	3.5		3.5	3.8		3.8	3.4	3.7
EQUIPMENT		1.3	1.8	1.9		1.9	2.1		2.1	1.9	2.0
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	708.4	761.3	834.3	870.1	22.4	892.5	879.2	22.4	901.6	890.2	896.7
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	708.4	761.3	834.3	870.1	22.4	892.5	879.2	22.4	901.6	890.2	896.7
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	708.4	761.3	834.3	870.1	22.4	892.5	879.2	22.4	901.6	890.2	896.7
POSITIONS BY FUND											
GENERAL	34.0	31.0	30.0	30.0	1.0	31.0	30.0	1.0	31.0	31.0	31.0
TOTAL POSITIONS	34.0	31.0	30.0	30.0	1.0	31.0	30.0	1.0	31.0	31.0	31.0

4-0144

ACTIVITY DESCRIPTION:

The Social Services Bureau is responsible for a broad range of social services provided by a variety of public and private delivery systems. The target populations for whom such services are intended include the aged, blind, hearing impaired, vulnerable adults, families with children in danger of neglect or abuse and children in substitute care.

The program develops plans, allocates and distributes funds, and directly provides services to achieve the following client-centered goals:

1. Achieve or maintain economic self-support.
2. Achieve or maintain self-sufficiency.
3. Prevent or remedy neglect, abuse, or exploitation of children or adults unable to protect their own interests.
4. Preserve, rehabilitate, or reunite families.
5. Assure the appropriate use of institutional care and treatment.

MAJOR OBJECTIVES:

The program encompasses the following major operations:

1. Fulfilling the responsibilities of the commissioner as stated in the Community Social Services Act in developing the state biennial plan and periodic evaluation reports, distributing state funds to counties, and providing a variety of technical and programmatic services to counties to assist them in carrying out their responsibilities under the Act.
2. Providing technical assistance, consultation, rules, standards, grants and monitoring to counties and state level contractors in the direct delivery and purchase of social services to the target populations identified in the Community Social Services Act. Such social services are financed by counties through a combination of state, federal and county funds.
3. Providing leadership in program development for older people in accordance with policies established by the Board on Aging. Additional functions are to allocate funds; award grants; and monitor program implementation for nutrition programs, senior service centers, and volunteer programs funded by state appropriations and federal Older American Act funds. Primary grantees are the 13 area agencies on aging and several voluntary social service organizations.
4. Providing direct case services and a variety of special communication and support services to blind and visually handicapped persons through a central and 9 regional offices and a closed circuit radio network so that persons with visual handicaps may increase their employment and self-support potential, personal independence and self-care capabilities.
5. Providing communication, access and support services to deaf and hearing impaired persons so that they can use social, economic and mental health services that are available to the general population and enhancing the success of service and

MAJOR OBJECTIVES: (Contd.)

treatment programs for deaf persons by providing direct individual case assistance to community service organizations with priority to county welfare departments, state hospitals, mental health facilities, and purchase of service agencies. Services are provided through a network of Regional Service Centers located in Duluth, Mankato, Fergus Falls, St. Cloud, Minneapolis, and in the Central Office.

CLIENTELE: Agencies supervised include the 87 counties; 290 nutritional sites; 13 area agencies on aging; and 25 child-placing agencies. Clientele receiving services include 105,000 social service clients of county boards; over 10,000 older persons each day through the nutritional programs; 2,500 deaf and hearing impaired persons who receive counseling and case service management; 6,600 visually handicapped persons who receive vocational rehabilitation, personal adjustment and independent living services; and 8,000 blind and other physically handicapped persons who receive communications center services.

BUDGET ISSUES: Budget issues in this program are related to Community Social Services Act minimum funding level, additions of categorical social service appropriations to the Community Social Services Grant, increases in the number of children eligible for adoption subsidies and restoration of appropriations and complement reduced by 3rd Special Session, 1982.

LEGISLATIVE ISSUES: Modifications are needed in the Community Social Services Act and affected categorical grant statutes to provide for the addition of certain categorical appropriations into the Community Social Services Grant.

The state's policies in relation to the needs of older persons should be addressed.

The feasibility of updating and integrating the various statutes dealing with problems and needs of children needs study.

Statutes that authorize and guide services for blind persons need to be brought up to date.

EXPLANATION OF BUDGET REQUEST: An increase of \$16,087,200 is requested for the biennium, \$5,408,500 for F.Y. 1984, \$10,678,700 for F.Y. 1985.

Included in the biennial increase for social services is \$4,199,500 that was appropriated in the Mental Health Program during the F.Y. 1982-83 biennium. Consequently, that amount is not an increase to the total department budget.

An additional increased level of funding of \$1,977,250 for F.Y. 1984 and \$1,977,250 for F.Y. 1985 and complement of 2 positions is requested to restore the appropriation and staff complement reduced by Chapter 1, 3rd Special Session, 1982.

The details of this request are contained in the activity and grant and aid pages that follow.

PROGRAM: SOCIAL SERVICES

1983-85 Biennial Budget

(Continuation)

Agency: PUBLIC WELFARE, DEPARTMENT OF

GOVERNOR'S RECOMMENDATION:

The Governor concurs in the department's request for a change level in the CSSA block grant except for \$1,800,000 in the DWI detox category. The Governor is supporting a modification to the existing DWI statute (Laws of Minnesota, 1982, Chapter 423). These modifications should make the DWI efforts more manageable and less expensive for local units of government. In line with this recommendation, the commissioner of the Department Public Welfare will submit proposed legislation necessary to manage this program within the resources recommended.

In addition, the Governor recommends restoration of the \$1,915,000 each year for the Senior Nutrition Activity which was cut by the 3rd Special Session of 1982. The Senior Nutrition Program is using federal funds to maintain current service levels through 6-30-83. These state funds are necessary to fund the program from 7-1-83 through 12-31-83. If not restored the program will have to be suspended.

The Governor further recommends the agency's change level request of \$385,000 for F.Y. 1984 and \$501,000 for F.Y. 1985 for subsidized adoptions. Greater numbers of children with disabilities have increased per case costs higher than previously estimated.

The Governor also recommends the restoration of \$62,250 and 2 positions each year of the biennium which were cut by the 3rd Special Session 1982, Chapter 1. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: SOCIAL SERVICES

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
SOCIAL SERVICES	100,649.7	100,649.2	88,845.5	106,018.0	5,422.1	111,440.1	106,061.0	10,692.3	116,753.3	110,575.3	115,793.3
AGING	16,225.2	16,131.3	13,276.5	13,232.5	1,915.0	15,147.5	13,245.4	1,915.0	15,160.4	15,145.8	15,156.5
BLIND SERVICES	4,903.3	6,081.9	5,665.8	5,696.2	48.6	5,744.8	5,759.6	48.6	5,807.2	5,737.4	5,791.0
DEAF SERVICES	218.9	280.7	434.8	417.5		417.5	421.1		421.1	416.7	419.0
TOTAL	121,997.1	123,143.1	108,222.6	125,364.2	7,385.7	132,749.9	125,486.1	12,655.9	138,142.0	131,875.2	137,159.8
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	4,009.3	4,726.6	5,431.6	5,508.3	48.6	5,556.9	5,508.3	48.6	5,556.9	5,556.9	5,556.9
EXPENSES & CONTRACTUAL SERVICES	1,117.1	1,208.3	1,477.4	1,487.5	13.6	1,501.1	1,579.6	13.6	1,593.2	1,404.1	1,555.8
SUPPLIES & MATERIALS	216.4	239.8	223.1	234.1		234.1	246.0		246.0	233.5	244.6
EQUIPMENT	297.4	737.0	380.3	397.3		397.3	415.2		415.2	397.2	414.8
REAL PROPERTY	31.9	64.8									
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	116,323.0	116,166.6	100,710.2	117,737.0	7,323.5	125,060.5	117,737.0	12,593.7	130,330.7	124,203.5	129,387.7
OTHER EXP ITEMS	2.0										
TOTAL EXPENDITURES	121,997.1	123,143.1	108,222.6	125,364.2	7,385.7	132,749.9	125,486.1	12,655.9	138,142.0	131,875.2	137,159.8
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	55,510.7	57,553.2	46,160.3	63,342.3	7,385.7	70,728.0	63,411.6	12,655.9	76,067.5	69,853.3	75,085.3
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONIT	172.6	214.5	230.5	244.9		244.9	259.9		259.9	244.9	259.9
GIFTS AND DEPOSITS	379.0	166.4	111.9	42.6		42.6	45.3		45.3	42.6	45.3
FEDERAL	65,934.8	65,209.0	61,719.9	61,734.4		61,734.4	61,769.3		61,769.3	61,734.4	61,769.3
TOTAL FINANCING	121,997.1	123,143.1	108,222.6	125,364.2	7,385.7	132,749.9	125,486.1	12,655.9	138,142.0	131,875.2	137,159.8
POSITIONS BY FUND:											
GENERAL	110.4	107.0	105.5	105.5	2.0	107.5	105.5	2.0	107.5	107.5	107.5
FEDERAL	83.9	90.8	90.9	89.9		89.9	89.9		89.9	89.9	89.9
TOTAL POSITIONS	194.3	197.8	196.4	195.4	2.0	197.4	195.4	2.0	197.4	197.4	197.4

ACTIVITY: SOCIAL SERVICES
 Program: SOCIAL SERVICES
 Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity supervises the planning, providing and evaluating of community social services by the boards of county commissioners and department contractors, as provided for in the Minnesota Community Social Services Act and related federal and state social services laws. Services include child and adult protection, adoption, counseling, chore and homemaker services, day care and foster care, and information and referral. Specific functions are establishing plan guidelines, certifying county plans, preparing the state biennial plan, standard setting, policy analysis, program development, training, technical assistance, consultation, monitoring and evaluating community social service programs, and distributing funds appropriated for community services.

Key federal and state laws guiding the activities are the Community Social Services Act (CSSA), the Vulnerable Adults Act, the federal Child Welfare and Adoption Assistance Act, and statutes relating to the Federal Social Services Block Grant.

The major functions of this activity are:

1. To supervise county social service planning and develop state plans and reports.
2. To distribute federal and state funds in accordance with statutory formulas.
3. To develop rules providing statewide uniform service delivery standards.
4. To provide technical assistance, consultation and supervision to county social service agencies in planning, program development, administration and delivery of social services so that clients receive needed social services.
5. To improve and maintain a reporting system for children and adults who are abused or neglected so that incidents of each are reported and victims are offered services.
6. To improve reporting, monitoring and evaluation to obtain essential data, ensure compliance with standards, and to promote quality service.
7. To prevent out-of-home child placements when appropriate and to improve permanency planning for children by counties.
8. To provide and develop volunteer services to augment state and county resources.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Administratively Directed					
County Plans Reviewed	87	87	87	87	87
Reviews of County Case Records	39	21	30	30	30
Rules Promulgated (new or revised)	4	1	11	6	6
Federal and State Plans or Reports	48	50	20	20	20
Client Directed					
Volunteer Hours	943,753	949,294	950,000	950,000	950,000
Child Abuse Reports	8,003	9,000	9,500	10,000	10,000
Institutional Child Abuse Cases					
Reviewed	110	106	125	150	175
Vulnerable Adults Reports	496	900	1,000	1,100	1,200
Interstate Compact Placements	898	779	750	700	700

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	473.6	403.7	458.8	487.1	502.1

ALTERNATIVES/BUDGET ISSUES:

1. A range of in-home services to children, families and vulnerable adults is needed as an alternative to out-of-home care.
2. Fiscal capability of counties to meet the demand for social services is diminishing because of reduced federal appropriations, rising costs and increasing numbers of older persons.
3. Cost of the subsidized adoption program is rising because the number of eligible children is greater than anticipated and because their disabilities are more serious; however, adoption is preferable to foster care.
4. Printed materials are needed for effective interagency matching of prospective adoptive children with parents. (3rd Special Session reduced appropriation, \$13,650.)

LEGISLATIVE ISSUES:

Legislation is being proposed that will amend the Community Social Services Act and related statutes to transfer the current categorical appropriations for Day Care Sliding Fee, Children Under State Guardianship, MR-Rule 23, and Grants for the Chronically Mentally Ill (Rule 14) to the Community Social Services Act appropriation; and to provide for certain minimum funding levels and maintenance of effort provisions resulting from those shifts.

EXPLANATION OF BUDGET REQUEST:

An increase of \$16,087,200 in the grants and aids is requested for the biennium; \$5,408,500 for F.Y. 1984, \$10,678,700 for F.Y. 1985.

The details of these requests are contained in the grants and aids analysis pages follow.

An additional increased level of funding of \$13,650 for F.Y. 1984 and \$13,650 for F.Y. 1985 is requested to restore the appropriation reduced by Chapter 1, 3rd Special Session, 1982.

GOVERNOR'S RECOMMENDATION:

The Governor concurs in the department's request for a change level in the CSSA block grant except for \$1,800,000 in the DWI detox category. The Governor is supporting a modification to the existing DWI statute (Laws of Minnesota, 1982, Chapter 423). These modifications should make the DWI efforts more manageable and less expensive for local units of government. In line with this recommendation, the commissioner of the Department of Public Welfare will submit proposed legislation necessary to manage this program within the resources recommended.

The Governor also recommends the restoration of \$13,650 each year of the biennium which were cut by 3rd Special Session 1982, Chapter 1. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: SOCIAL SERVICES

PROGRAM: SOCIAL SERVICES

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	1,148.5	1,349.3	1,522.4	1,604.7		1,604.7	1,604.7		1,604.7	1,604.7	1,604.7
-REGULAR UNCLASSIFIED	56.0	159.0	77.6	87.4		87.4	87.4		87.4	87.4	87.4
-PART-TIME/SEAS./OTHER	72.3	17.0									
-PREMIUM PAY		.4									
-OVERTIME PAY	.6	3.1									
-MISCELLANEOUS PAYROLL	3.6	12.2									
-OTHER BENEFITS	.6										
TOTAL PERSONAL SERVICES	1,281.6	1,541.0	1,600.0	1,692.1		1,692.1	1,692.1		1,692.1	1,692.1	1,692.1
EXPENSES & CONTRACTUAL SERVICES	271.3	288.5	605.4	569.5	13.6	583.1	610.1	13.6	623.7	575.3	606.9
SUPPLIES & MATERIALS	10.9	15.5	31.7	33.8		33.8	36.0		36.0	33.8	35.9
EQUIPMENT	6.1	48.5	2.5	2.7		2.7	2.9		2.9	2.7	2.8
REAL PROPERTY	.5										
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	99,079.3	98,755.7	86,605.9	103,719.9	5,408.5	109,128.4	103,719.9	10,678.7	114,398.6	108,271.4	113,455.6
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	100,649.7	100,649.2	88,845.5	106,018.0	5,422.1	111,440.1	106,061.0	10,692.3	116,753.3	110,575.3	115,793.3
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	50,346.6	51,767.4	41,590.0	58,771.2	5,422.1	64,193.3	58,801.2	10,692.3	69,493.5	63,328.5	68,533.5
DEDICATED APPROPRIATIONS:											
GIFTS AND DEPOSITS	3.1	3.5	3.5	3.5		3.5	3.5		3.5	3.5	3.5
FEDERAL	50,300.0	48,878.3	47,252.0	47,243.3		47,243.3	47,256.3		47,256.3	47,243.3	47,256.3
TOTAL FINANCING	100,649.7	100,649.2	88,845.5	106,018.0	5,422.1	111,440.1	106,061.0	10,692.3	116,753.3	110,575.3	115,793.3
POSITIONS BY FUND											
GENERAL	15.0	16.5	14.0	14.0		14.0	14.0		14.0	14.0	14.0
FEDERAL	41.5	41.5	41.5	40.5		40.5	40.5		40.5	40.5	40.5
TOTAL POSITIONS	56.5	58.0	55.5	54.5		54.5	54.5		54.5	54.5	54.5

4-0149

GRANTS AND AIDS ANALYSIS FOR: COMMUNITY SOCIAL SERVICE GRANT 1983-85 Biennial Budget

Activity: SOCIAL SERVICES
Program: SOCIAL SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256E

PURPOSE: The Community Social Services Act (CSSA) establishes a system of planning for and providing community social services by the boards of county commissioners of each county under the supervision of the commissioner of public welfare and using a combination of federal, state and county funds.

The Act directs the commissioner to distribute the state appropriation to counties for this purpose according to the formula in the Act.

Federal Social Service Block Grant (Title XX) funds are received by the state from the federal government to be used for the same services as the CSSA funds. The federal funds are allocated to counties in accordance with a separate formula in the CSSA. The counties match the amount of their state funds with county funds. Through the combination of these state, federal and local funds, counties finance their social service program.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Funds provided by Federal Social Service Block Grant and CSSA are distributed to 87 counties on the basis of formulas contained in Chapter 256E. Each county must develop a community social service planning process, submit a biennial plan to the commissioner of public welfare and make the plan available to the citizens of the county. The county plan must describe the social services it will provide to the target populations specified in the CSSA, the amount of services it will furnish, and whether services will be provided directly by the agency or contracted for with other public or private vendors. The commissioner of public welfare must certify that the county plans meet the plan requirements of M.S. 256.E.

These requirements include:

1. A statement of the goals of community social service program in the county.
2. A description of methods used to encourage citizen participation.
3. A description of methods used to identify persons in need of service.
4. A description of each community social service provider.
5. An estimate of the amount of money proposed to be allocated to each service.
6. An inventory of public and private resources.
7. Evidence that consideration was given to the purchase of services from public and private agencies.
8. A description of methods whereby community social service programs will be monitored and evaluated.

Title XX requires that each county develop an annual report on the intended use of federal funds.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: The grant formulae as specified in M.S. 256E.06 and 256E.07 are as follows:

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-02-24-240-01	
	ACTUAL FY1981	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *					
		ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
GENERAL	47,068.4	46,791.1	36,234.7	59,327.4	65,436.7	58,470.4	64,493.7
FEDERAL	48,897.6	42,464.6	40,934.3	40,934.3	40,934.3	40,934.3	40,934.3
SUBTOTAL	95,966.0	89,255.7	77,169.0	100,261.7	106,371.0	99,404.7	105,428.0
G & A TO NONGOV'T ORGNZTNS							
FEDERAL	395.7	365.7	365.7	365.7	365.7	365.7	365.7
SUBTOTAL	395.7	365.7	365.7	365.7	365.7	365.7	365.7

ALL RECIPIENTS BY FUND							
GENERAL	47,068.4	46,791.1	36,234.7	59,327.4	65,436.7	58,470.4	64,493.7
FEDERAL	49,293.3	42,830.3	41,300.0	41,300.0	41,300.0	41,300.0	41,300.0
TOTAL	96,361.7	89,621.4	77,534.7	100,627.4	106,736.7	99,770.4	105,793.7

Community Social Services Act (CSSA):

1. One-third on the basis of the average unduplicated number of persons who receive Aid to Families with Dependent Children (AFDC), General Assistance (GA) and Medical Assistance (MA) per month in the calendar year 2 years prior to the year for which funds are being distributed.
2. One-third on the basis of the number of persons residing in the county as determined by the most recent data of the state demographer.
3. One-third on the basis of the number of persons residing in the county who are 65 years old or older as determined by the most recent data of the state demographer.

TITLE XX:

1. Two-thirds shall be allocated on the basis of the annual average number of unduplicated active case loads in each county in the following programs: AFDC; MA; Supplementary Security Income; and Minnesota Supplemental Aid.
2. One-third shall be allocated on the basis of the number of persons residing in the county as determined by the most recent data of the state demographer.

GRANTS AND AIDS ANALYSIS FOR: COMMUNITY SOCIAL SERVICE GRANT 1983-85 Biennial Budget
(Continuation)

Activity: SOCIAL SERVICES
Program: SOCIAL SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Number of participating counties	87	87	87	87	87
Total state, federal & local expenditures for social services (in millions)	\$ 188.6 ¹	\$ 200.5	\$ 223.3	\$ 256.4	\$ 294.2
Source of revenue for social services provided by counties:					
State (in millions)	\$ 39.0	\$ 41.0	\$ 47.0	\$ 49.8	\$ 52.8
Federal (in millions)	\$ 48.0 ¹	\$ 40.3 ¹	\$ 40.3 ¹	\$ 41.7	\$ 43.5
County (in millions)	\$ 100.6 ¹	\$ 116.5 ¹	\$ 135.3 ¹	\$ 164.5	
Other					
Populations served: ¹					
Families with dependent, neglected or abused children, adolescent parents, pregnant adolescents			138,032	140,126	142,000
Dependent & neglected state wards			1,300	1,300	1,300
Vulnerable adults			10,607	30,408	40,000
Persons over 60			196,892	199,586	200,000
Mentally ill persons			158,811	161,807	164,000
Mentally retarded persons			44,236	45,761	47,000
Chemically dependent			120,237	231,710	260,000
Other			171,393	168,856	165,000

¹Figures are for calendar year.

The programs and funding for cost of care mentally retarded and cost of care emotionally handicapped children were transferred to CSSA by legislative action effective 1-1-83.

LEGISLATIVE ISSUES: A bill is being proposed to transfer to CSSA the categorical appropriations and programs identified in the explantion of budget request. Legislation will also be introduced to reduce the state and county obligation for the mandated detox for DWI resulting from 1982 legislation. See the "Budget Issues" below and the chemical dependency activity page.

BUDGET ISSUES:

Federal funds under the Social Services Block Grant have been reduced from \$48 million in Federal Fiscal Year 1981 to \$40 million in 1982 and \$40 million in 1983. Small anticipated increases in 1984 and 1985 will not restore the reductions of the earlier years. The estimates for mandated detoxification services are 50% of the total cost. Under CSSA, counties are expected to pay an amount equal to the state allotment.

EXPLANATION OF BUDGET REQUEST: An increase of \$18,066,700 is requested for the biennium; \$5,978,700 for F.Y. 1984, \$12,088,000 for F.Y. 1985.

This request consists of the following special items:

	TOTAL	F.Y. 1984	F.Y. 1985
Categorical grants that the Department is recommending be transferred to the CSSA appropriation as of 1-1-84:	\$7,065,000	\$2,355,100	\$4,709,900
Day Care Sliding Fee	\$1,227,000	409,000	818,000
Children Under State Guardianship	1,638,500	546,200	1,092,300
MR-Rule 23	416,300	138,800	277,500
Chronic Mentally Ill - Rule 14	3,783,200	1,261,100	2,522,100
(For the first 6 month of the biennium the Department requests that these be categorical appropriations.) The above amount is 3/4 of the same level funding for the biennium.			
Six percent (6%) statutorily required increase each calendar year.	7,026,600	1,730,700	5,295,900
Mandated detox for DWI (Laws of Minnesota, 1982, Chapter 423).	3,975,100	1,892,900	2,082,200
The difference in the same level funding between F.Y. 1983 and F.Y. 1984-85 and of \$6,284,500 is due to annualization of categorized appropriations transferred to CSSA on 1-1-83.			

GOVERNOR'S RECOMMENDATION:

The Governor concurs in the department's request for a change level in the CSSA block grant except for \$1,800,000 in the DWI detox category. The Governor is supporting a modification to the existing DWI statute (Laws of Minnesota, 1982, Chapter 423). These modifications should make the DWI efforts more manageable and less expensive for local units of government. In line with this recommendation, the commissioner of the Department of Public Welfare will submit proposed legislation necessary to manage this program within the resources recommended.

GRANTS AND AIDS ANALYSIS FOR: CHILD ABUSE DEMONSTRATION 1983-85 Biennial Budget

Activity: SOCIAL SERVICES
Program: SOCIAL SERVICES
Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 257.175, Laws of Minnesota for 1979, Chapter 366, Sec. 2, Subd. 3
Laws of Minnesota for 1982, Chapter 2, Section 2, Subd. 4

PURPOSE:

To develop programs and projects that demonstrate interagency cooperation in preventing or treating child abuse and neglect and to utilize donated funds for special needs of children in foster care.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

State and federal grants were awarded on a competitive basis to public and private agencies submitting proposals for experimental programs which encouraged interagency cooperation in preventing or treating child abuse and neglect. The legislature eliminated the program during the third special session.

Funds are forwarded to counties for specific needs of individual children in foster care where no funding is available. The money is donated by the American Legion Auxiliary.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

State child abuse grant applicants were required to submit a detailed budget document explaining expenditures by category. Forgotten Children's Fund are granted per individual case request.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Number of child abuse grants issued	13	6	1	-0-	-0-
Requests made to forgotten children's fund	43	52	60	60	60
Requests granted from forgotten children's fund	30	32	30	30	30
Dollars granted	\$3,100	\$3,500	\$3,500	\$3,500	\$3,500

EXPLANATION OF AGENCY ESTIMATES:

This grant consists of federal and donated funds. The same level of funding is expected.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-02-24-240-02
*** DOLLARS IN THOUSANDS (137,522=137.5) ***							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
GENERAL	83.2	11.5					
FEDERAL	39.2						
GIFTS AND DEPOSITS	3.1	3.5	3.5	3.5	3.5	3.5	3.5
SUBTOTAL	125.5	15.0	3.5	3.5	3.5	3.5	3.5
G & A TO SCHOOL DISTRICTS							
GENERAL	8.0	10.5					
SUBTOTAL	8.0	10.5					
G & A TO NONGOVT ORGNZTNS							
GENERAL	73.9	19.1					
FEDERAL	8.0	18.3	15.3	15.3	15.3	15.3	15.3
SUBTOTAL	81.9	37.4	15.3	15.3	15.3	15.3	15.3

ALL RECIPIENTS BY FUND							
GENERAL	165.1	41.1					
FEDERAL	47.2	18.3	15.3	15.3	15.3	15.3	15.3
GIFTS AND DEPOSITS	3.1	3.5	3.5	3.5	3.5	3.5	3.5
TOTAL	215.4	62.9	18.8	18.8	18.8	18.8	18.8

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the F.Y. 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: CHILD DAY CARE SLIDING FEE 1983-85 Biennial Budget

Activity: SOCIAL SERVICES
 Program: SOCIAL SERVICES
 Agency: PUBLIC WELFARE, DEPARTMENT OF
 Statutory References: M.S. 245.84, Subd. 2

PURPOSE:

To make grants to counties for the purpose of reducing the costs of child care for eligible families. A sliding fee schedule is used to determine grant amounts.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

To qualify for sliding fee grants counties must provide day care without charge to families whose income is between 0 and 60% of the state median income. If they do qualify, counties must include in the sliding fee program families whose income is between 60 and 70% of the state median income. They may include families whose income is up to 90% of the state median. For families to be eligible to participate, their income must be within the level set by the county, they must demonstrate a need for child care, and the need for child care must be related to employment or training for employment.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

1. Grants to counties required that 50% of the money be allocated to the Governor's Economic Region 11, and 50% to the Governor's Economic Regions 1 to 10. Each individual county allocation is based on the number of working parent families with a child under 6 years of age and the number of children receiving AFDC grants. (12 MCAR 2.163, D.1.b-e).
2. Sliding fee payments for parents are based on income falling within the range of 60-90% of state median income, adjusted for family size, with county boards determining income range served. (12 MCAR 2.163, G.2.a-b).

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Number of Participating Counties	22	29	29	29	29
Number of Families Served	1,122	1,329	1,329	1,329	1,329
Number of Children Served	1,667	1,903	1,903	1,903	1,903

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested with the provision that \$1,227,000 be transferred to CSSA effective 1-1-84; \$409,000 in F.Y. 1984 and \$818,000 in F.Y. 1985.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-02-24-240-03	
*** DOLLARS IN THOUSANDS (137,522=137.5) ***							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES FY1984	FY1985	RECOMMENDATIONS FY1984	FY1985
G & A TO COUNTIES							
GENERAL	923.0	695.3	818.0	409.0		409.0	
SUBTOTAL	923.0	695.3	818.0	409.0		409.0	
ALL RECIPIENTS BY FUND							
GENERAL	923.0	695.3	818.0	409.0		409.0	
TOTAL	923.0	695.3	818.0	409.0		409.0	

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for same level funding and transfer to CSSA effective 1-1-84.

In line with this recommendation the commissioner of the Department of Public Welfare will submit proposed legislation necessary to manage this program within the resources recommended.

GRANTS AND AIDS ANALYSIS FOR: MIGRANT DAY CARE SERVICES 1983-85 Biennial Budget

Activity: SOCIAL SERVICES
Program: SOCIAL SERVICES
Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 245.84, 256E.07, SUBD. 1(c)

PURPOSE:

To fund community agencies so they may provide group day care services at selected sites for children of migrant seasonal workers.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

Recipient of the grant is Tri-Valley Opportunity Council, Inc. This council establishes child day care in appropriate sites to serve children who meet the following definition of a migrant child: a child whose parent, guardian, or current caretaker is a migrant agricultural worker who has changed residence within the past 12 months from one county to another to obtain temporary or seasonal employment in an agricultural activity.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

The total amount of the grant and maximum per diem cost are specified in the contract. Reimbursement to the grantee is based on actual expenditures, not to exceed the specified per diem and total contract amount. The grant is 25% state funds and 75% Federal Social Service Block Grant Funds.

SIGNIFICANT STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Number of Participating Counties	9	10	10	10	10
Number of Program Sites	15	15	15	15	15
Number of Children Served	856	900	900	900	900

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-02-24-240-04	
	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO NONGOV'T ORGNZTNS GENERAL	132.4	121.9	150.0	150.0	150.0	150.0	150.0
SUBTOTAL	132.4	121.9	150.0	150.0	150.0	150.0	150.0

ALL RECIPIENTS BY FUND GENERAL	132.4	121.9	150.0	150.0	150.0	150.0	150.0
TOTAL	132.4	121.9	150.0	150.0	150.0	150.0	150.0

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve the F.Y. 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: CHILDREN UNDER STATE GUARDIANSHIP 1983-85 Biennial Budget

Activity: SOCIAL SERVICES
Program: SOCIAL SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 260.38, M.S. 260.40

PURPOSE:

This grant provides financial reimbursement to counties for the costs of giving care and services to dependent and neglected children under state guardianship. Grants continue until the child is placed in a suitable permanent home through adoption or until the child reaches majority and becomes self-supporting.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

County boards may receive financial reimbursement from the state for guardianship responsibilities to children whose parents' rights have been terminated by courts because of dependency or neglect and who have been made wards of the state.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

Counties are required to submit detailed billing of expenditures for children under state guardianship beyond their eligibility for Medical Assistance, Aid to Families With Dependent Children, or other categorical programs and of recoveries from other funding sources. County expenditures are reimbursed by the state according to the legislative appropriation divided by total claims, but never to exceed 50% of total claims.

SIGNIFICANT STATISTICS:	Actual	Actual	Estimated	Estimated	Estimated
	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
Number of Children	1,479	1,350	1,300	1,300	1,300
State Funds	\$1,092,300	\$1,047,100	\$ 842,306	\$1,092,300	\$1,092,300
County Funds	\$1,451,344	\$1,061,700	\$1,091,700	\$1,092,300	\$1,092,300
State Reimbursement	44%	50%	50%	50%	50%

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested with the provision that \$1,638,500 be transferred to CSSA effective 1-1-84; \$546,200 in F.Y. 1984 and \$1,092,300 in F.Y. 1985.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-02-24-240-05	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES GENERAL	1,092.0	1,047.1	842.3	546.1		546.1	
SUBTOTAL	1,092.0	1,047.1	842.3	546.1		546.1	

ALL RECIPIENTS BY FUND GENERAL	1,092.0	1,047.1	842.3	546.1		546.1	
TOTAL	1,092.0	1,047.1	842.3	546.1		546.1	

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for same level of funding and transfer to CSSA effective 1-1-84.

In line with this recommendation the commissioner of the Department of Public Welfare will submit proposed legislation necessary to manage this program within the resources recommended.

GRANTS AND AIDS ANALYSIS FOR: FOSTER CARE-SUBSIDIZED ADOPTIONS-CHILD WELFARE 1983-85 Biennial Budget

Activity: SOCIAL SERVICES
Program: SOCIAL SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256.01, 256E.02, 257, 259, 260

PURPOSE: To provide financial reimbursement to county agencies and children where adoption is being subsidized, to maintain and improve child welfare services to children in their own homes and in substitute care, including programs of prevention and reunification services; to place eligible children in suitable adoptive homes; and to develop and maintain a social service information system that includes case planning and information systems for children.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Local social service agencies who place in substitute care children eligible under the Federal Child Welfare and Adoption Assistance Act are eligible for federal and state reimbursement for cost of care. Families who adopt a special needs child as defined in the Federal Child Welfare and Adoption Assistance Act and M.S. 295.40 are eligible for a subsidy. Grants are available to qualified vendors to develop and maintain social service information systems for local and state use that include a tracking system and case plan system for children in substitute care as required by federal law. A limited amount of federal child welfare funds were distributed to counties to help them meet P.L. 96-272 requirements for child welfare planning purposes.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

1. For children with Aid to Families with Dependent Children-Foster Care eligibility, counties received federal reimbursement of eligible cost in the amount of 54.39 %. State reimbursement is set by M.S. 256.82(2) and appropriation amounts.
2. State reimbursement for expenditures made for state approved subsidized adoption is fixed in M.S. 295.40 and 12 MCAR 2.200 and is based upon the child's needs.
3. Grants for social service information systems development were made to a county consortium.
4. Limited federal child welfare funds were allocated to counties with each receiving a like amount in 1981. Allocations for 1982 are based on their child population percentage.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Total No. of Adoptions Processed	2,816	2,908	3,000	3,000	3,000
Total Subsidized Adoptions	236	334	396	458	530
State Subsidized Adoptions Only	236	224	225	237	259
Subsidized Adoption P.L. 29-272 Eligible	-0-	110	171	221	271
Total Children in Foster Care	12,000	12,000	11,750	11,500	11,250
AFDC-FC Eligible Children in Foster Care	2,863	2,877	3,800	3,800	2,900

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-02-24-240-06	
	ACTUAL FY1981	*** DOLLARS IN THOUSANDS (137,522=137.5) ***					
		ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
OTHER AIDS TO INDIVIDUALS							
GENERAL	244.6	288.0	550.0	685.0	801.0	685.0	801.0
FEDERAL		386.2	175.0	175.0	175.0	175.0	175.0
SUBTOTAL	244.6	674.2	725.0	860.0	976.0	860.0	976.0
G & A TO COUNTIES							
GENERAL	80.8	2,107.0	2,091.0	2,091.0	2,091.0	2,091.0	2,091.0
FEDERAL	18.5	4,059.4	4,426.1	4,426.1	4,426.1	4,426.1	4,426.1
SUBTOTAL	99.3	6,166.4	6,517.1	6,517.1	6,517.1	6,517.1	6,517.1
G & A TO NONGOV'T ORGNZTNS							
GENERAL	3.4						
FEDERAL	7.5	366.5					
SUBTOTAL	10.9	366.5					
ALL RECIPIENTS BY FUND							
GENERAL	328.8	2,395.0	2,641.0	2,776.0	2,892.0	2,776.0	2,892.0
FEDERAL	26.0	4,812.1	4,601.1	4,601.1	4,601.1	4,601.1	4,601.1
TOTAL	354.8	7,207.1	7,242.1	7,377.1	7,493.1	7,377.1	7,493.1

BUDGET ISSUES:

On 10-1-83 the rate of federal financial participation will be reduced from 54.39% to 52.67%. This will result in an added expense to counties of \$267,000.

EXPLANATION OF BUDGET REQUEST:

An increase of \$886,000 is requested for the biennium; \$385,000 for F.Y. 1984 and \$501,000 for F.Y. 1985, for the state subsidized adoption program in order to meet the costs of subsidies for those children who are eligible.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. The increase is needed due to a larger number of children coming into the program than had been anticipated, higher medical costs because of more severe child disabilities, and fewer children eligible for federal financial participation under IV-E than had been anticipated.

ACTIVITY: AGING
 Program: SOCIAL SERVICES
 Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: This activity provides staff and funds to support the Minnesota Board on Aging (MBA) (M.S. 256.975). The Board is the single state agency for policy making and administration of the Older Americans Act funds. It promotes services to help 650,000 Minnesotans over age 60 live independent, meaningful and dignified lives. Emphasis is on reducing isolation and preventing untimely or unnecessary institutionalization by developing a community-based service delivery system. Federal Older Americans Act funds support the Aging Division and 13 Area Agencies on Aging (AAAs). Legal services, senior citizen centers, congregate and home-delivered meals, transportation, information and referral, in-home, and other services are provided through federal and state grants awarded to the Area Agencies on Aging. State appropriations are used to supplement federal funding for Nutrition, Foster Grandparent, Senior Companion, and Senior Volunteers programs and to meet match requirements for federal funds. The major functions of this activity are:

1. To develop and administer a state plan on aging to provide Older Americans Act funds for planning, advocacy, administration, training and developing of services.
2. To designate, supervise and assist Area Agencies on Aging in each of 13 established planning and service areas so that there is a comprehensive, coordinated community-based delivery system for services needed by older persons throughout the state.
3. To secure and allocate federal, state and foundation funds; award grants and monitor plans for use of funds in the following areas of aging: a) area aging planning and services, b) foster grandparent, c) senior companion, d) retired senior volunteers, e) training; and f) foundation grants.
4. To advise and assist other state departments and agencies develop and improve policies, programs and services affecting the aging.

ACCOMPLISHMENTS AND STATISTICS:

1. Planning and Administration: State Plans on Aging developed and implemented as required by the Older Americans Act resulted in federal funds awarded to Minnesota as follows:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Social Services	\$4,352,000	\$4,073,600	\$3,689,400	\$3,689,400	\$3,689,400
Nutrition Services	6,114,400	5,929,600	5,929,000	5,929,000	5,929,000

2. Area Agencies on Aging: The 13 Area Agencies on Aging were provided planning guidelines, training, technical assistance and monitoring to assure compliance and conformance with state and federal program and funding requirements.

The Minnesota Chippewa Tribe was designated as the AAA for 4 reservations.
 Two new Area Agencies on Aging were established when the Regional Development Commissions in Region IV and X were dissolved.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	256.3	256.3	256.3	256.3	256.3

ACCOMPLISHMENTS AND STATISTICS: (Contd.)

3. Aging Policy, Program and Service Development:

A statewide Long-Term Care Ombudsman program conforming to federal requirements is being developed for residents in licensed facilities.

The Retired Senior Volunteer Expansion Program was established in 1982 to provide supplemental funds to 16 existing and 3 new RSVP projects.

Board and staff have worked with other state agencies on plans and programs affecting the elderly including: a) Minnesota Long-Term Care Plan, b) Governor's Health Care Task Force, c) Amendments to the Community Social Services Act, d) coordination of special transportation services, and e) Aging related education.

4. Other Funding Sources

Donations of \$2,775,116 from participants in aging service programs were reported in 1981.

Mardag Foundation funds of \$12,000 were used to help 12,000 older people develop Minnesota's recommendations to the 1981 White House Conference on Aging.

McKnight Foundation funds of \$450,000 over a 3 year period were used to help meet the needs of elderly for community centers in over 130 communities in the state.

ALTERNATIVES/BUDGET ISSUES:

In spite of \$1,915,000 reduced appropriation in F.Y. 1983, the 1982 nutrition program level will be maintained in 1983. Failure to restore \$1,915,000 each year will reduce the program by an estimated 600,000 meals and 15,000 people served in 1984 and 1985.

LEGISLATIVE ISSUES:

1. Legislation is being proposed by the MBA to establish a state policy on aging which will: a) establish a general direction for future legislation and, b) provide a guide for improved intergovernmental, public, and private coordination of planning and delivery of aging services.

EXPLANATION OF BUDGET REQUEST:

An increased level of funding of \$1,915,000 for F.Y. 1984 and \$1,915,000 for F.Y. 1985 is requested to restore the appropriation reduced by Chapter 1, 3rd Special Session, 1982.

GOVERNOR'S RECOMMENDATION:

The Governor recommends restoration of the \$1,915,000 which was cut by the 12-82, 3rd Special Session (Laws of 1982, Chapter 1). The restoration of these funds is necessary to provide continuation of the senior congregate dining program. Federal funds have been used to maintain current meal levels through 6-30-83. These state funds are needed to fund the program from 7-1-83 to 12-31-83. If funding is not restored the program will be suspended. Additionally, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: AGING

PROGRAM: SOCIAL SERVICES

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	552.8	583.8	703.6	725.3		725.3	725.3		725.3	725.3	725.3
-REGULAR UNCLASSIFIED	54.7	15.6									
-PART-TIME/SEAS./OTHER	12.6										
-PREMIUM PAY		.2									
-OVERTIME PAY		1.3									
-MISCELLANEOUS PAYROLL	4.0	4.9	7.6	7.6		7.6	7.6		7.6	7.6	7.6
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	624.2	605.8	711.2	732.9		732.9	732.9		732.9	732.9	732.9
EXPENSES & CONTRACTUAL SERVICES	199.6	95.9	150.8	159.9		159.9	172.1		172.1	158.3	168.4
SUPPLIES & MATERIALS	6.3	4.8	8.7	9.1		9.1	9.7		9.7	9.0	9.5
EQUIPMENT	5.2	.1	.9	.9		.9	1.0		1.0	.9	1.0
REAL PROPERTY											
BEST SERVICE & ANNUITIES											
GRANTS & AIDS	15,389.9	15,424.7	12,404.9	12,329.7	1,915.0	14,244.7	12,329.7	1,915.0	14,244.7	14,244.7	14,244.7
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	16,225.2	16,131.3	13,276.5	13,232.5	1,915.0	15,147.5	13,245.4	1,915.0	15,160.4	15,145.8	15,156.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	3,061.5	3,268.3	1,602.9	1,628.0	1,915.0	3,543.0	1,635.0	1,915.0	3,550.0	3,541.3	3,546.1
DEDICATED APPROPRIATIONS:											
GIFTS AND DEPOSITS	257.9	162.9	85.4	14.4		14.4	15.5		15.5	14.4	15.5
FEDERAL	12,905.8	12,700.1	11,588.2	11,590.1		11,590.1	11,594.9		11,594.9	11,590.1	11,594.9
TOTAL FINANCING	16,225.2	16,131.3	13,276.5	13,232.5	1,915.0	15,147.5	13,245.4	1,915.0	15,160.4	15,145.8	15,156.5
POSITIONS BY FUND											
GENERAL	19.0	16.0	16.0	16.0		16.0	16.0		16.0	16.0	16.0
FEDERAL	8.0	8.0	8.0	8.0		8.0	8.0		8.0	8.0	8.0
TOTAL POSITIONS	27.0	24.0	24.0	24.0		24.0	24.0		24.0	24.0	24.0

4-0158

GRANTS AND AIDS ANALYSIS FOR: AREA AGING PLANNING & SERVICES1983-85 Biennial Budget

Activity: AGING
Program: SOCIAL SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256.975

I. Grants for Area Aging Program Planning and Social Services

PURPOSE:

This grant provides funds to community agencies for developing a comprehensive, coordinated community-based service delivery system including social services and multipurpose senior centers for the elderly in Minnesota who are in greatest social and economic need.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

The Area Agencies on Aging (AAA's) designated for each of the 13 planning and service areas (PSA's) established by the Minnesota Board on Aging (MBA) are eligible to apply for annual grants to meet administration and service delivery costs. The PSA boundaries are consistent with the economic regional boundaries with 2 exceptions: 1) 7E and 7W are combined into 1 PSA for administrative efficiency, 2) 4 Indian reservations are combined in 1 PSA to address the unique needs of elderly Indians on reservations. Eligibility for the grant is based on submission of a 3 year plan and annual updates which meet federal and state criteria and guidelines. The general plan criteria that must be met include:

1. Demographic data and assessment of the needs of the elderly.
2. Service components of the comprehensive coordinated plan to be funded.
3. Objectives and action steps for meeting service development, system development, and management development goals.
4. A resource allocation plan and budget.
5. A description of administrative and advisory structures and the staffing plan.
6. Assurance of meeting Older Americans Act and other applicable federal requirements including the Civil Rights Act and part 74 Grantee Guidelines.

The federally required statewide Long-Term Care (LTC) Ombudsman Program is being developed by establishing 6 substate LTC Ombudsman offices. The MBA awards grants to community agencies based on submission of an application including a program and budget which meet state criteria.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

The federally approved intrastate allocation formula for funds available to AAA's established by the MBA includes:

1. \$50,000 base for each planning and service area.
2. 70 percent on the PSA proportion of elderly (60+).
3. 25 percent on the PSA proportion of low income elderly.
4. 5 percent on the PSA proportion of minority elderly.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-02-27-270-07
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES FY1984	FY1985	RECOMMENDATIONS FY1984	FY1985
G & A TO SPECIAL DISTRICTS							
FEDERAL	11,948.0	10,962.4	9,699.0	9,695.7	9,695.7	9,695.7	9,695.7
SUBTOTAL	11,948.0	10,962.4	9,699.0	9,695.7	9,695.7	9,695.7	9,695.7
G & A TO NONGOV'T ORGNZTNS							
GENERAL	1,765.0	1,838.4		1,915.0	1,915.0	1,915.0	1,915.0
FEDERAL	620.6	1,500.0	1,590.0	1,590.0	1,590.0	1,590.0	1,590.0
SUBTOTAL	2,385.6	3,338.4	1,590.0	3,505.0	3,505.0	3,505.0	3,505.0
ALL RECIPIENTS BY FUND							
GENERAL	1,765.0	1,838.4		1,915.0	1,915.0	1,915.0	1,915.0
FEDERAL	12,568.6	12,462.4	11,289.0	11,205.7	11,205.7	11,205.7	11,205.7
TOTAL	14,333.6	14,300.8	11,289.0	13,200.7	13,200.7	13,200.7	13,200.7

Six substate ombudsman programs are funded at \$20,000 each for rural programs and \$35,500 for metro area programs.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
No. of AAAs funded	13	13	13	13	13
No. of elderly served through service grants awarded by AAAs:					
access (information, referral, outreach, transportation)	33,165	33,000	30,000	30,000	30,000
in-home	6,843	7,000	6,300	6,300	6,300
legal services	15,743	16,000	14,400	14,400	14,400
no. of senior centers funded	49	62	50	40	40
Sources of revenue for area planning and services:					
Federal Older Americans Act					
Title III-B	\$4,352,000	\$4,073,600	\$3,689,400	\$3,689,400	\$3,689,400
Local match	\$768,000	\$718,900	\$651,065	\$651,065	\$651,065
Client contributions	\$423,900	\$425,000	\$425,000	\$425,000	\$425,000
Older Americans Act Funds (Title III-B) allocated for grants to substate Ombudsman Program	\$135,500	\$135,500	\$135,500	\$135,500	\$135,500

EXPLANATION OF AGENCY ESTIMATES:

No state appropriations are used for grants to meet area planning and service delivery costs.

II. Grants for Senior Congregate Dining and Home Delivered Meals

GRANTS AND AIDS ANALYSIS FOR: AREA AGING PLANNING & SERVICES 1983-85 Biennial Budget
(Continuation)

Activity: AGING
Program: SOCIAL SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF

PURPOSE:

Grants for senior congregate dining and home delivered meals provide funds through Area Agencies on Aging (AAA) to public and private community agencies to offset the cost of congregate meals, home delivered meals, nutrition education, and other nutrition services to older persons. Priority is given to providing meals to those people with greatest social and economic need.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

The Minnesota Board on Aging (MBA) awards Older Americans Act funds and state nutrition funds to AAAs who subgrant funds on an annual basis to congregate and home delivered meals providers which meet federal and state program and meals standards. State appropriations are used by providers to offset meal costs only. AAA and service provider administrative costs allocable to the senior nutrition program are met from federal funds.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

The federally approved intrastate allocation formula established by the MBA provides for allocation of Title III funds as follows:

- \$50,000 base for each planning and service area
- 70 percent on the PSA proportion of the elderly (60+)
- 25 percent on the PSA proportion of low income elderly
- 5 percent on the PSA proportion of minority elderly
- State nutrition funds are allocated on the 3 population factors only
- United States Department of Agriculture (USDA) partial meal reimbursement is at a rate determined by USDA. (1982 rate \$.515 per meal)

SIGNIFICANT STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
No. of congregate meal programs funded by AAAs	20	20	20	20	20
No. of congregate dining sites	287	290	290	290	290
No. of persons served	85,100	86,000	78,000	78,000	78,000
No. of meals served	3,186,300	3,250,000	3,250,000	3,250,000	3,250,000
Sources of revenue for senior dining program:					
Federal Older Americans Act III, C, 1	\$5,151,100	\$4,936,600	\$4,936,600	\$4,936,600	\$4,936,600
Federal Older Americans Act C,2	\$963,300	\$993,000	\$993,000	\$993,000	\$993,000
United States Department of Agriculture	\$1,318,200	\$1,599,400	\$1,599,400	\$1,599,400	\$1,599,400
State appropriation	\$1,765,000	\$1,838,400	\$1,915,000	\$1,915,000	\$1,915,000
Local match	\$1,079,000	\$1,046,400	\$913,400	\$913,400	\$913,400
Client contribution	\$2,351,200	\$2,425,000	\$2,400,000	\$2,460,000	\$2,550,000
Average client contribution per meal	.74	.75	.80	.82	.85

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor recommends restoration of the \$1,915,000 which was cut by the 12-82, 3rd Special Session (Laws of 1982, Chapter 1). The restoration of these funds is necessary to provide continuation of the senior congregate dining program. Federal funds have been used to maintain current meal levels through 6-30-83. These state funds are needed to fund the program from 7-1-83 to 12-31-83. If funding is not restored the program will be suspended. Additionally, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

GRANTS AND AIDS ANALYSIS FOR: FOSTER GRANDPARENTS PROGRAM 1983-85 Biennial Budget

Activity: AGING
Program: SOCIAL SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256.975, 256.976

PURPOSE: These grants to public and private community agencies are used to pay stipends to low income elderly persons who work with disadvantaged children. The foster grandparents give supportive personal assistance to children in residential settings who lack close personal relationships. The state funds supplement federal funds given to the same persons by the federal ACTION agency.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Recipient agencies must meet federal program and budget standards. Grants are awarded to 2 agencies responsible for the statewide program. Grants are based on an application having a program plan with measurable objectives and a budget that meets state and federal criteria. Each of the grantee agencies is also the recipient of a federal Foster Grandparent Grant. They must coordinate the program supported from the 2 funding sources while assuring fiscal accountability and reporting for both state and federal funds.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Coordination and consistency with federal guidelines is achieved by awarding the funds to the community agencies which receive the Federal Foster Grandparent Grants. Therefore, competing applications for grants are not solicited. Payment to the grantees is based on a program and budget approved by the Minnesota Board on Aging within limits of the state appropriation for Foster Grandparents.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Federal Funds	\$845,000	\$855,000	\$855,000	\$855,000	\$855,000
State funds	\$450,300	\$476,100	\$509,000	\$509,000	\$509,000
Total volunteer stations	70	72	74	74	74
State funded volunteer stations	34	35	37	37	37
Total number of Foster Grandparent positions	328	338	392	392	392
State funded positions	163	156	163	163	163
Total number of children served	682	723	784	784	784
Children served with state funds	350	325	327	327	327
Hourly stipend rate paid to Foster Grandparents	\$ 1.85	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-02-27-270-08	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO NONGOV'T ORGNZTNS GENERAL	450.3	476.1	509.0	509.0	509.0	509.0	509.0
SUBTOTAL	450.3	476.1	509.0	509.0	509.0	509.0	509.0

ALL RECIPIENTS BY FUND GENERAL	450.3	476.1	509.0	509.0	509.0	509.0	509.0
TOTAL	450.3	476.1	509.0	509.0	509.0	509.0	509.0

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve the F.Y. 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: RETIRED SENIOR VOLUNTEER PROGRAM EXPANSION 1983-85 Biennial Budget

Activity: AGING
Program: SOCIAL SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256.975, 256.9753

PURPOSE:

The purpose of the retired senior volunteer program (RSVP) expansion grant is to provide funds to existing and new community agencies which meet federal ACTION agency Program standards. These grants supplement federal grants and are used to expand the number of senior volunteers, participants and hours of volunteer services provided.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

All 16 RSVP projects in Minnesota that are developed and funded by ACTION were declared eligible to apply for state appropriations to expand existing projects. Measurable expansion objectives were required as part of each application. Applications from agencies in areas not previously served by RSVP were solicited as part of the expansion effort. In addition to meeting federal ACTION project criteria, preference in selecting new RSVP grantees was given based on evidence of: 1) coordination with community agencies; 2) community support; and 3) multicounty coverage by the project. Concurrent applications to ACTION were made by each agency to assure compliance with federal standards.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

All projects applying for funds were required to meet federal program and budget standards and have a measurable objective for expansion. Funds were allocated on a formula basis established by the Minnesota Board on Aging (M.B.A.) The formula allocates funds in the following way:

- \$25,000 to each of three new projects
- each exiting project received
 - \$5,000 plus
 - a proportionate share of the remaining appropriation based on the ratio of elderly population in the geographic area served by R.S.V.P.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981 ¹	Actual ² F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Federal Funds	\$605,000	\$632,000	\$632,000	\$632,000	\$632,000
Total grant funds awarded	-0-	\$192,000	\$200,000	\$200,000	\$200,000
Total expenditures		\$160,454	\$200,000	\$200,000	\$200,000
Existing projects funded	-0-	16	19	19	19
New projects funded	-0-	3			
No. of counties covered by RSVP		51	51	51	51

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-02-27-270-10
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO NONGOV'T ORGNZTNS GENERAL		160.5	200.0	200.0	200.0	200.0	200.0
SUBTOTAL		160.5	200.0	200.0	200.0	200.0	200.0

ALL RECIPIENTS BY FUND GENERAL		160.5	200.0	200.0	200.0	200.0	200.0
TOTAL		160.5	200.0	200.0	200.0	200.0	200.0

SIGNIFICANT STATISTICS: (Contd.)	Actual F.Y. 1981 ¹	Actual ² F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
No. of state funded volunteers	-0-	1,465	2,185	2,185	2,185
No. of state funded volunteers hours	-0-	181,883	201,900	201,900	201,900
Average cost per volunteer hour	-0-	\$.93	\$.99	\$.99	\$.99

¹1981 - Program start up was deferred for 1 year because of projected revenue shortfall.
²1982 - 4% planned reduction in expenditures because of projected revenue shortfall.
- \$23,410 carry over to F.Y. 1983 and canceled due to "normal" delayed expenditures of new projects.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: SENIOR COMPANION PROGRAM 1983-85 Biennial Budget

Activity: AGING
Program: SOCIAL SERVICES
Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256.975, 256.977

PURPOSE:

Senior Companion program grants provide funds to community agencies to pay stipends to low income elderly persons who provide supportive personal assistance to retarded or handicapped adults in their own homes or in residential facilities. The state appropriations supplement Federal Senior Companion funds awarded to the grantee by the Federal ACTION Agency.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

The recipient agency must meet federal program and budget standards. The grant for this program is made to a single agency responsible for a statewide program based on submission of an annual application consisting of a program plan with measurable objectives and a budget which meets state and federal standards. The agency is also the recipient of a direct grant of federal funds. Program coordination and fiscal accountability for two separate funds are the responsibility of the grantee.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

Coordination and consistency with Federal guidelines is achieved by awarding the funds to the community agency which receives the Federal Senior Companion grant. Therefore, competing applications for this grant are not solicited. Payment to the grantee is based on the program and budget approved by the Minnesota Board on Aging within the limits of the state appropriation for the Senior Companion Program.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Federal funds	\$216,000	\$211,000	\$211,000	\$211,000	\$211,000
State funds awarded	\$290,000	\$299,500	\$312,000	\$312,000	\$312,000
Number of volunteer stations	29	29	27	27	27
Number of senior companion positions	100	95	100	100	100
Number of adults served	525	500	525	525	527
Hourly stipend rate paid to Senior Companion Volunteers	\$ 1.85	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-02-27-270-09
G & A TO NONGOV'T ORGNZTNS GENERAL	*** DOLLARS IN THOUSANDS (137,522=137.5) ***						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
	290.0	299.5	312.0	312.0	312.0	312.0	312.0
SUBTOTAL	290.0	299.5	312.0	312.0	312.0	312.0	312.0

ALL RECIPIENTS BY FUND GENERAL	290.0	299.5	312.0	312.0	312.0	312.0	312.0
TOTAL	290.0	299.5	312.0	312.0	312.0	312.0	312.0

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: EDUCATION AND TRAINING

1983-85 Biennial Budget

Activity: AGING
Program: SOCIAL SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256.975

PURPOSE:

The purpose of these grants to community agencies is to increase the on-the-job knowledge and skills of paid and volunteer staff in state and community agencies administering programs and providing services to older people.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

The Minnesota Board on Aging (MBA) awards federal training and education funds to 13 Area Agencies on Aging and allocates funds for statewide education and training activities within guidelines established by the Federal Administration on Aging. State and area agency grants may be made to any public or nonprofit private agency, organization or institution. To be eligible for funds, area agencies must submit area training plans for board approval. State training grant recipients are identified based on their capacity to carry out training activities as identified in the MBA's federally approved State Training Plan for use of Title IV-A Older Americans Act funds.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENTS:

Area agency recipients were awarded annual training and education grants of \$1,500 each. Training and education grant recipients are awarded amounts specified in the Annual Training Plan approved by the Administration on Aging.

SIGNIFICANT STATISTICS:	Actual	Actual	Estimated	Estimated	Estimated
	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
No. of training grants	21	15	14	13	13
No. of state training activities	7	5	5	5	5
No. of area agency training activities	30	25	25	25	25
No. of state and area agency staff development activities	20	15	15	15	15
No. of persons in provider agencies trained	3,000	2,200	2,200	2,200	2,200
No. of persons in state and area agencies on aging involved in staff development activities	175	125	125	125	125

EXPLANATION OF AGENCY ESTIMATES:

This is a federal grant. No state funds are requested.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-02-27-270-11
	ACTUAL FY1981	*** DOLLARS IN THOUSANDS (137,522=137.5) ***			AGENCY ESTIMATES		RECOMMENDATIONS
		ACTUAL FY1982	ESTIM. FY1983		FY1984	FY1985	FY1984 FY1985
G & A TO SPECIAL DISTRICTS							
FEDERAL	58.1	30.4	23.0	23.0	23.0	23.0	23.0
SUBTOTAL	58.1	30.4	23.0	23.0	23.0	23.0	23.0

ALL RECIPIENTS BY FUND							
FEDERAL	58.1	30.4	23.0	23.0	23.0	23.0	23.0
TOTAL	58.1	30.4	23.0	23.0	23.0	23.0	23.0

GOVERNOR'S RECOMMENDATION: _____

The Governor concurs with the agency's request to achieve the F.Y. 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: MCKNIGHT SENIOR CENTER GRANTS 1983-85 Biennial Budget

Activity: AGING
Program: SOCIAL SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256.01, SUBD. 10

PURPOSE:

These grants provide funds through Area Agencies on Aging that will assist Senior Citizens in Minnesota equip, alter or renovate, acquire, expand or construct senior clubs and centers during calendar years 1980, 1981 and 1982. Emphasis is on funding centers in small, rural communities.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

Area Agencies on Aging (AAA) were identified as the grant recipients in the Minnesota Board on Aging proposal - Funding for Senior Centers/Clubs. The proposal was approved by the McKnight Foundation on 11-26-79.

AAA eligibility for McKnight Funds is based on:

1. Minnesota Board on Aging (MBA) approval of an annual McKnight plan submitted by AAAs which contains a description of procedures for publicizing the availability of funds and selecting grantees; the names and addresses of proposed grantees; summary of the work to be accomplished by each grant proposal; and the amount of foundation funds and matching funds for each proposed grant.
2. AAA compliance with policies and procedures established by the MBA on matching requirements, allowable cost, accessibility and fund flow record keeping and reporting.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

The following factors determine the annual allotment for each AAA:

- \$5,000-Base
- 50 percent of balance allocated on the bases of each AAAs proportion of population over 60
- 50 percent of balance allocated on the bases of each AAAs proportion of cities and villages under 2,500 population
- Plus subsequent year reallotment of
 - Funds not used by AAAs in previous year
 - Interest earned in previous years not needed for MBA administrative costs.

SIGNIFICANT STATISTICS:

The objective was to fund 35 Senior Center or Club projects over the 3 year period of the Grant.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-02-27-270-12	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A OTHER GOVT ORGNZTNS GIFTS AND DEPOSITS	16.2						
SUBTOTAL	16.2						
G & A TO NONGOVT ORGNZTNS GIFTS AND DEPOSITS	241.7	157.4	71.9				
SUBTOTAL	241.7	157.4	71.9				

ALL RECIPIENTS BY FUND GIFTS AND DEPOSITS	257.9	157.4	71.9				
TOTAL	257.9	157.4	71.9				

SIGNIFICANT STATISTICS: (Contd.)

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Number of projects funded	62	41	30	-0-	-0-
McKnight funds received by MBA	\$250,000	\$150,000	\$ 50,000	-0-	-0-
McKnight funds awarded to AAAs	250,000	157,416	65,000	-0-	-0-

Most of the Senior Center/Clubs projects funded by AAAs with McKnight funds secured more than the 25 percent minimum cash or in-kind match required.

EXPLANATION OF AGENCY ESTIMATES:

No state funds are requested.

ACTIVITY: SERVICES FOR THE BLIND
 Program: SOCIAL SERVICES
 Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity provides direct services and operates programs of vocational and independent living rehabilitation to a universe of 30,000 blind persons of all ages. Services include compensatory skill training such as orientation and mobility, braille, and self-care techniques; individual and group counseling; vocational and psychological evaluation and career planning; vocational training and job placement; low vision optical and adaptive device services necessary to permit blind persons access to jobs, training education, or independent living in the home; information and library services; training and placement in the Business Enterprises program as an independent small business operator; and prevention of blindness activities. Direct services are provided through rehabilitation counselors and teachers stationed in the central office (metro) and in 8 district offices. The division also has the Business Enterprises program, and the Communication Center. The Communication Center efforts are augmented by a corps of 400 trained volunteers.

The major functions of this activity are:

1. To provide direct vocational and job placement-related services to help blind persons to achieve and maintain gainful employment.
2. To provide services which permit older blind persons to achieve or maintain independence in housing, family and community life.
3. To provide a direct service program designed to help children and their parents cope and deal with blindness or deafness and blindness.
4. To give blind persons access to information and materials that substitute for print and are necessary to successful performance on-the-job, in school, and in the home.
5. To offer blind persons an opportunity for financial independence through participation in the Business Enterprises program.

ACCOMPLISHMENTS AND STATISTICS: Each of the following persons were served by a state agency counselor or hometeacher (counseling, teaching, planning):

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Persons vocationally served	3,784	3,920	3,876	3,790	3,710
Persons vocationally rehabilitated	557	525	510	490	475
Older blind persons served	1,853	1,768	1,740	1,690	1,640
Older blind persons rehabilitated	577	600	565	525	480
Children served	984	960	955	940	910
Business Enterprise Operators	83	87	87	88	89
Persons served by Communications Center	7,500	7,850	7,850	7,800	7,800

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ALTERNATIVES/BUDGET ISSUES:

Services for the Blind received a \$.6 million annual reduction in federal funds effective federal fiscal year 1982. Since September, 1981, cuts have been made in administrative expenses and positions. Administrative cuts proved to be insufficient, and in August, 1982 reductions were begun in services to clients, including the temporary suspension of starting clients at specialized rehabilitation centers for training in Braille, travel, self-care skills and in vocational services.

There are two budget alternatives for dealing with this issue:

1. Reduce the vocational program 14% by not serving about 550 blind persons in Minnesota each year.
2. Since federal and state priorities are to serve the most severely handicapped with vocational potential, Services for the Blind could partially offset the reduced federal funding with state appropriations now used to serve older blind persons and children. This would eliminate services to about 1,700 elderly and 950 children each year. In addition, services to 250 blind persons and rehabilitation of 100 others (including 60 elderly) will be reduced because of 2 position complement reduction by 3rd Special Session.

LEGISLATIVE ISSUES:

This activity may propose legislation to modernize and update statutes relating to its services, specifically, Laws of Minnesota for 1981, Sections 248.04, 248.07 and 248.08.

EXPLANATION OF BUDGET REQUEST:

An increased level of funding of \$48,600 for F.Y. 1984 and \$48,600 for F.Y. 1985 and increased complement of 2 positions is requested to restore the appropriation and complement of 2 reduced by the 3rd Special Session, 1982.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: BLIND SERVICES

PROGRAM: SOCIAL SERVICES

AGENCY: PUBLIC WELFARE, DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	1,875.5	2,259.1	2,665.0	2,636.5	48.6	2,685.1	2,636.5	48.6	2,685.1	2,685.1	2,685.1
-REGULAR UNCLASSIFIED	12.2	2.4									
-PART-TIME/SEAS./OTHER	67.1	118.3	82.0	82.3		82.3	82.3		82.3	82.3	82.3
-PREMIUM PAY	1.3	1.9									
-OVERTIME PAY	2.1	3.8									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.8										
TOTAL PERSONAL SERVICES	1,959.0	2,385.5	2,747.0	2,718.8	48.6	2,767.4	2,718.8	48.6	2,767.4	2,767.4	2,767.4
EXPENSES & CONTRACTUAL SERVICES	622.7	792.5	676.3	709.9		709.9	746.0		746.0	703.1	731.0
SUPPLIES & MATERIALS	198.4	218.5	180.7	189.1		189.1	198.0		198.0	188.6	197.0
EQUIPMENT	286.0	682.4	374.4	391.0		391.0	408.4		408.4	390.9	408.2
REAL PROPERTY	31.4	64.8									
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	1,803.8	1,938.2	1,687.4	1,687.4		1,687.4	1,687.4		1,687.4	1,687.4	1,687.4
OTHER EXPENSE ITEMS	2.0										
TOTAL EXPENDITURES	4,903.3	6,081.9	5,665.8	5,696.2	48.6	5,744.8	5,758.6	48.6	5,807.2	5,737.4	5,791.0
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	1,883.7	2,236.8	2,532.6	2,525.6	48.6	2,574.2	2,554.3	48.6	2,602.9	2,566.8	2,586.7
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	172.6	214.5	230.5	244.9		244.9	259.9		259.9	244.9	259.9
GIFTS AND DEPOSITS	118.0		23.0	24.7		24.7	26.3		26.3	24.7	26.3
FEDERAL	2,729.0	3,630.6	2,879.7	2,901.0		2,901.0	2,918.1		2,918.1	2,901.0	2,918.1
TOTAL FINANCING	4,903.3	6,081.9	5,665.8	5,696.2	48.6	5,744.8	5,758.6	48.6	5,807.2	5,737.4	5,791.0
POSITIONS BY FUND											
GENERAL	68.4	64.5	62.5	62.5	2.0	64.5	62.5	2.0	64.5	64.5	64.5
FEDERAL	34.4	41.3	41.4	41.4		41.4	41.4		41.4	41.4	41.4
TOTAL POSITIONS	102.8	105.8	103.9	103.9	2.0	105.9	103.9	2.0	105.9	105.9	105.9

4-0167

GRANTS AND AIDS ANALYSIS FOR: MINNESOTA SERVICES FOR THE BLIND 1983-85 Biennial Budget

Activity: SERVICES FOR THE BLIND
Program: SOCIAL SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 248.07

PURPOSE: The purpose of these grants and direct case service funds is to provide funds to and make cooperative agreements with community agencies and state and local boards and agencies, both public and private, to promote the personal, economic, educational, social, and civic well-being of blind persons and to implement rehabilitation plans for blind individuals.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Grants are at the discretion of the state administrator. There are two grant categories: establishment grants and cooperative agreements. Establishment grants must be applied for and are given only periodically if their purpose is in accord with state needs and priorities and meet state and federal regulations. The second category is cooperative agreements. Such agreements have been encouraged by the Federal Rehabilitation Administration for the past 10 years as a means to expand the division's service delivery capacity at a reduced cost. Additionally, funds are used by individual division counselors for the purchase of services for individual clients.

1. Establishment grants are periodically made to public or private rehabilitation centers to expand training opportunities or to offer workshops for the expansion of employment opportunities for severely and multiply disabled blind persons. Minor renovation and industrial equipment may be purchased.
2. Cooperative agreements substantially expand the state's capacity to provide needed rehabilitation services for blind adults, youth, and children by using the manpower and finances of the cooperating agency. The cooperative agreements current in F.Y. 1982 consist of:
 - a. The St. Paul Public Schools and the East Metropolitan Special Education Council. This agreement allows compensatory skill training, low vision services, career counseling, and job placement for blind secondary students. The St. Paul Schools and the East Metropolitan Council provide 50% of the approved budget. The division pays the remaining 50%.
 - b. The Minnesota Foundation. The foundation provides the transmission of a standard radio signal throughout the statewide Radio Talking Book Network. The transmission originates at the Services for the Blind studios located at 1745 University Avenue. Programming is transmitted 20 hours per day, 7 days per week. The Radio Talking Book is a closed circuit radio network which gives blind persons access to occupational information and other current materials such as daily newspapers, current magazines, and widely read best sellers readily available to persons who see. The development of the Radio Talking Book Network is an innovative and creative effort. Most states are currently engaged in attempting similar capability.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-02-28-280-14
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES FY1984	AGENCY ESTIMATES FY1985	RECOMMENDATIONS FY1984	RECOMMENDATIONS FY1985
CARE OF PERSONS							
GENERAL	205.8	392.1	400.2	400.2	400.2	400.2	400.2
FEDERAL	1,257.2	1,237.3	1,107.0	1,107.0	1,107.0	1,107.0	1,107.0
SUBTOTAL	1,463.0	1,629.4	1,507.2	1,507.2	1,507.2	1,507.2	1,507.2
G & A TO SCHOOL DISTRICTS							
FEDERAL	81.4	83.1	46.2	46.2	46.2	46.2	46.2
SUBTOTAL	81.4	83.1	46.2	46.2	46.2	46.2	46.2
G & A TO NONGOV'T ORGNZTNS							
GENERAL	4.5		29.0	29.0	29.0	29.0	29.0
SPEC REV/APPORTIONMT			21.0	21.0	21.0	21.0	21.0
FEDERAL	136.9	225.7	84.0	84.0	84.0	84.0	84.0
GIFTS AND DEPOSITS	118.0						
SUBTOTAL	259.4	225.7	134.0	134.0	134.0	134.0	134.0
ALL RECIPIENTS BY FUND							
GENERAL	210.3	392.1	429.2	429.2	429.2	429.2	429.2
SPEC REV/APPORTIONMT			21.0	21.0	21.0	21.0	21.0
FEDERAL	1,475.5	1,546.1	1,237.2	1,237.2	1,237.2	1,237.2	1,237.2
GIFTS AND DEPOSITS	118.0						
TOTAL	1,803.8	1,938.2	1,687.4	1,687.4	1,687.4	1,687.4	1,687.4

GRANTS AND AIDS ANALYSIS FOR: MINNESOTA SERVICES FOR
(Continuation) THE BLIND 1983-85 Biennial Budget

Activity: SERVICES FOR THE BLIND
Program: SOCIAL SERVICES
Agency: PUBLIC WELFARE, DEPARTMENT OF

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: (Contd.)

- c. The United Blind of Minnesota. The United Blind provides a legal advocate program for blind and visually handicapped persons and others concerned about the benefits, rights, and entitlements guaranteed by the Rehabilitation Act of 1973 as amended and other federal and state laws. The United Blind supplies 34% of the cost and the division pays the remaining 66%.
3. Services are purchased and other services directly provided to blind and visually disabled persons who have a handicap to employment, self-care or education to implement individual rehabilitation plans developed by a division staff member. Specialized counseling and the implementation of individual rehabilitation plans constitutes the division's basic program of services.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

1. Establishment grants for minor renovation and/or the purchase of industrial equipment to serve the state agency's blind clients. The formula is determined by federal regulations which is a maximum of 80% federal and a minimum of 20% participation by the grantee.
2. Cooperative agreements are provided only to serve the state agency's blind clients. They are negotiable up to an 80/20 maximum/minimum. Of the 3 current agreements, the local share supplied by the participating agency ranges from 34% to 50%.
3. The amount of case service funds expended on each client of the division varies with the individual's rehabilitation plan which, in turn, varies with the individual's needs and is subject to change according to a client's progress. There is no formula.

<u>SIGNIFICANT STATISTICS:</u>	<u>F.Y. 1982</u>	<u>F.Y. 1983</u>	<u>F.Y. 1984</u>	<u>F.Y. 1985</u>
1. Establishment Grants				
Federal Funds	\$55,840	\$-0-	\$60,000	\$-0-
Grantee Share	13,960	-0-	15,000	-0-
2. Cooperative Agreements				
State Funds	\$ -0-	\$ 26,733	\$ 28,872	\$ 31,181
Federal Funds	186,912	110,198	115,708	121,493
Grantee Share	124,208	120,942	120,942	120,942
Persons Served	7,190	7,107	6,530	6,850

SIGNIFICANT STATISTICS: (Contd.)

3. Client Direct Services. Each rehabilitation plan requires the purchase of certain services (training, medical, maintenance, etc.) by the division in addition to those provided by division staff:

	<u>Actual F.Y. 1981</u>	<u>Actual F.Y. 1982</u>	<u>Estimated F.Y. 1983</u>	<u>Estimated F.Y. 1984</u>	<u>Estimated F.Y. 1985</u>
Persons voc. served	3,784	3,920	3,876	3,790	3,710
Vocationally Rehabil.	557	525	510	490	475
Older blind persons serv.	1,853	1,768	1,740	1,690	1,640
Older blind persons rehab.	577	600	565	525	480
Children served	984	960	955	940	910
State funds	\$ 205,880	\$ 397,008	\$ 400,200	\$ 400,200	\$ 400,200
Federal Funds	1,257,309	1,306,500	1,091,000	1,091,000	1,091,000

LEGISLATIVE ISSUES:

The division needs legislative authority to transfer funds among all the division's budget categories except salaries.

EXPLANATION OF BUDGET REQUEST:

Division estimates reflect essential services and include anticipated increases in cost of "same" level services. However, because of fiscal cutbacks, division participation in the St. Paul Schools Agreement was reduced by 50% in F.Y. 1983 and may be cut entirely in F.Y. 1984.

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve the F.Y. 1983-85 objectives.

ACTIVITY: STATE SERVICES FOR THE DEAF AND HEARING IMPAIRED 1983-85 Biennial Budget
 Program: SOCIAL SERVICES
 Agency: PUBLIC WELFARE, DEPARTMENT OF

ACTIVITY DESCRIPTION: This activity assists deaf and hard-of-hearing persons and their families throughout the state by providing direct and indirect services that promote their personal, economic, and social well-being. The division has the direct responsibility to see that selected services available to hearing individuals are also available to the hearing impaired population. It is estimated that there are 39,000 deaf and an additional 110,000 hard-of-hearing persons in Minnesota who need and use services.

The services provided are self-care techniques, translation of ASL to English, individual and group counseling, referral to rehabilitation, habilitation and job placement services, training in the use of telecommunication devices for deaf persons, information and library services, prevention of hearing loss, and training in the care of hearing instruments. These services are provided through the division's regional center consultant with some referral to RSC and DVR staff, both in St. Paul and in the 6 other regional locations.

The major functions of this activity are:

1. Technical Assistance and Training. Counties, purchase of services agencies, mental health centers and state hospitals need access to consultation and training on deafness. In most cases, it is impractical for service providers to hire specialized staff due to the low incidence of hearing impaired. This is particularly true outside the metro area.
2. Regional Service Centers (RSC). The 1980 Hearing Impaired Services Act provides for a statewide network of information and referral services and for a regional point of service entry for hearing impaired persons. RSCs are a joint project of the Department of Economic Security (DES) (DVR) and the Department of Public Welfare (DPW). RSC regional consultants are provided by DPW. RSCs are currently located in Minneapolis (Metro), Duluth, Mankato, St. Cloud, Fergus Falls and Rochester.
3. Administrative Support. Technical writing, translating, training material development, interpreter scheduling, service and budget planning is done to support the network of RSCs and to assist services to counties, state hospitals, mental health centers and purchase of service agencies.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
H.I. persons served at Regional Centers (total)	625	1,252	3,200	3,500	3,850
Older persons	50	175	526	800	1,200
Children	60	65	120	300	675
Persons receiving direct care service management	125	257	375	625	1,340
Regional service locations	2	4	5	6	6
Counties receiving training/technical assistance	23	41	53	69	87
Regional workshops	3	6	15	30	38
Technical translations	-0-	13	20	50	75

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ALTERNATIVES/BUDGET ISSUES:

Prior to the enactment of the 1980 Hearing Impaired Services Act (HISA), services were available only in the metro area. The 1980 legislature recommended a phasing-in of non-metro services. This is reflected in annual budget increases from F.Y. 1980 through F.Y. 1983. A remaining issue is the need to develop easily accessible financing to pay for the immediate use of interpreters. Currently, it is not uncommon for deaf clients to wait several weeks for interpreter scheduling, selection and program to be arranged. This is particularly true outside the metro area.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: DEAF SERVICES

PROGRAM: SOCIAL SERVICES

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	96.2	177.2	373.4	364.5		364.5	364.5		364.5	364.5	364.5
-REGULAR UNCLASSIFIED	24.6	14.2									
-PART-TIME/SEAS./OTHER	16.7	2.8									
-PREMIUM PAY											
-OVERTIME PAY		.1									
-MISCELLANEOUS PAYROLL	7.0										
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	144.5	194.3	373.4	364.5		364.5	364.5		364.5	364.5	364.5
EXPENSES & CONTRACTUAL SERVICES	23.5	31.4	44.9	48.2		48.2	51.4		51.4	47.4	49.5
SUPPLIES & MATERIALS	.8	1.0	2.0	2.1		2.1	2.3		2.3	2.1	2.2
EQUIPMENT	.1	6.0	2.5	2.7		2.7	2.9		2.9	2.7	2.8
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	50.0	48.0	12.0								
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	218.9	280.7	434.8	417.5		417.5	421.1		421.1	416.7	419.0
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	218.9	280.7	434.8	417.5		417.5	421.1		421.1	416.7	419.0
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	218.9	280.7	434.8	417.5		417.5	421.1		421.1	416.7	419.0
POSITIONS BY FUND											
GENERAL	8.0	10.0	13.0	13.0		13.0	13.0		13.0	13.0	13.0
TOTAL POSITIONS	8.0	10.0	13.0	13.0		13.0	13.0		13.0	13.0	13.0

GRANTS AND AIDS ANALYSIS FOR: MENTAL HEALTH SERVICES FOR HEARING IMPAIRED PERSONS 1983-85 Biennial Budget

Activity: STATE SERVICES FOR DEAF AND HEARING IMPAIRED
Program: SOCIAL SERVICES

Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References:

PURPOSE:

To provide specialized mental health services for deaf persons who communicate through an interpreter and for whom English is a second language. Conventional mental health services are not adequate for this population.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

Funds are forwarded directly to counties to meet the needs of all mentally ill people. Since the incidence of HI mentally ill people is very low, most counties do not invest in specialized services for this minority group.

This program is too expensive to operate on county reimbursement alone. Currently, area foundations have been paying the difference, but feel this expense should be a state subsidy. Because of the specialized staff required, some counties purchase specialized services at the St. Paul Ramsey Hospital MHHI program, the only program providing such service.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

Funds were allocated in F.Y. 1981 and F.Y. 1982 to the Deaf Services Division (DSD) to be granted directly to the St. Paul Ramsey MHHI program. In F.Y. 1983, funds were to be reappropriated from within the department to the Deaf Services Division to be granted to the MHHI program. With no state subsidy funds for F.Y. 1984-85, the program will operate at a 30% loss.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Dollars granted	\$50,000	\$48,000	\$12,000	\$ -0-	\$ -0-
Number of H.I. people receiving service					
Outpatients	330	350	400	400	400
Inpatients	44	60	60	60	60

EXPLANATION OF AGENCY ESTIMATES:

No appropriation is requested.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-02-29-290-15	
*** DOLLARS IN THOUSANDS (137,522=137.5) ***							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
GENERAL	50.0	48.0	12.0				
SUBTOTAL	50.0	48.0	12.0				

ALL RECIPIENTS BY FUND							
GENERAL	50.0	48.0	12.0				
TOTAL	50.0	48.0	12.0				

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request.

PROGRAM: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM PURPOSE:

The income maintenance programs provide cash assistance, food stamps, and payments to providers of medical and health care services to and on behalf of needy citizens of the state. These cash assistance and medical payments exist to provide basic standards of living and enable low income citizens to have access to quality medical care for both acute and chronic health-related problems. Through this assistance, low income citizens have access to the basic necessities - food, clothing, shelter, and medical care-required by all persons.

In addition, the Income Maintenance Bureau provides the management support function of quality control review in Aid to Families With Dependent Children (AFDC), Food Stamps, and Medical Assistance; and reviews local agency management of the Food Stamp Program; and gathers necessary data to claim federal funds and complete a wide variety of internal management reports.

Through the program integrity activities, abuse and fraud by both recipients and providers of the Medicaid Program are contained.

OPERATION:

State agency staff provide program guidelines to local agencies in the form of rules and policy which are designed to maximize federal funding while insuring that the needs of low income citizens are met. In addition, state agency staff make payments to providers of medical and health services, as well as conduct post-payment audits to detect abuse and/or fraud by recipients and providers of the Medical Assistance Program and recipients of the cash assistance and Food Stamp programs. Local agency staff determine individual eligibility for all programs, make cash assistance payments, and issue food stamps. The major goal of the Income Maintenance program is to provide the appropriate cash assistance, non-cash benefits or medical benefits to all eligible citizens in an effective and efficient manner.

CLIENTELE:

The primary clientele of the Income Maintenance Program are the low income clients served by the program and the providers of medical and health care services who are paid by the Centralized Disbursement System.

The following number of low income citizens were served by Income Maintenance programs in an average month during F.Y. 1982.

Aid to Families With Dependent Children (AFDC)	138,485
General Assistance Maintenance (GA)	8,510
Medical Assistance (MA)	134,906

CLIENTELE: (Contd.)

General Assistance Medical Care (GAMC)	10,819
Minnesota Supplemental Aid (MSA)	10,202
Food Stamps (FS)	210,000
Catastrophic Health Expense Protection Program (CHEPP) ¹	213

Since most of the recipients of cash assistance are eligible for food stamps and all recipients of AFDC and MSA are eligible for MA, the same persons can be counted in several of these programs because the basic needs for food, clothing, shelter and medical care are universal. The number of people requiring assistance and the cost of programs change in relation to the demographic changes, as well as changes in national and state economic conditions.

¹The CHEPP program was not funded during F.Y. 1982 and 1983.

FEDERAL FUNDING CHANGES:

Changes in federal law allow states options in Medical Assistance in dealing with co-payments, limited liens, and in-home care for disabled children. Implementation of these options requires state law changes. Federal funding will decline from the base year matching percentage. State increases caused by the reduction in federal funds are \$25,000,000 (\$5,500,000 for AFDC and \$19,500,000 for MA).

EXPLANATION OF BUDGET REQUEST:

An increase of \$543,853,600 is requested for the biennium; \$233,958.9 in F.Y. 1984 and \$309,894,700 in F.Y. 1985. The projected budget compiled according to existing statute is \$1,442,797,700. Details concerning the budget request are contained on the individual activity narratives and grant and aid analysis pages that follow.

The F.Y. 1983 (current fiscal year) expenditure projections for the 5 major income maintenance programs are approximately \$63,000,000 more than the currently available appropriations.

An additional increased level of funding of \$5,436,400 for F.Y. 1984 and \$5,436,400 for F.Y. 1985 is requested to restore the medical assistance expense and salary appropriations and complement of 5 positions reduced by the 3rd Special Session 1982, Chapter 1.

PROGRAM: INCOME MAINTENANCE
(Continuation)
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

GOVERNOR'S RECOMMENDATION:

For the Income Maintenance program the Governor makes the following recommendations:

The Governor recommends restoration of \$5,436,400 and 5 positions each year of the biennium which were cut by 3rd Special Session 1982, Chapter 1. These are necessary to maintain services at levels which qualify Minnesota for continued federal financial participation.

The Governor recommends repeal of the CHEPP statutes and no further funding for that program.

The Governor supports the department's legislative proposal for an 8% rate cap on nursing homes, in-patient hospital care, ICF/MR and skilled nursing facilities - estimated biennial savings of \$30,500,000.

The Governor further supports legislation that would change the state's reimbursement method for nursing homes covered by Rules 49 and 52 to a rental concept. Estimated biennial savings of \$2,100,000.

In addition, the Governor recommends that \$117,492,100 of the agency's requested change levels in GA and GAMC be denied and these funds be used for the purpose of establishing a jobs program.

The Governor recommends that the GA and GAMC programs be kept essentially as they currently operate, that the sunsets be extended to 6/30/85.

The Governor also does not recommend a requested increase of \$387,600 for the biennium for modifications to the centralized disbursement activity.

The Governor however does recommend a biennial increase of \$14,478,000 in the AFDC program to provide a 5% cost of living adjustment in each year of the biennium.

In line with the above recommendations, the commissioner of the Department of Public Welfare will submit proposed legislation necessary to manage the Income Maintenance program within the resources recommended.

Additionally, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: INCOME MAINTENANCE

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
HEALTH CARE PROGRAMS	730,245.9	817,109.6	823,749.6	823,467.1	277,607.8	1101,074.9	823,563.6	454,958.0	1278,521.6	1049,014.0	1191,553.0
CENTRAL MEDICAL DISBURSHMENT	5,105.9	4,749.5	5,719.8	6,261.2	330.9	6,592.1	6,536.8	286.5	6,823.3	6,303.5	6,495.3
CHILD SUPPORT ENFORCEMENT	285.3	297.4	504.4	535.1	105.0-	430.1	560.7	90.0-	470.7	425.4	459.7
OPERATIONS REVIEW	1,353.3	1,500.6	1,769.6	1,780.5		1,780.5	1,799.1		1,799.1	1,775.8	1,788.7
ASSISTANCE PAYMENTS	256,593.3	264,627.5	249,125.3	249,194.1	35,544.7	284,738.8	249,245.2	34,480.7	283,725.9	265,959.8	274,261.0
MA PROGRAM INTEGRITY	2,580.2	563.5	3,476.9	3,725.6	554.5	4,280.1	3,943.6	554.5	4,498.1	4,248.4	4,430.7
TOTAL	996,163.9	1088,848.1	1084,345.6	1084,963.6	313,932.9	1398,896.5	1085,649.0	490,189.7	1575,838.7	1327,726.9	1478,988.4
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	5,093.1	5,724.9	6,378.0	6,692.0	180.9	6,872.9	6,692.0	186.5	6,878.5	6,806.9	6,806.9
EXPENSES & CONTRACTUAL SERVICES	6,879.3	4,103.5	8,892.6	9,559.2	721.0	10,280.2	10,236.8	686.0	10,922.8	9,983.4	10,505.9
SUPPLIES & MATERIALS	40.6	37.1	73.5	78.6		78.6	84.2		84.2	77.4	81.1
EQUIPMENT	9.3	9.5	32.1	34.3		34.3	36.5		36.5	33.9	35.4
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	984,141.6	1078,973.1	1068,969.4	1068,214.3	313,031.0	1381,245.3	1068,214.3	489,317.2	1557,531.5	1310,440.1	1461,173.9
OTHER EXP ITEMS											
INTERAGENCY TRANSFERS				385.2		385.2	385.2		385.2	385.2	385.2
TOTAL EXPENDITURES	996,163.9	1088,848.1	1084,345.6	1084,963.6	313,932.9	1398,896.5	1085,649.0	490,189.7	1575,838.7	1327,726.9	1478,988.4
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	429,920.4	476,801.5	448,353.6	449,202.8	233,958.9	683,161.7	449,741.3	309,894.7	759,636.0	616,170.9	670,538.6
DEDICATED APPROPRIATIONS:											
GENERAL	31,928.2	39,157.3	44,620.0	44,620.0	12,654.0	57,274.0	44,620.0	21,112.0	65,732.0	53,095.2	57,979.1
GIFTS AND DEPOSITS		111.5	399.5	176.8		176.8	176.8		176.8	176.8	176.8
FEDERAL	534,315.3	572,777.8	590,972.5	590,964.0	67,320.0	658,284.0	591,110.9	159,183.0	750,293.9	658,284.0	750,293.9
TOTAL FINANCING	996,163.9	1088,848.1	1084,345.6	1084,963.6	313,932.9	1398,896.5	1085,649.0	490,189.7	1575,838.7	1327,726.9	1478,988.4
POSITIONS BY FUND:											
GENERAL	254.0	253.0	248.0	248.0	7.0	255.0	248.0	7.0	255.0	253.0	253.0
FEDERAL	16.5	8.5	9.5	9.5		9.5	9.5		9.5	9.5	9.5
TOTAL POSITIONS	270.5	261.5	257.5	257.5	7.0	264.5	257.5	7.0	264.5	262.5	262.5

ACTIVITY: HEALTH CARE PROGRAMS
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity manages the Medical Assistance, General Assistance Medical Care, Catastrophic Health Expense Protection, and Pre-admission Screening/Alternative Care Grants Programs. Responsibilities include interpreting federal laws and regulations and state laws, and promulgating administrative rules, procedure manuals, and other types of instructional materials for use by local agencies, providers of health care services, and the public. Professional staff decide the medical necessity of questionable or unique procedures that are either requested or performed by health care providers. This activity, through its Benefit Recovery Section, bills other payers of health care services in order to secure all possible resources available from any third party.

The major goal of this activity is to ensure that appropriate health services are available to eligible recipients.

ACCOMPLISHMENTS AND STATISTICS:

1. Eighty-five (85%) of all eligible health care providers are participating in the program.
2. Essential health services are available in all parts of the state.

ALTERNATIVES/BUDGET ISSUES:

The department currently is operating two experimental GAMC projects in an attempt to demonstrate the effects of designated providers using prepaid capitation in Lake County, and a block grant for GAMC in Itasca County. Results from these projects should be available after the end of F.Y. 1983.

If the Catastrophic Health Expense Protection Program is not funded, the program should be repealed from the statutes.

FEDERAL FUNDING CHANGES:

Details of federal changes will be presented on the grants and aids analysis pages that follow.

LEGISLATIVE ISSUES:

Legislation will be proposed to:

1. Lower the 10% rate cap on nursing homes to 8% for MA.
2. Establish a single resource standard for MA.
3. Eliminate the RSDI COLA disregard.

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	659.6	797.1	1,050.4	1,093.6	1,138.0

LEGISLATIVE ISSUES: (Contd.)

4. Eliminate CHEPP statute.
5. Prospective rate reimbursement for hospitals.
6. GAMC program changes.

EXPLANATION OF BUDGET REQUEST:

The explanation of budget request is contained in the activity narratives that follow.

GOVERNOR'S RECOMMENDATIONS:

The Governor recommends no funding for CHEPP and repeal of the Catastrophic Health program statute. This will reduce the department's F.Y. 1984-85 biennial budget request by \$19,611,000.

The Governor recommends that 8% rate caps be set for hospital care, nursing care and ICF/MR facilities. This is estimated to reduce MA expenditures over the F.Y. 1984-85 biennium by \$30,500,000.

The Governor further recommends that legislation be considered to replace the present cost basis method used to reimburse nursing homes with a rental base concept. It is estimated that this would reduce MA expenditures by \$2,100,000 for the biennium.

The Governor recommends that \$74,802,000 of the increase for GAMC be deleted. The Governor further recommends extension of the present eligibility limitations to 6-30-85.

The Governor recommends that \$74,802,000 of the change level for the GAMC program be used for a jobs program to provide productive work for Minnesota's unemployed citizens.

The Governor recommends restoration of the cuts made by the 3rd Special Session 1982, Chapter 1. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

The Governor also supports a single resource standard for MA, elimination of the RSDI COLA disregard and prospective rate reimbursement for hospitals.

In line with the above recommendations the commissioner of Public Welfare will submit proposed legislation necessary to manage the Income Maintenance Health Care activity within the resources recommended.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: HEALTH CARE PROGRAMS

PROGRAM: INCOME MAINTENANCE

AGENCY: PUBLIC WELFARE,OPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	653.9	763.4	926.5	934.2		934.2	934.2		934.2	934.2	934.2
-REGULAR UNCLASSIFIED	24.3	79.0	79.5	82.6		82.6	82.6		82.6	82.6	82.6
-PART-TIME/SEAS./OTHER	8.5	7.8									
-PREMIUM PAY		.1									
-OVERTIME PAY	.4	1.0									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.2										
TOTAL PERSONAL SERVICES	687.3	851.3	1,006.0	1,016.8		1,016.8	1,016.8		1,016.8	1,016.8	1,016.8
EXPENSES & CONTRACTUAL SERVICES	603.4	486.5	1,114.0	1,200.2	121.5	1,321.7	1,293.6	121.5	1,415.1	1,297.7	1,362.8
SUPPLIES & MATERIALS	17.2	11.6	28.7	30.7		30.7	32.8		32.8	30.1	31.6
EQUIPMENT	2.9	5.8	13.1	14.0		14.0	15.0		15.0	13.8	14.5
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	728,935.1	815,754.4	821,587.8	821,205.4	277,486.3	1098,691.7	821,205.4	454,836.5	1276,041.9	1046,655.6	1189,127.3
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	730,245.9	817,109.6	823,749.6	823,467.1	277,607.8	1101,074.9	823,563.6	454,958.0	1278,521.6	1049,014.0	1191,553.0
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	322,997.6	362,930.0	329,249.6	328,967.1	202,593.8	531,560.9	329,063.6	279,316.0	608,379.6	483,678.8	529,163.9
DEDICATED APPROPRIATIONS:											
GENERAL	31,928.2	39,157.3	44,620.0	44,620.0	12,654.0	57,274.0	44,620.0	21,112.0	65,732.0	53,095.2	57,979.1
FEDERAL	375,320.1	415,022.3	449,880.0	449,880.0	62,360.0	512,240.0	449,880.0	154,530.0	604,410.0	512,240.0	604,410.0
TOTAL FINANCING	730,245.9	817,109.6	823,749.6	823,467.1	277,607.8	1101,074.9	823,563.6	454,958.0	1278,521.6	1049,014.0	1191,553.0
POSITIONS BY FUND											
GENERAL	35.0	40.0	40.0	40.0		40.0	40.0		40.0	40.0	40.0
TOTAL POSITIONS	35.0	40.0	40.0	40.0		40.0	40.0		40.0	40.0	40.0

4-0177

ACTIVITY: ADMINISTRATION OF HEALTH CARE PROGRAMS
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity manages the Medical Assistance (MA), General Assistance Medical Care (GAMC), Catastrophic Health Expense Protection (CHEPP), and Preadmission Screening/Alternative Care Grants Programs. This requires formulating and implementing policies based on state and federal rules, regulations and statutes or on professional standards and practices. The Policy Section promptly and accurately promulgates rules and policy on recipient eligibility within federal regulations and state statutes. This section also develops and interprets policies, rules and regulations on eligibility for all local agencies, providers and the general public.

The Professional Services Section uses the advice of medical professionals in approximately 20 specialty areas to develop medical and provider policy, and to perform case reviews on specific categories of service, such as surgery, vision care, drug utilization, and dental services. Within the Professional Services Section, the State Medical Review Team performs disability determinations for Medical Assistance eligibility.

The major functions of this activity are:

1. To modify or develop policy to reflect contemporary health care practice and set program eligibility standards consistent with federal and state law.
2. To use a peer review approach to insure that unnecessary medical services, procedures or equipment are not paid for with state funds.
3. To put in place reasonable reimbursement policies and standards for health care services and equipment.
4. To identify, investigate and implement cost containment practices.

ACCOMPLISHMENTS AND STATISTICS:

1. Maintain the State Plan and policies in accordance with federal regulations, court decisions, and state law.
2. Comment on and implement federal regulations on a timely basis.
3. Develop and disseminate policy to local agencies.
4. Prompt policy-making allows processing staff to adjudicate claims accurately and effectively.
5. Professional staff reviews from prospective, concurrent, and retrospective approaches assure effective use of funds.
6. Legislative mandates on maximum reimbursements have been set for all program providers.
7. Volume purchasing for durable medical equipment has been legislated and is currently in implementation.
8. Equity in reimbursement levels for and among all provider types is continually being assessed and adjusted.
9. A Health Maintenance Organization (HMO) Project established as required by state law.

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	494.4	583.3	803.3	842.0	883.7

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
10. Cases reviewed (includes medical, dental, durable medical equipment, medical supplies, chiropractic and psychology - both prior authorizations and invoice reviews)	31,700	27,800	34,150	38,400	39,200
11. Cases reviewed, State Medical Review Team (disability determinations)	600	750	1,200 ¹	1,200	1,200

¹ Increase in 1983 due to GAMC changes on 7-1-81 and 1982 SSI changes.

EXPLANATION OF BUDGET REQUEST:

An increase of \$481,909,800 for this activity is requested. An increased level of funding of \$121,500 for F.Y. 1984 and \$121,500 for F.Y. 1985 is requested to restore the operating expense appropriations and \$5,200,000 each year of the biennium for the medical assistance appropriation which was reduced by the 3rd Special Session 1982, Chapter 1. The grant increases are detailed in the pages that follow.

GOVERNOR'S RECOMMENDATION:

The Governor recommends that \$74,802,000 of the GAMC change level be reduced from this request and be used for establishment of a jobs program. The Governor further recommends that the GAMC activity be kept essentially as it currently operates. The eligibility restrictions due to sunset 6-30-83 should be extended to 6-30-85.

In addition, the Governor recommends that the medical assistance change request be reduced by \$32,600,000 for the biennium due to anticipated savings resulting from proposed legislation to place an 8% rate cap on most medical assistance providers and to change the reimbursement method to nursing homes.

The Governor recommends that the CHEPP statute be repealed and that the \$19,611,000 funding requested for this biennium be deleted.

The Governor concurs in the agency's request for restoration of Special Session cuts. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

In line with these recommendations, the commissioner of Public Welfare will submit proposed legislation necessary to manage this activity within the resources recommended.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: HEALTH CARE PROGRAMS

MANAGEMENT ACTIVITY: ADNM HEALTH CARE PROGRAMS

AGENCY: PUBLIC WELFARE, DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	380.6	403.5	466.5	469.6		469.6	469.6		469.6	469.6	469.6
-REGULAR UNCLASSIFIED	24.3	79.0	79.5	82.6		82.6	82.6		82.6	82.6	82.6
-PART-TIME/SEAS./OTHER	3.5										
-PREMIUM PAY		.1									
-OVERTIME PAY	.4	.2									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	408.9	482.8	546.0	552.2		552.2	552.2		552.2	552.2	552.2
EXPENSES & CONTRACTUAL SERVICES	563.9	429.0	1,055.1	1,137.3	121.5	1,258.8	1,226.1	121.5	1,347.6	1,235.8	1,297.8
SUPPLIES & MATERIALS	13.9	3.9	18.1	19.4		19.4	20.7		20.7	19.0	19.9
EQUIPMENT	2.4		5.5	5.9		5.9	6.3		6.3	5.8	6.1
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	728,935.1	815,754.4	821,587.8	821,205.4	277,486.3	1098,691.7	821,205.4	454,836.5	1276,041.9	1046,655.6	1189,127.3
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	729,924.2	816,670.1	823,212.5	822,920.2	277,607.8	1100,528.0	823,010.7	454,958.0	1277,968.7	1048,468.4	1191,003.3
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	322,675.9	362,490.5	328,712.5	328,420.2	202,593.8	531,014.0	328,510.7	279,316.0	607,826.7	483,133.2	528,614.2
DEDICATED APPROPRIATIONS:											
GENERAL	31,928.2	39,157.3	44,620.0	44,620.0	12,654.0	57,274.0	44,620.0	21,112.0	65,732.0	53,095.2	57,979.1
FEDERAL	375,320.1	415,022.3	449,830.0	449,880.0	62,360.0	512,240.0	449,880.0	154,530.0	604,410.0	512,240.0	604,410.0
TOTAL FINANCING	729,924.2	816,670.1	823,212.5	822,920.2	277,607.8	1100,528.0	823,010.7	454,958.0	1277,968.7	1048,468.4	1191,003.3
POSITIONS BY FUND											
GENERAL	16.0	16.0	16.0	16.0		16.0	16.0		16.0	16.0	16.0
TOTAL POSITIONS	16.0	16.0	16.0	16.0		16.0	16.0		16.0	16.0	16.0

4-0179

GRANTS AND AIDS ANALYSIS FOR: GENERAL ASSISTANCE
MEDICAL CARE

1983-85 Biennial Budget

Activity: ADMINISTRATION OF HEALTH CARE PROGRAMS
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256D.03

PURPOSE:

The purpose of these grants is to pay medical providers for services rendered to low income individuals who do not meet the eligibility requirements of the Medical Assistance (MA) Program.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

Payments are made for inpatient hospital care, outpatient hospital care, drugs, physician services, dental care, and medical transportation on behalf of eligible individuals. Medical providers must meet state or federal licensing requirements and supply necessary program enrollment information. Categories of providers eligible for payment are specified by state law.

Eligible individuals must meet specific income and resource standards and must not fit medical assistance eligibility categories. Because federal funds are available under the MA Program while General Assistance Medical Care (GAMC) is solely state and county funded, GAMC is restricted to individuals who do not qualify for MA. An individual may qualify for GAMC with income above the program's standard if incurred medical bills, when deducted from net income, reduce the individual's income to the program's standard.

Those persons eligible for General Assistance (GA) are also eligible for GAMC; therefore, changes made to GA have a direct bearing on this activity. Please refer to the Grant and Aids Analysis for General Assistance for a discussion of these issues.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

Payments to medical providers are determined in the following manner:

Inpatient Hospital: The procedures used for inpatient hospital reimbursement through Medicaid are patterned after the Medicare reimbursement system. Each hospital bills Medicaid for services at the hospital's current rate charged to all patients. Medicaid reimburses these charges based upon each hospital's "interim percentage rate" established by Medicare. An annual cost settlement process adjusts these reimbursements to actual costs. Under cost settlement the department audits providers and compares total revenue billed to Medicaid to determine a utilization rate which is applied to actual costs.

Outpatient Hospital: Billed charges for allowable services.

Drugs: A maximum reimbursement amount is calculated by multiplying quantity times either the wholesale submitted cost or the federal maximum allowable charge, and adding a state established dispensing fee.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-03-33-331-01	
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
CARE OF PERSONS							
GENERAL - DEDICATED	5,164.8	3,972.5	3,886.0	7,622.0	10,116.0	4,463.2	4,963.2
GENERAL	48,195.6	36,782.2	31,128.6	68,594.0	91,042.0	40,164.7	44,669.3
SUBTOTAL	53,360.4	40,754.7	35,014.6	76,216.0	101,158.0	44,627.9	49,632.5

ALL RECIPIENTS BY FUND							
GENERAL - DEDICATED	5,164.8	3,972.5	3,886.0	7,622.0	10,116.0	4,463.2	4,963.2
GENERAL	48,195.6	36,782.2	31,128.6	68,594.0	91,042.0	40,164.7	44,669.3
TOTAL	53,360.4	40,754.7	35,014.6	76,216.0	101,158.0	44,627.9	49,632.5

Physician Services and Dental: Reimbursement is based on the lowest of the provider's usual and customary charge, the provider's submitted charge, or the 50th percentile of usual and customary fees based on billings during calendar year 1978.

Medical Transportation: Usual and customary charge or department maximum.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
1. Total dollars spent (in thousands)	\$ 52,231.0	\$ 38,840.2	\$ 38,857.0	\$ 74,596.0	\$102,935.0
2. Number of individuals receiving service (monthly average)	12,944	10,819	10,136	15,262	17,617
3. Average payment per recipient per month	\$ 336.26	\$ 299.17	\$ 319.46	\$ 407.31	\$ 486.91

LEGISLATIVE ISSUES:

Should the legislature choose not to fully fund the GAMC program, the department recommends that funds appropriated be distributed to counties as block grants.

EXPLANATION OF BUDGET REQUEST:

In order to satisfy existing statutes, an increase of \$97,378,800 is requested for the biennium, \$37,465,400 for F.Y. 1984 and \$59,913,400 for F.Y. 1985.

GOVERNOR'S RECOMMENDATION:

The Governor is recommending that \$74,802,000 of the agency's change level request be deleted and these funds be used for a jobs program. The Governor further recommends that the eligibility restrictions which are due to expire on 6-30-83 be extended to 6-30-85. This will allow this program to remain in its intended role as a public assistance medical program.

GRANTS AND AIDS ANALYSIS FOR: MEDICAL ASSISTANCE GRANTS 1983-85 Biennial Budget

Activity: ADMINISTRATION OF HEALTH CARE PROGRAMS
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256B

PURPOSE:

The purpose of this grant is to pay medical providers for services rendered to low income individuals who meet federal and state eligibility criteria.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

Payments are made to providers of medical care on behalf of eligible individuals. Medical providers must meet state or federal licensing requirements and supply necessary program enrollment information. Categories of providers eligible for payment are specified by state law.

Two groups of individuals are eligible for the program. Individuals receiving cash grants under the Aid to Families with Dependent Children (AFDC) and Minnesota Supplemental Aid (MSA) programs are automatically eligible for medical assistance. This group is known as "categorically needy". Other low income individuals may qualify for medical assistance if they are under 21, over 65, blind, disabled, or in an AFDC-type family, and meet specified income and resource standards. This group is known as "medically needy". An individual may qualify for medical assistance with income above the program's standard if incurred medical bills, when deducted from net income, reduce the individual's income to the program's standard. This eligibility provision is known as "spend-down".

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

Maximum payments to medical providers are determined in the following manner:

Inpatient Hospitals: The procedures used for inpatient hospital reimbursement through Medicaid are patterned after the Medicare reimbursement system. Each hospital bills Medicaid for services at the hospital's current rate charged to all patients. Medicaid reimburses these charges based upon each hospital's "interim percentage rate" established by Medicare. An annual cost settlement process adjusts these reimbursements to actual costs. Under cost settlement, the department audits providers and compares total revenue billed to revenue billed to Medicaid to determine a utilization rate which is applied to actual costs.

Outpatient Hospital: Billed charges for allowable services.

Nursing Homes: Each nursing home submits a cost report annually. These reports are audited by the department for their compliance with DPW Rules, which define a system for the determination of a reasonable per diem rate of reimbursement for all nursing homes participating in the Medicaid program. Nursing homes include nursing facilities, intermediate care facilities and intermediate care facilities for the mentally retarded.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-03-33-331-02	
	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *						
	ACTUAL FY1991	ACTUAL FY1992	ESTIM. FY1993	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1994	FY1995	FY1994	FY1995
CARE OF PERSONS							
GENERAL - DEDICATED	26,763.4	35,184.8	40,734.0	49,652.0	55,616.0	48,632.0	53,015.9
GENERAL	264,974.8	322,307.3	294,091.8	446,891.0	500,561.0	437,703.0	477,143.0
FEDERAL	375,320.1	415,022.3	449,880.0	512,240.0	604,410.0	512,240.0	604,410.0
SUBTOTAL	667,058.3	772,514.4	784,705.8	1008,783.0	1160,587.0	998,575.0	1134,568.9

ALL RECIPIENTS BY FUND							
GENERAL - DEDICATED	26,763.4	35,184.8	40,734.0	49,652.0	55,616.0	48,632.0	53,015.9
GENERAL	264,974.8	322,307.3	294,091.8	446,891.0	500,561.0	437,703.0	477,143.0
FEDERAL	375,320.1	415,022.3	449,880.0	512,240.0	604,410.0	512,240.0	604,410.0
TOTAL	667,058.3	772,514.4	784,705.8	1008,783.0	1160,587.0	998,575.0	1134,568.9

Health Maintenance Organizations (HMOs): The HMO proposes a maximum rate for defined Medicaid eligibility groups within a specific geographic area. The department compares this rate to the current prevailing fee-for-service expenditures for a similar population in the same geographic area and to the projected costs which the HMO will incur in serving the Medicaid groups. Based upon this comparison, a final contract is written which will provide complete Medicaid coverage for recipients who choose to enroll.

Family Planning Clinics: Family planning clinics are limited by definition to those clinics operated on a statewide basis by a single specific provider. The department has a fixed payment system with different prices for the metropolitan area and rural Minnesota. Each year the provider presents the department with an auditor's report and a justification for its costs. Fees for the succeeding year are adjusted if necessary.

Non-Profit Home Health Agencies and Rehabilitation Centers: Department maximum, based on Medicare allowed costs.

Early, Periodic Screening, Diagnosis and Treatment (EPSDT): Submitted charge or department maximum.

Drugs: A maximum reimbursement amount is calculated by multiplying quantity times either the wholesale submitted cost or the federal maximum allowable charge, and adding a state established dispensing fee.

Individual Practitioners: Reimbursement is based on the lowest of the following: the provider's usual and customary charge, the provider's submitted charge, or the 50th percentile of usual and customary fees based on billings during calendar year 1979. These limits apply to physician services, dental care, vision care, podiatric services, chiropractic care, mental health centers, psychologists, public health clinics, independent laboratory and x-ray services, physical therapy, occupational therapy, speech pathologists, and audiologists.

GRANTS AND AIDS ANALYSIS FOR: MEDICAL ASSISTANCE 1983-85 Biennial Budget
(Continuation) GRANTS
Activity: ADMINISTRATION OF HEALTH CARE PROGRAMS
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

Medical Transportation: Usual and customary charge or department maximum.

Medical Supplies: Medicare allowable or department maximum.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
1. Total dollars spent	\$668,410.5	\$765,380.9	\$857,192.0	\$996,717.0	\$1,146,010.0
2. Average persons receiving service per month	135,431	134,906	131,662	137,055	141,559
3. Average cost per person per month	\$411.29	\$472.79	\$541.91	\$606.03	\$674.64

In F.Y. 1982, there were 12,454 active providers.

ALTERNATIVES:

Legislation will be submitted to: lower the 10% rate cap on nursing homes to 8%; establish a single resource standard for eligibility; establish prospective rate reimbursement for hospitals; and eliminate the RSDI COLA disregard.

EXPLANATION OF BUDGET REQUEST:

An increase of \$350,268,400 is necessary to continue to meet current federal and state laws regarding this program, \$152,799,200 for F.Y. 1984 and \$206,469,200 for F.Y. 1985.

GOVERNOR'S RECOMMENDATION:

The Governor is recommending that the agency's request be reduced by \$32,600,000 for the biennium. The Governor is supportive of proposed departmental legislation which will place an 8% rate cap on nursing homes, in-patient hospital care, ICF/MRs and skilled nursing facilities. In addition, the Governor supports changing the method of reimbursing nursing homes and implementing a prospective rate system for in-patient hospital care. The Governor also recommends a review of the role of HMOs in containing costs in this vital Medical Assistance program.

In line with the above recommendations, the commissioner of public welfare will submit proposed legislation necessary to manage this activity within the resources recommended.

GRANTS AND AIDS ANALYSIS FOR: PREADMISSION SCREENING AND
ALTERNATIVE CARE GRANTS 1983-85 Biennial Budget

Activity: ADMINISTRATION OF HEALTH CARE PROGRAMS
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256B.091

I. GRANTS FOR PREADMISSION SCREENING:

PURPOSE:

The purpose of these funds is to provide grants to counties which encourage the development and utilization of community-based alternatives to long-term care.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

Persons over the age of 65 who are seeking admission to a nursing home and who are or will be eligible for medical assistance are screened by a team that includes a public health nurse, a social worker and, if necessary, a physician. The screening determines if the person needs nursing home care, or if their needs could be met by lower cost community alternatives. The screening is funded on a per capita basis from medical assistance and state preadmission screening grant funds, and payment is made to the local public health agency.

Preadmission screening grant funds are allocated to local agencies only after a program application has been approved by the Commissioner of Public Welfare. Applicants must assure that state and federal program requirements will be met, and must provide a narrative description of the program's design and operation. Health care providers in the program who are otherwise eligible for medical assistance participation must comply with MA program requirements for licensing and reimbursement.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF THE PAYMENT TO RECIPIENT:

Preadmission screening payments are cost-based for each of the screening team members, up to department maximums.

<u>SIGNIFICANT STATISTICS:</u>	<u>Actual</u> <u>F.Y. 1981</u>	<u>Actual</u> <u>F.Y. 1982</u>	<u>Estimated</u> <u>F.Y. 1983</u>	<u>Estimated</u> <u>F.Y. 1984</u>	<u>Estimated</u> <u>F.Y. 1985</u>
1. No. of counties participating	2	27 ¹	44	87	87
2. No. of persons screened	110	376	1,000	3,000	4,500
3. No. of persons placed:					
in nursing home	80	231	700	2,000	3,000
in community	30	145	300	1,000	1,500

¹Most counties started after January 1, 1982.

<u>HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:</u>						REF:401-03-33-331-03	
	<u>ACTUAL</u> <u>FY1981</u>	<u>ACTUAL</u> <u>FY1982</u>	<u>ESTIM.</u> <u>FY1983</u>	<u>* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *</u>			
				<u>AGENCY ESTIMATES</u>	<u>RECOMMENDATIONS</u>	<u>FY1984</u>	<u>FY1985</u>
G & A TO COUNTIES GENERAL	16.4	293.2	1,867.4	3,452.7	4,925.9	3,452.7	4,925.9
SUBTOTAL	16.4	293.2	1,867.4	3,452.7	4,925.9	3,452.7	4,925.9
ALL RECIPIENTS BY FUND GENERAL	16.4	293.2	1,867.4	3,452.7	4,925.9	3,452.7	4,925.9
TOTAL	16.4	293.2	1,867.4	3,452.7	4,925.9	3,452.7	4,925.9

EXPLANATION OF BUDGET REQUEST:

An increase of \$550,000 is requested for the biennium. \$180,000 in F.Y. 1984 and \$370,000 in F.Y. 1985. This increase is due to the fact that this program is to be expanded from an 8-county pilot to a statewide program.

II. GRANTS FOR ALTERNATIVE CARE

The purpose of these funds is to provide grants to counties which encourage the development and authorization of community-based alternatives to long-term care.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

Alternative care grant funds are used by local social service agencies to fund services provided in the community as alternatives to institutionalization. Homemaker, home health, personal care, adult day care, respite care, foster care, and case management services are funded by Medical Assistance and alternative care grants. Grant funds are paid to local social service agencies. The client retains the choice of nursing home care or community alternatives.

Alternative care grant funds are allocated to local agencies only after a program application has been approved by the Commissioner of Public Welfare. Applicants must assure that state and federal program requirements will be met, and must provide a narrative description of the program's design and operation. Health care providers in the program who are otherwise eligible for medical assistance participation must comply with MA program requirements for licensing and reimbursement.

CRITERIA AND FORMULAS FOR DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

Alternative care grant funds are allocated to all counties in the state based on a distribution formula which gives equal weight to the number of medical assistance recipients and the number of individuals over age 65 in each county, divided by the total amount of appropriated alternative care funds.

EXPLANATION OF BUDGET REQUEST:

An increase of \$4,858,600 is requested for the biennium. \$1,787,700 in F.Y. 1984 and \$3,070,900 in F.Y. 1985. This increase is due to the fact that this program is to be expanded from an 8-county pilot to a statewide program.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives

GRANTS AND AIDS ANALYSIS FOR: CATASTROPHIC HEALTH
EXPENSE PROTECTION PROGRAM 1983-85 Biennial Budget
Activity: ADMINISTRATION OF HEALTH CARE PROGRAMS
Program: INCOME MAINTENANCE
Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 62E

PURPOSE:

The purpose of this grant is to pay medical providers so that Minnesota citizens are protected against catastrophic health expenses.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

Payments are made on behalf of eligible persons for inpatient and outpatient hospital care, physician services, drugs, home health care, radiation therapy, anesthetics, prostheses, durable medical equipment other than eyeglasses and hearing aids, x-rays and laboratory tests, oral surgery, physical therapy, transportation, and limited amounts of nursing home care. Medical providers must meet state or federal licensing requirements and supply necessary program enrollment information. Categories of providers eligible for payment are specified by state law.

Eligible individuals must be Minnesota residents who have incurred medical expenses which exceed an annual deductible amount based on gross income. The deductible is determined by adding 20 percent of income under \$15,000, 25 percent of income between \$15,000 and \$25,000, and 30 percent of income over \$25,000. The program will pay 90 percent of incurred medical expenses above the deductible amount for bills incurred after July 1, 1977.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

Payments to medical providers are determined in the following manner:

Inpatient Hospital: The procedures used for inpatient hospital reimbursement through Medicaid are patterned after the Medicare reimbursement system. Each hospital bills Medicaid for services at the hospital's current rate charged to all patients. Medicaid reimburses these charges based upon each hospital's "interim percentage rate" established by Medicare. An annual cost settlement process adjusts these reimbursements to actual costs. Under cost settlement the department audits providers. Total revenue billed is applied to actual costs.

Outpatient Hospital: Billed charges for allowable services.

Physician Services, Laboratory and X-Ray Services, and Physical Therapy: Reimbursement is based on the lowest of the following: the provider's usual and customary charge, the provider's submitted charge, or the 50th percentile of usual and customary charges based on billings during calendar year 1979.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-03-33-331-04	
	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
CARE OF PERSONS GENERAL	8,500.0	2,192.1		10,240.0	9,371.0		
SUBTOTAL	8,500.0	2,192.1		10,240.0	9,371.0		

ALL RECIPIENTS BY FUND GENERAL	8,500.0	2,192.1		10,240.0	9,371.0		
TOTAL	8,500.0	2,192.1		10,240.0	9,371.0		

GRANTS AND AIDS ANALYSIS FOR: CATASTROPHIC HEALTH
 (Continuation) EXPENSE PROTECTION PROGRAM 1983-85 Biennial Budget
 Activity: ADMINISTRATION OF HEALTH CARE PROGRAMS
 Program: INCOME MAINTENANCE
 Agency: PUBLIC WELFARE, DEPARTMENT OF

Drugs: A maximum reimbursement amount is calculated by multiplying quantity times either the wholesale submitted cost or the federal maximum allowable charge, and adding a state established dispensing fee.

Home Health Care: Department maximum, based on Medicare allowed costs.

Medical Supplies: Medicare allowable or department maximum.

Medical Transportation: Usual and customary charge or department maximum.

Nursing Home: Each nursing home submits a cost report annually. These reports are audited by the department for their compliance with DPW Rules, which define a system for determining a reasonable per diem rate for all nursing homes participating in the Medicaid program.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
1. Total payments (in thousands)	\$5,936.9	\$3,913.9	\$200,000 ¹	\$10,240.0	\$9,371.0
2. Average monthly cases	296	213	-0-	531	444
3. Average payment per case	\$1,306	\$1,181	-0-	\$ 1,607	\$2,167

¹Payments made were for services delivered before or during F.Y. 1982.

ALTERNATIVES:

The department will submit legislation to repeal the statutes establishing this program.

EXPLANATION OF BUDGET REQUEST:

An increase of \$19,611,000 would be necessary to fund this program for the biennium.

GOVERNOR'S RECOMMENDATION:

The Governor recommends that the CHEPP statutes be repealed and no appropriation be provided for this activity.

In line with this recommendation, the commissioner of public welfare will submit proposed legislation necessary to accomplish the Governor's recommendations.

ACTIVITY: BENEFIT RECOVERY
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	165.2	213.8	247.1	251.6	254.3

ACTIVITY DESCRIPTION:

This activity reduces Medical Assistance (MA) program costs by obtaining reimbursement from financially liable third parties for the cost of medical care given to MA recipients. The Section also pursues third party payment for the General Assistance Medical Care (GAMC) program for counties participating in the Centralized Disbursement System. Third party resources include health insurance, No Fault auto insurance, Workers' Compensation, casualty/liability insurance, and torts. When health care providers cannot or choose not to bill a third party resource, billing is done by the Benefit Recovery Section. The Section also monitors provider collections of third party resources. Use of third party resources is mandated in the MA program by federal regulation and state statute. The state share of all third party payments generated by this activity is applied to the General Fund. The major purposes of this activity are:

1. To collect any available benefits from insurance carriers who insure MA recipients.
2. To identify all other third party resources and pursue recovery through appropriate legal means, e.g., filing medical-surgical liens, Workers' Compensation interventions.
3. To collect subsistence payments in Workers' Compensation cases as available.
4. To account for all third party collections so that such payments are accurately reflected in Medical Assistance payment history.
5. To coordinate activities between county welfare agencies, health care providers, third party payors, and Benefit Recovery relating to the third party liability function.

ACCOMPLISHMENTS AND STATISTICS:

This activity provided a savings to the state of 1% in federal funding as provided by federal law based on third party liability recoveries exceeding 1% of MA expenditures. Accordingly, federal funding was reduced by 2% instead of 3% in F.Y. 1982.

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
<u>Third Party Recoveries</u> (in thousands)					
Benefit Recovery	\$ 5,700	\$ 8,700	N/A	N/A	N/A
Provider	9,400	10,300	N/A	N/A	N/A
Total Recoveries	15,100	19,000	22,000	24,500	27,000

ACCOMPLISHMENTS AND STATISTICS: (Contd)

Increase in Third Party Recoveries

	F.Y. 1981	F.Y. 1982
Benefit Recovery	23.5%	52.3%
Provider	19.1%	9.8%
Total Third Party	20.8%	26.0%

Third Party Recoveries Compared to MA Expenditures

	F.Y. 1981	F.Y. 1982
	2.30%	2.55%

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs in the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: HEALTH CARE PROGRAMS

MANAGEMENT ACTIVITY: BENEFIT RECOVERY

AGENCY: PUBLIC WELFARE, DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	273.3	359.9	460.0	464.6		464.6	464.6		464.6	464.6	464.6
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	5.0	7.8									
-PREMIUM PAY											
-OVERTIME PAY		.8									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	278.4	368.5	460.0	464.6		464.6	464.6		464.6	464.6	464.6
EXPENSES & CONTRACTUAL SERVICES	39.5	57.5	58.9	62.9		62.9	67.5		67.5	61.9	65.0
SUPPLIES & MATERIALS	3.3	7.7	10.6	11.3		11.3	12.1		12.1	11.1	11.7
EQUIPMENT	.5	5.8	7.6	8.1		8.1	8.7		8.7	8.0	8.4
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	321.7	439.5	537.1	546.9		546.9	552.9		552.9	545.6	549.7
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	321.7	439.5	537.1	546.9		546.9	552.9		552.9	545.6	549.7
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	321.7	439.5	537.1	546.9		546.9	552.9		552.9	545.6	549.7
POSITIONS BY FUND											
GENERAL	19.0	24.0	24.0	24.0		24.0	24.0		24.0	24.0	24.0
TOTAL POSITIONS	19.0	24.0	24.0	24.0		24.0	24.0		24.0	24.0	24.0

ACTIVITY: CENTRAL MEDICAL DISBURSEMENT
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity processes claims for health care services provided to recipients of Medical Assistance (MA), General Assistance Medical Care (GAMC) and the Catastrophic Health Expense Protection Program (CHEPP). There are currently 145,938 eligible recipients utilizing services and 12,454 active providers. The activity views, enters, and edits over 8,000,000 claims per year.

Claims are machine edited to make sure they are: 1) complete, 2) consistent, 3) that payment rates are consistent with federal and state regulations, 4) that both recipients and providers are eligible and 5) that there are no duplicate or conflicting claims. Those claims identified as containing potential errors are manually reviewed. Data collected during processing provides a base for management and operational reports, surveillance and utilization review and utilization control activities, and usual and customary fee calculations.

Provider education and enrollment are also part of this activity. This includes writing and distributing provider handbooks and bulletins, scheduling and conducting seminars, and maintaining a telephone reference system.

In addition, the activity maintains a recipient eligibility system in which local agencies record case and recipient eligibility data. This is essential for proper payment of claims and recovery of resources from other liable third parties. Local agencies are given county worker manuals, training, and bulletins. Medical Assistance identification cards are issued as well.

The major functions of this activity are:

1. To process 90% of the properly completed claims within 30 days of receipt.
2. To properly enroll and train providers concerning details of the program including the proper procedures for identifying eligible recipients and completing invoices for payments.
3. To provide a system that supports accurate and timely county determination of eligibility and the recording of data on the state system.
4. To maintain a qualified Medicaid Management Information System (MMIS) under federal regulations with regular improvement of the system to provide appropriate payment for and necessary services rendered by qualified providers to eligible recipients.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	3,123.0	3,000.5	2,917.4	3,156.3	3,293.8

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Total number of claims	8,259,752	8,165,429	8,450,000	8,600,000	8,760,000
Rejected claims	793,894	819,588	840,000	850,000	860,000
Paid: MA	6,993,319	7,156,526	7,220,000	7,350,000	7,500,000
GA	460,251	382,872	390,000	400,000	400,000
CHEPP ¹	12,228	6,443	--	--	--
Average days from receipt to payments	20	20	20	20	20
Claims processed within 30 days	86%	87%	88%	88%	88%
Claims submitted on computer tape	32.1%	36.7%	40%	43%	45%
Scannable quality invoices submitted	87	92	92	92	92
Providers participating in program	85%	85%	85%	85%	85%

¹ The CHEPP program was not funded after 7-1-81.

EXPLANATION OF BUDGET REQUEST:

An increase of \$387,600 is requested for the biennium; \$216,000 in F.Y. 1984 and \$171,600 in F.Y. 1985 to upgrade the present system to meet new requirements for continued federal participation. This amount includes \$150,000 for F.Y. 1984 and \$100,000 in F.Y. 1985 to update the client eligibility system and \$66,000 in F.Y. 1984 and \$71,600 in F.Y. 1985 for 2 positions to design and implement changes to the medical payments system to increase the effectiveness and efficiency of that system.

An additional increased level of funding of \$114,900 for F.Y. 1984 and \$114,900 for F.Y. 1985 is requested to restore the salary appropriations and complement of 5 positions reduced by the 3rd Special Session 1982, Chapter 1.

GOVERNOR'S RECOMMENDATION:

The Governor does not recommend the agency's change level for \$387,600 for modifications to the central disbursement system. An analysis of current year (F.Y. 1983) expenditures for this activity indicate less than anticipated expenditure levels. The agency is therefore encouraged to accomplish its F.Y. 1983-1985 objectives within current levels of funding and by exploring efficiencies through new technological developments.

The Governor does however recommend the restoration of 5 positions and \$114,900 each year which was cut by 3rd Special Session 1982, Chapter 1.

However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: CENTRAL MEDICAL DISBURSMENT

PROGRAM: INCOME MAINTENANCE

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	1,662.1	1,802.4	1,970.1	2,220.9	180.9	2,401.8	2,220.9	186.5	2,407.4	2,335.8	2,335.8
-REGULAR UNCLASSIFIED	.2	8.3									
-PART-TIME/SEAS./OTHER	52.0	42.0									
-PREMIUM PAY	3.2	5.9									
-OVERTIME PAY	64.3	36.9	81.2	82.7		82.7	82.7		82.7	82.7	82.7
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.3	29.7									
TOTAL PERSONAL SERVICES	1,782.1	1,925.2	2,051.3	2,303.6	180.9	2,484.5	2,303.6	186.5	2,490.1	2,418.5	2,418.5
EXPENSES & CONTRACTUAL SERVICES	3,304.2	2,807.1	3,631.3	3,917.8	150.0	4,067.8	4,190.6	100.0	4,290.6	3,845.9	4,035.8
SUPPLIES & MATERIALS	14.4	16.2	29.7	31.8		31.8	34.0		34.0	31.2	32.7
EQUIPMENT	5.2	1.0	7.5	8.0		8.0	8.6		8.6	7.9	8.3
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	5,105.9	4,749.5	5,719.8	6,261.2	330.9	6,592.1	6,536.8	286.5	6,823.3	6,303.5	6,495.3
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	5,105.9	4,749.5	5,719.8	6,261.2	330.9	6,592.1	6,536.8	286.5	6,823.3	6,303.5	6,495.3
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	5,105.9	4,749.5	5,719.8	6,261.2	330.9	6,592.1	6,536.8	286.5	6,823.3	6,303.5	6,495.3
POSITIONS BY FUND											
GENERAL	114.0	109.0	103.0	103.0	7.0	110.0	103.0	7.0	110.0	108.0	108.0
TOTAL POSITIONS	114.0	109.0	103.0	103.0	7.0	110.0	103.0	7.0	110.0	108.0	108.0

4-0189

ACTIVITY: CHILD SUPPORT ENFORCEMENT
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: Child Support Enforcement makes certain that absent parents having the ability to support their children actually provide for their support. Child Support Enforcement locates absent parents, takes legal action to determine paternity, obtains court orders for child support, determines the ability of the absent parent to meet the support obligations, and enforces the court's order for child support. The activity has a role in virtually all Aid to Families With Dependent Children (AFDC) families and is required to provide service to non-AFDC families upon their request. Central Office focus is on fiscal analysis, evaluation of county support enforcement programs, operation of the state parent locator service, and procedure and policy development and implementation so that maximum collections are made by the local agencies in the most cost-effective manner possible. The activity reduces the need for welfare expenditures to support children and reduces the burden on Minnesota taxpayers.

MAJOR OBJECTIVES:

1. To increase total child support collections in F.Y. 1984 and F.Y. 1985 to \$44,100,000 and \$48,400,000 respectively.
2. To increase the number of Minnesota AFDC families and Minnesota non-AFDC families for whom child support collections are made in F.Y. 1984 and F.Y. 1985 to 26,518 and 29,100 respectively.
3. To obtain 2,750 paternity determinations during F.Y. 1984 and 2,800 paternity determinations during F.Y. 1985.
4. To complete absent parent locations so that legal action to secure child support can be commenced in 35,250 cases in F.Y. 1984 and 34,000 cases in F.Y. 1985.
5. To enable 1,324 families in F.Y. 1984 and 1,390 families in F.Y. 1985 to become independent of AFDC because of consistent child support collections.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Total Collections: ¹	\$30,541,180	\$33,718,835	\$40,300,000	\$44,100,000	\$48,400,000
State Share	7,148,032	7,145,657	8,684,000	8,917,000	9,304,000
County Share	1,261,418	1,260,998	1,533,000	1,573,000	1,642,000
Federal Share	10,547,831	10,024,951	12,183,000	12,510,000	13,054,000
AFDC	18,957,281	18,431,606	22,400,000	23,000,000	24,000,000
Non-AFDC	9,373,652	12,870,879	15,400,000	18,500,000	21,600,000
Cases Paying	18,865	20,273	24,233	26,518	29,100
AFDC Cases Paying	13,292	13,031	15,573	16,108	16,945
Non-Public Assistance					
Cases Paying	5,573	7,242	8,660	10,410	12,155
Paternity Determinations	2,500	2,635	2,700	2,750	2,800
Absent Parent Location					
Cases Completed ²	25,619	34,707	35,000	35,250	34,000
AFDC Recipients Terminated					
Because of Child Support					
Collected	912	1,146	1,261	1,324	1,390

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	97.8	185.8	353.1	371.8	389.4

ACCOMPLISHMENTS AND STATISTICS: (Contd.)	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
AFDC Application Withdrawn Because of Child Support Enforcement	280	345	380	400	420

- 1 Collections for other states included.
- 2 Because of the addition of one full-time position for the parent locator function in Central Office during F.Y. 1982, 100% of requests by counties for State Locator Services have been fulfilled. A slight reduction of locator requests is anticipated beginning in F.Y. 1985.

Significant increases in collections projected for F.Y. 1983 and following years are attributable to the state and federal income tax refund interception programs and enhanced income withholding provisions enacted during the 1982 legislative session.

ALTERNATIVES/BUDGET ISSUES: Emphasis continues on achieving child support collections in a cost effective manner. The federal proposal to restructure the funding of the Child Support Enforcement Program would result in substantial reduction in federal cost sharing funds. It may become desirable to adjust the manner in which collections, costs, and incentives are shared between the counties and the state to continue present service levels. Funds are not being requested to replace potential losses of federal monies in the 1983-1985 budget request.

EXPLANATION OF BUDGET REQUEST: A decrease of \$195,000 is requested for the biennium; \$105,000 in F.Y. 1984 and \$90,000 in F.Y. 1985. The change reflects a method of billing data processing costs to Minnesota counties directly without need for an appropriation for this activity.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's decreased funding request for this activity. Additionally, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: CHILD SUPPORT ENFORCEMENT

PROGRAM: INCOME MAINTENANCE

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	93.3	149.0	168.4	171.7		171.7	171.7		171.7	171.7	171.7
-REGULAR UNCLASSIFIED		1.4									
-PART-TIME/SEAS./OTHER	11.0										
-PREMIUM PAY											
-OVERTIME PAY		.2									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	104.4	150.6	168.4	171.7		171.7	171.7		171.7	171.7	171.7
EXPENSES & CONTRACTUAL SERVICES	179.8	145.3	333.8	361.1	105.0-	256.1	366.5	90.0-	296.5	251.4	285.6
SUPPLIES & MATERIALS	.8	1.1	.7	.7		.7	.8		.8	.7	.8
EQUIPMENT	.3	.4	1.5	1.6		1.6	1.7		1.7	1.6	1.6
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	285.3	297.4	504.4	535.1	105.0-	430.1	560.7	90.0-	470.7	425.4	459.7
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	285.3	297.4	504.4	535.1	105.0-	430.1	560.7	90.0-	470.7	425.4	459.7
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	285.3	297.4	504.4	535.1	105.0-	430.1	560.7	90.0-	470.7	425.4	459.7
POSITIONS BY FUND											
GENERAL	4.0	6.0	6.0	6.0		6.0	6.0		6.0	6.0	6.0
TOTAL POSITIONS	4.0	6.0	6.0	6.0		6.0	6.0		6.0	6.0	6.0

4-0191

ACTIVITY: OPERATIONS REVIEW
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The Operations Review Division monitors the income maintenance programs to improve their administration. The Quality Control Unit and the Food Stamp Unit review county practices to identify erroneous payments to welfare recipients and to identify problems in administration. The Corrective Action Unit analyzes the findings of this review and develops corrective actions to reduce or eliminate errors and to correct inefficiencies in county administration. The Reports and Statistics Unit monitors case loads and expenditures. The division uses all the information it gathers to evaluate performance and plan changes in administration. All the functions of this activity are required by the federal government and are necessary for informed management of income maintenance programs.

The major functions of this activity are:

1. To review eligibility and assistance amounts in a sample number of Aid to Families with Dependent Children (AFDC), Medical Assistance (MA), and Food Stamp cases. Review denials or termination of assistance in a sample number of AFDC, MA and Food Stamp cases.
2. To review the management of the Food Stamp program in 81 counties. Prepare detailed findings, provide consultation, and secure a corrective action plan in each review.
3. To maintain the low error rates achieved in AFDC and MA with the exception of errors introduced by federal changes.
4. To produce, annually, a minimum of 12 major fiscal analyses or forecasts.

ACCOMPLISHMENTS AND STATISTICS:

Between 1973 and 1981, the reduction in errors has resulted in avoidance of \$107 million in overpayments and payments to ineligible cases. In mid 1980, Minnesota had the lowest error rate in the nation in both AFDC and MA.

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
No. of Quality Control Reviews:					
Eligibility and Assistance:					
AFDC	2,070	2,044	1,800	1,850	1,850
Medical Assistance	2,989	3,260	3,000	3,050	3,050
Food Stamps	2,553	2,470	2,560	2,560	2,560
Denials or Terminations:					
AFDC	819	1,376	750	700	700
Medical Assistance	673	797	650	650	650
Food Stamps	1,352	1,183	1,150	1,100	1,100

ACTIVITY GENERATES NON-DEDICATED REVENUE <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	ACTUAL F.Y. 1981 639.1	ACTUAL F.Y. 1982 685.8	ESTIMATE F.Y. 1983 810.6	ESTIMATE F.Y. 1984 816.8	ESTIMATE F.Y. 1985 825.2
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ACCOMPLISHMENTS AND STATISTICS: (Contd.)

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
No. of Management Evaluation Reviews	38	41	40	36	41
Major Fiscal Analyses	10	9	13	12	13
Major Forecast Statements	5	4	6	4	6
ALTERNATIVES/BUDGET ISSUES:					

1. All reviews are required by federal agencies. All reports are required by state or federal government. All activities are necessary for cost-control and planning.
2. Federal regulations call for loss of federal funding if error rates in AFDC, Medical Assistance and Food Stamps exceed federal tolerance limits.

EXPLANATION OF BUDGET REQUEST:

The explanation of budget request is contained in the activity narratives that follow.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: OPERATIONS REVIEW

PROGRAM: INCOME MAINTENANCE

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	1,165.2	1,334.8	1,520.6	1,514.2		1,514.2	1,514.2		1,514.2	1,514.2	1,514.2
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	.5	.3									
-PREMIUM PAY											
-OVERTIME PAY	.2	.3									
-MISCELLANEOUS PAYROLL		.3									
-OTHER BENEFITS	.4										
TOTAL PERSONAL SERVICES	1,166.3	1,335.7	1,520.6	1,514.2		1,514.2	1,514.2		1,514.2	1,514.2	1,514.2
EXPENSES & CONTRACTUAL SERVICES	184.9	161.7	241.7	258.5		258.5	276.6		276.6	253.8	266.4
SUPPLIES & MATERIALS	1.9	2.7	4.0	4.3		4.3	4.6		4.6	4.3	4.5
EQUIPMENT	.2	.5	3.3	3.5		3.5	3.7		3.7	3.5	3.6
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	1,353.3	1,500.6	1,769.6	1,780.5		1,780.5	1,799.1		1,799.1	1,775.8	1,788.7
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	1,353.3	1,500.6	1,769.6	1,780.5		1,780.5	1,799.1		1,799.1	1,775.8	1,788.7
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	1,353.3	1,500.6	1,769.6	1,780.5		1,780.5	1,799.1		1,799.1	1,775.8	1,788.7
POSITIONS BY FUND											
GENERAL	53.5	51.5	51.5	51.5		51.5	51.5		51.5	51.5	51.5
TOTAL POSITIONS	53.5	51.5	51.5	51.5		51.5	51.5		51.5	51.5	51.5

4-0193

ACTIVITY: QUALITY CONTROL
 Program: INCOME MAINTENANCE
 Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: This activity reviews a statewide random sample of Aid to Families with Dependent Children (AFDC) and Medical Assistance cases to determine whether the clients were eligible and the grants or benefits were correct. The state agency reports the data gathered from these reviews to the county agencies and the federal government. The department's Corrective Action Unit also analyzes these data in order to generate methods for improving program administration. This activity is operated under detailed federal regulations.

The major functions of this activity are:

1. To conduct reviews of assistance payments in samples of active AFDC cases, active Medical Assistance cases, and AFDC and Medical Assistance cases in which assistance has been denied or terminated.
2. In each case review, to prepare a report of findings, a description of case circumstances, and, in each error case, a report of the program to the Corrective Action Unit.
3. For each sample, to prepare semiannually 6 status reports and a final report.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
1 Case Reviews					
AFDC eligibility	2,070	2,044	1,800	1,850	1,850
AFDC negative action (denied or terminated)	819	1,376	750	700	700
Medical Assistance Eligibility	2,989	3,260	3,000	3,050	3,050
Medical Assistance Negative action (denied or terminated)	673	797	650	650	650
Medical Assistance Claims processing and liable third party	2,989	3,260	3,000	3,000	3,000
2 Case Reports:					
AFDC	2,889	3,420	2,550	2,550	2,550
Medical Assistance	3,662	4,057	3,650	3,700	3,700
3 Sample Reports:					
AFDC	28	28	28	28	28
Medical Assistance	28	28	28	28	28

ALTERNATIVES/BUDGET ISSUES: This activity is required by the Federal Government.

EXPLANATION OF BUDGET REQUEST: The same level of funding is requested.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	337.5	369.0	419.9	417.4	420.0

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: OPERATIONS REVIEW

MANAGEMENT ACTIVITY: QUALITY CONTROL

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	612.8	692.6	801.0	790.8		790.8	790.8		790.8	790.8	790.8
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	.5										
-PREMIUM PAY											
-OVERTIME PAY	.1	.1									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.2										
TOTAL PERSONAL SERVICES	613.6	692.7	801.0	790.8		790.8	790.8		790.8	790.8	790.8
EXPENSES & CONTRACTUAL SERVICES	54.8	59.6	72.2	77.2		77.2	82.6		82.6	75.9	79.5
SUPPLIES & MATERIALS	.8	1.2	1.2	1.3		1.3	1.4		1.4	1.3	1.3
EQUIPMENT	.1		.3	.3		.3	.3		.3	.3	.3
REAL PROPERTY											
POST SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	669.3	753.5	874.7	869.6		869.6	875.1		875.1	868.3	871.9
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	669.3	753.5	874.7	869.6		869.6	875.1		875.1	868.3	871.9
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	669.3	753.5	874.7	869.6		869.6	875.1		875.1	868.3	871.9
POSITIONS BY FUND											
GENERAL	28.0	27.0	27.0	27.0		27.0	27.0		27.0	27.0	27.0
TOTAL POSITIONS	28.0	27.0	27.0	27.0		27.0	27.0		27.0	27.0	27.0

ACTIVITY: FOOD STAMP REVIEW UNIT
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity 1) conducts management evaluation reviews of food stamp operations in all local agencies; and 2) conducts quality control reviews of randomly selected food stamp households to determine if eligibility and food stamps issued meet standards.

The major functions of this activity are:

1. To review all counties according to Federal regulations which determine frequency of reviews based on size of county. Large counties (Hennepin and Ramsey) are reviewed once every year, moderate sized (53) once every 2 years, and small counties (32) once every 3 years.
2. To prepare 81 detailed findings of the review with individual corrective action plans.
3. To review at least 3900 food stamp households annually to determine if eligibility standards were met and allotments were correct.
4. To visit at least 50 counties annually to provide technical assistance in food stamp administration or aid in corrective action planning.

ACCOMPLISHMENTS AND STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
1. No. of County Programs Reviewed	38	41	40	36	41
2. Preparation of Findings/Corrective Action Plans	38	41	40	36	41
3. Case Reviews:					
Active	2553	2470	2560	2560	2560
Negative (Terminated or denied)	1352	1183	1150	1100	1100
4. Technical Assistance Visits	50	50	50	50	50

ALTERNATIVES/BUDGET ISSUES:

These reviews are required by the United States Department of Agriculture.

Minnesota's Food Stamp Quality Control System operates under a waiver of the federal regulation requiring reviewers to be state employees. Currently, 4 supervisors and 19 reviewers are employed by 4 county welfare departments. The state supplies "technical" supervision to this staff, but has no authority to hire and fire.

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	105.4	104.8	121.0	124.5	125.4

ALTERNATIVES/BUDGET ISSUES (Contd.)

1. State take-over with state paying costs.
2. State take-over with state and county sharing costs, same as now.
3. System left as is.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: OPERATIONS REVIEW

MANAGEMENT ACTIVITY: FOOD STAMP REVIEW

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	191.6	195.1	218.1	223.6		223.6	223.6		223.6	223.6	223.6
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL		.1									
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	191.6	195.2	218.1	223.6		223.6	223.6		223.6	223.6	223.6
EXPENSES & CONTRACTUAL SERVICES	18.2	15.9	22.1	23.6		23.6	25.3		25.3	23.2	24.4
SUPPLIES & MATERIALS	.4	.3	.7	.7		.7	.8		.8	.7	.8
EQUIPMENT	.1		1.0	1.1		1.1	1.1		1.1	1.1	1.1
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	210.3	211.4	241.9	249.0		249.0	250.8		250.8	248.6	249.9
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	210.3	211.4	241.9	249.0		249.0	250.8		250.8	248.6	249.9
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	210.3	211.4	241.9	249.0		249.0	250.8		250.8	248.6	249.9
POSITIONS BY FUND											
GENERAL	9.0	7.0	7.0	7.0		7.0	7.0		7.0	7.0	7.0
TOTAL POSITIONS	9.0	7.0	7.0	7.0		7.0	7.0		7.0	7.0	7.0

ACTIVITY: CORRECTIVE ACTION 1983-85 Biennial Budget
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

ACTIVITY DESCRIPTION: This activity exists to reduce the incidence of ineligible client participation, underpayment, and overpayment in Aid to Families With Dependent Children (AFDC), Medical Assistance (MA), Food Stamps (FS), General assistance (GA) and General Assistance Medical Care (GAMC) programs. The methods used include: examining errors and error rates reported by quality control; determining the reason for inaccurate payments; and proposing changes to reduce inaccurate payments.

This activity concentrates on reducing payment error in AFDC, MA, and Food Stamps. Corrective action plans are developed for AFDC and MA semiannually, and for Food Stamps within 60 days of identification of any deficiency. These plans are submitted to federal agencies and to department managers.

The major functions of this activity are:

1. To maintain the low error rate achieved in AFDC and MA; within federal constraints, maintain noncenteror reduce error rates for all programs below federal target levels.
2. To pursue all administrative and legal remedies available to prevent an actual disallowance of federal funds if Minnesota is sanctioned based on error rates.
3. To provide local agencies with management tools for effective, consistent income and case management to at least 12 counties.
4. To promote consistent application of program policies by drafting revisions in program manuals and conducting a series of statewide training sessions during each year of the biennium

ACCOMPLISHMENTS AND STATISTICS: Significant reductions in AFDC and MA payment error rates have occurred from 1973 through 1981. This has resulted in avoiding approximately \$107 million in overpayments and payments to ineligible cases during that period (after subtracting the costs of Corrective Action and Quality Control Activities). In each program, practice is more uniform state-wide and treatment of clients is more consistent and equitable.

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated, F.Y. 1983 ¹	Obj./Est. ¹ F.Y. 1984 ¹	Obj./Est. ¹ F.Y. 1985 ¹
1. Percent of Payments in Error:					
AFDC	2	2.4	-0-	-0-	-0-
Medical Assistance	0.2	0.2	-0-	-0-	-0-
Percent Food Stamp Allotments in Error (includes underissuance):	7.8	8.0	-0-	-0-	-0-
2. Technical Assistance to Counties	6	6	6	6	6
3. Training Series	1	2	-0-	-0-	-0-

¹ Major changes in federal program policies and in federal assessment procedures make future error rates impossible to predict and impede error control.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	89.0	98.3	130.3	138.2	140.9

ALTERNATIVES/BUDGET ISSUES:

1. Corrective action is required by federal agencies. It is necessary for cost containment at the state level.
2. Federal legislation requires the Department of Health and Human Services (DHHS) and the United States Department of Agriculture (USDA) to impose fiscal sanctions on states which do not achieve specified error rates.
3. Error rates in all of the programs can be expected to increase as the result of recent federal program changes. Substantial federal fiscal sanctions will be imposed if Minnesota's error rates are not maintained below or reduced to levels specified by federal legislation.

LEGISLATIVE ISSUES:

Legislation will be prepared that will allow the state to share federal fiscal sanctions, which are imposed as a result of quality control errors, to be shared with the counties.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: OPERATIONS REVIEW

MANAGEMENT ACTIVITY: CORRECTIVE ACTION

AGENCY: PUBLIC WELFARE,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	157.3	184.6	195.2	206.5		206.5	206.5		206.5	206.5	206.5
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY	.1										
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	157.4	184.6	195.2	206.5		206.5	206.5		206.5	206.5	206.5
EXPENSES & CONTRACTUAL SERVICES	19.2	17.4	69.2	74.0		74.0	79.2		79.2	72.5	76.3
SUPPLIES & MATERIALS	.3	.3	1.1	1.2		1.2	1.3		1.3	1.2	1.3
EQUIPMENT			.4	.4		.4	.5		.5	.4	.5
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	176.9	202.3	265.9	282.1		282.1	287.5		287.5	280.6	284.6
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	176.9	202.3	265.9	282.1		282.1	287.5		287.5	280.6	284.6
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	176.9	202.3	265.9	282.1		282.1	287.5		287.5	280.6	284.6
POSITIONS BY FUND											
GENERAL	6.5	6.5	6.5	6.5		6.5	6.5		6.5	6.5	6.5
TOTAL POSITIONS	6.5	6.5	6.5	6.5		6.5	6.5		6.5	6.5	6.5

4-0199

ACTIVITY: INCOME MAINTENANCE REPORTS AND STATISTICS 1983-85 Biennial Budget
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

ACTIVITY DESCRIPTION:

This activity develops and produces statistical reports on caseloads, costs and trends in income maintenance programs. Reports are required by federal agencies and the planning and evaluation needs of the Governor, the department and the legislature. This activity also monitors and forecasts income maintenance expenditures, prepares fiscal notes on proposed legislation, and analyzes the fiscal impact of federal legislation affecting income maintenance programs.

The major functions of this activity are:

- 1. To forecast income maintenance expenditures for future periods on a quarterly basis.
- 2. To analyze issues pertinent to the policies and management of income maintenance and prepare fiscal notes for bills pertaining to income maintenance.
- 3. To provide information on specified topics in response to requests from departmental sources, other areas of government, and the public.
- 4. To provide reports to the department, the Governor, the legislature, and federal agencies as required by law and as necessary to assist in planning and evaluation.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Major Forecast Statements ¹	5	4	6	4	6
Fiscal Notes and Analyses ²	15	12	12	12	12
Information Requests Per Month	40	45	50	50	50
Major Federal and State Reports (Analysis and Special Format)	24	26	28	28	28
Minor Federal and State Reports (Standard Format)	88	88	88	88	88

¹ These forecasts are a composit of numerous component analyses. Most forecast statements represent several man months of effort.
² Only formally reported work and only initial analyses are counted. Work on an omnibus bill would be counted as one output, despite the multiple analyses which might be involved.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	107.2	113.7	139.4	136.7	138.9

ALTERNATIVES/MAJOR ISSUES:

The work of this activity has been increased and complicated by the need to analyze major changes in income maintenance programs which have been required by recent federal and state legislation. More special analyses are required during all phases of the changes from proposal to implementation, and routine reporting is complicated by the need to assess the impact of the changes.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: OPERATIONS REVIEW

MANAGEMENT ACTIVITY: IM REPORTS & STATISTICS

AGENCY: PUBLIC WELFARE,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	203.5	262.5	306.3	293.3		293.3	293.3		293.3	293.3	293.3
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER		.3									
-PREMIUM PAY											
-OVERTIME PAY		.2									
-MISCELLANEOUS PAYROLL		.2									
-OTHER BENEFITS	.2										
TOTAL PERSONAL SERVICES	203.7	263.2	306.3	293.3		293.3	293.3		293.3	293.3	293.3
EXPENSES & CONTRACTUAL SERVICES	92.7	68.8	78.2	83.7		83.7	89.5		89.5	82.2	86.2
SUPPLIES & MATERIALS	.4	.9	1.0	1.1		1.1	1.1		1.1	1.1	1.1
EQUIPMENT		.5	1.6	1.7		1.7	1.8		1.8	1.7	1.7
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	296.8	333.4	387.1	379.8		379.8	385.7		385.7	378.3	382.3
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	296.8	333.4	387.1	379.8		379.8	385.7		385.7	378.3	382.3
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	296.8	333.4	387.1	379.8		379.8	385.7		385.7	378.3	382.3
POSITIONS BY FUND											
GENERAL	10.0	11.0	11.0	11.0		11.0	11.0		11.0	11.0	11.0
TOTAL POSITIONS	10.0	11.0	11.0	11.0		11.0	11.0		11.0	11.0	11.0

4-01101

ACTIVITY: ASSISTANCE PAYMENTS
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	510.9	565.7	707.8	724.7	744.7

ACTIVITY DESCRIPTION: The assistance payments programs provide cash grants or in-kind assistance to low income families or individuals. The cash grant programs are Aid to Families with Dependent Children (AFDC), General Assistance (GA), and Minnesota Supplemental Aid (MSA). In-kind assistance is through the Food Stamp Program. The activity also includes the Early Periodic Screening Diagnosis and Treatment Program (EPSDT), child health services, work and training (assisting recipients to obtain employment), and the Refugee Assistance Office (coordination of programs for refugees funded through federal grants and appropriations). Individual families are entitled to program benefits if they meet financial and other criteria. Financial assistance is based on established standards and income. Service entitlements are based on client need and program resources. The state agency supervises the programs administered by the local agencies.

The major functions of this activity are:

1. To timely implement regulations so that benefits are uniformly available.
2. To analyze proposed state or federal changes so that the needs of Minnesota and welfare recipients are evaluated.
3. To provide technical assistance, local agency consultation, and program training to counties.
4. To identify and resolve potential state and local compliance problems so that fiscal sanctions are not incurred.

<u>ACCOMPLISHMENTS AND STATISTICS:</u>	<u>Actual F.Y. 1981</u>	<u>Actual F.Y. 1982</u>	<u>Estimated F.Y. 1983</u>	<u>Obj./Est. F.Y. 1984</u>	<u>Obj./Est. F.Y. 1985</u>
Program Changes Implemented					
Within 90 days of Receipt from					
Federal Agency	95%	95%	90%	90%	90%
Analyses of Proposed Changes	6	8	8	10	10
No. of Local Agencies Given					
On-Site Technical Assistance	30	33	30	30	30
No. of Program Training					
Sessions Offered to Local					
Agencies	75	75	75	70	70

ALTERNATIVES/BUDGET ISSUES: The programs within Assistance Payments exist because of federal or state legislative mandate. These mandates reflect recognized social concerns and needs of low income citizens for public financial support and for publicly provided services to assure health and economic participation. The levels of staff and resource have been established to meet public responsiveness, accountability, and full, uniform implementation of program standards and requirements. Because these programs are of great public concern they are subject to continuing change from the federal and state legislatures, courts, and administrations, as well as demands from local agencies and clients for clearer policies and easier administration.

EXPLANATION OF BUDGET REQUEST:

The explanation of budget request is contained in the management activities which follow.

GOVERNOR'S RECOMMENDATIONS

The Governor recommends a \$14,478,000 increase to the AFDC activity to provide a 5% cost of living adjustment for eligible recipients each year of the biennium.

The Governor also recommends the requested levels of funding for the Minnesota Supplemental Assistance (MSA) program.

The Governor further recommends that \$42,690.1 of the requested change level for General Assistance grants be deleted and transferred to the Department of Employment Security for a jobs program administered by that agency. The Governor recommends that the GA eligibility restrictions which are due to expire on 6-30-83 be extended to 6-30-85. This will allow this program to continue to meet its responsibilities as a public assistance program while those jobless individuals with marketable skills will be referred to Employment Security for job placement.

The Governor concurs in the agency's request for same level funding for the administrative activities in this program. However, adjustments have been made to modify inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: ASSISTANCE PAYMENTS

PROGRAM: INCOME MAINTENANCE

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	654.4	773.9	1,041.8	1,050.1		1,050.1	1,050.1		1,050.1	1,050.1	1,050.1
-REGULAR UNCLASSIFIED	169.9	132.5									
-PART-TIME/SEAS./OTHER	58.1	37.2	20.0	20.4		20.4	20.4		20.4	20.4	20.4
-PREMIUM PAY		.2									
-OVERTIME PAY	.2	3.3									
-MISCELLANEOUS PAYROLL	.2										
-OTHER BENEFITS	.6										
TOTAL PERSONAL SERVICES	883.4	947.1	1,061.8	1,070.5		1,070.5	1,070.5		1,070.5	1,070.5	1,070.5
EXPENSES & CONTRACTUAL SERVICES	499.2	456.9	673.2	720.2		720.2	770.7		770.7	710.3	749.1
SUPPLIES & MATERIALS	3.8	3.3	6.4	6.8		6.8	7.4		7.4	6.8	7.1
EQUIPMENT	.4	1.5	2.3	2.5		2.5	2.5		2.5	2.5	2.5
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	255,206.5	263,218.7	247,381.6	247,008.9	35,544.7	282,553.6	247,008.9	34,480.7	281,489.6	263,784.5	272,046.6
OTHER EXPENSE ITEMS											
INTERAGENCY TRANSFERS				385.2		385.2	385.2		385.2	385.2	385.2
TOTAL EXPENDITURES	256,593.3	264,627.5	249,125.3	249,194.1	35,544.7	284,738.8	249,245.2	34,480.7	283,725.9	265,959.8	274,261.0
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	99,064.5	106,760.5	109,433.3	109,859.3	30,584.7	140,444.0	109,898.5	29,827.7	139,726.2	121,665.0	130,261.3
DEDICATED APPROPRIATIONS:											
GIFTS AND DEPOSITS		111.5	399.5	176.8		176.8	176.8		176.8	176.8	176.8
FEDERAL	157,528.8	157,755.5	139,292.5	139,158.0	4,960.0	144,118.0	139,169.9	4,653.0	143,822.9	144,118.0	143,822.9
TOTAL FINANCING	256,593.3	264,627.5	249,125.3	249,194.1	35,544.7	284,738.8	249,245.2	34,480.7	283,725.9	265,959.8	274,261.0
POSITIONS BY FUND											
GENERAL	26.5	25.5	25.5	25.5		25.5	25.5		25.5	25.5	25.5
FEDERAL	16.5	8.5	9.5	9.5		9.5	9.5		9.5	9.5	9.5
TOTAL POSITIONS	43.0	34.0	35.0	35.0		35.0	35.0		35.0	35.0	35.0

4-01103

ACTIVITY: ADMINISTRATION OF ASSISTANCE PAYMENTS
 Program: INCOME MAINTENANCE
 Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity provides overall management support to insure that assistance programs are efficiently and uniformly operated throughout the local agencies. To accomplish its purpose, the activity develops rules, policies and procedures and works for uniform use of them by the local agencies. It provides policies, procedures and technical assistance to help reduce fraud; resolves disputes about the county of financial responsibility; provides statistical support services to division programs; and represents the programs in policy matters involving federal and state agencies.

The major functions of this activity are:

1. To develop, implement and monitor interagency agreements with other state departments in order to maximize program efficiency and reduce duplication of effort.
2. To provide local agencies with policies, procedures and technical assistance concerning fraud in income maintenance programs.
3. To determine county of financial responsibility for payments in all disputed cases.
4. To review, research and recommend commissioner's disposition of proposed orders resulting from public assistance client appeals.
5. To provide statistical support services to division programs.
6. To represent the programs with federal and state agencies at the policy level.
7. To coordinate policies and procedures of cash assistance programs and food stamps to maximize consistency of local agency operations and reduce duplication of effort.

<u>ACCOMPLISHMENTS AND STATISTICS:</u>	<u>Actual</u> <u>F.Y. 1981</u>	<u>Actual</u> <u>F.Y. 1982</u>	<u>Estimated</u> <u>F.Y. 1983</u>	<u>Obj./Est.</u> <u>F.Y. 1984</u>	<u>Obj./Est.</u> <u>F.Y. 1985</u>
Formal contracts/agreements with other agencies	14	15	15	15	15
No. of welfare fraud cases investigated	3494 ¹	3648	3400	3200	3200
No. of cases identified as possible fraud & referred to law enforcement	1084	916	1050	1200	1200
No. of resolutions to settlement disputes	92	138	225	300	300
No. of recommendations relating to proposed appeal orders	336	415	400	300 ²	300
Statistical reports submitted to federal/state agencies on time	95%	95%	95%	95%	95%
Analysis of major program change proposals	6	8	8	10	10

<u>ACTIVITY GENERATES</u> <u>NON-DEDICATED REVENUE</u>	<u>ACTUAL</u> <u>F.Y. 1981</u>	<u>ACTUAL</u> <u>F.Y. 1982</u>	<u>ESTIMATE</u> <u>F.Y. 1983</u>	<u>ESTIMATE</u> <u>F.Y. 1984</u>	<u>ESTIMATE</u> <u>F.Y. 1985</u>
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	122.2	130.0	150.5	146.1	146.6

ACCOMPLISHMENTS AND STATISTICS: (Cont'd)

- ¹ Significant increases in fraud referrals resulted from the inclusion of additional programs in the reporting system and greatly increased referrals from the public sector.
- ² The anticipated use of conference telephone calls in welfare appeals should result in fewer appeals needing subsequent review.
- ³ These reports include WIN and Fraud statistics which are not produced by the Reports and Statistics activity.

ALTERNATIVES/BUDGET ISSUES:

The alternatives available in the administration of assistance payments are those of internal organization and level of effort. The activities are required by federal and state law. Decreasing staff or program resources would diminish accountability, generate greater county variances in program administration, and decrease state leadership in fraud control.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: ASSISTANCE PAYMENTS

MANAGEMENT ACTIVITY: ADMIN ASSISTANCE PAYMENTS

AGENCY: PUBLIC WELFARE,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	165.5	179.4	211.4	204.3		204.3	204.3		204.3	204.3	204.3
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	1.7	1.2									
-PREMIUM PAY											
-OVERTIME PAY		1.3									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.5										
TOTAL PERSONAL SERVICES	167.7	181.9	211.4	204.3		204.3	204.3		204.3	204.3	204.3
EXPENSES & CONTRACTUAL SERVICES	5.7	7.0	9.4	10.1		10.1	10.7		10.7	10.0	10.3
SUPPLIES & MATERIALS	.6	.6	.4	.4		.4	.5		.5	.4	.5
EQUIPMENT	.1		.1	.1		.1	.1		.1	.1	.1
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	174.1	189.5	221.3	214.9		214.9	215.6		215.6	214.8	215.2
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	174.1	189.5	221.3	214.9		214.9	215.6		215.6	214.8	215.2
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	174.1	189.5	221.3	214.9		214.9	215.6		215.6	214.8	215.2
POSITIONS BY FUND											
GENERAL	5.5	5.5	5.5	5.5		5.5	5.5		5.5	5.5	5.5
TOTAL POSITIONS	5.5	5.5	5.5	5.5		5.5	5.5		5.5	5.5	5.5

4-01105

ACTIVITY: SUPERVISION OF AFDC, MSA AND GA
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity ensures that the cash assistance programs administered by local agencies - Aid to Families with Dependent Children (AFDC), Minnesota Supplemental Aid (MSA), General Assistance (GA) and the temporary Crisis Fuel Plan-are operated in conformity with policies established by Minnesota statute and federal regulation. The primary vehicles for the development and supervision of the programs within this activity are state rules; program manuals and bulletins; and the policy center, which responds to approximately 400 inquiries monthly from local agencies regarding specific eligibility determination problems. This activity also has responsibility for communicating with the public and its elected officials regarding program policy. Other functions include supervision and technical assistance to local agencies and liaison with federal and state agencies.

The major functions of this activity are:

1. To develop and issue AFDC, MSA and GA policy through public rulemaking and program manuals, so that it accurately reflects legislative intent and federal regulations.
2. To supervise the application of program policy and procedures in the local agencies, and provide training and technical assistance.
3. To provide timely, accurate, and useful information regarding these programs to local agencies, federal and state elected officials, other departmental units, the public, welfare clients, and special interest groups.

ACCOMPLISHMENTS AND STATISTICS:	Actual	Actual	Estimated	Obj./Est.	Obj./Est.
	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
State rule revisions	-0-	-0-	2	1	1
Program manual revisions	1	2	2	2	2
AFDC Correct Payment Rate	98.0%	97.6%	96.0%	97.0%	97.0%
Avg. No. of days to provide a response to Policy Center inquiry (in days)	5.5	4.7	5	5.5	5.5
Percent of Requests for Infor. from the Public, Elected Officials & Federal Agencies Responded to Within 7 Days	80%	75%	75%	75%	75%

ALTERNATIVES/BUDGET ISSUES:

Recent federal and state legislative actions have significantly altered programs administered by this activity. Two factors, an increase in the population at financial risk caused by economic conditions and tightening eligibility requirements have substantially

ACTIVITY GENERATES NON-DEDICATED REVENUE <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
	94.9	110.7	116.5	126.4	130.5

ALTERNATIVES/BUDGET ISSUES: (Contd.)

increased work demands in this activity. The demand to disseminate revised manual and instructional materials to local agencies and respond to confused and angry constituents has increased. Response time in the policy center and direct on-site assistance to counties have suffered because of these program changes and will continue to do so until program stability is achieved.

EXPLANATION OF BUDGET REQUEST:

The explanation of budget request concerning the Grants and Aids are contained on the Grant and Aid Analysis forms which follow.

The same level of funding is requested for the administrative functions of this activity.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding or administrative functions to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

The Governor further recommends a cost of living increase for AFDC recipients of 5% each year of the biennium. This increases the funding needed for this activity by \$4,693,000 in F.Y. 1984 and \$9,785,000 in F.Y. 1985. These increases are necessary to provide adequate support levels to eligible recipients.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: ASSISTANCE PAYMENTS

MANAGEMENT ACTIVITY: SUPERVISION AFDC-MSA-6A

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	140.0	182.0	197.8	217.0		217.0	217.0		217.0	217.0	217.0
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	.4										
-PREMIUM PAY	.1	.3									
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	140.5	182.3	197.8	217.0		217.0	217.0		217.0	217.0	217.0
EXPENSES & CONTRACTUAL SERVICES	115.1	157.7	164.8	176.2		176.2	188.9		188.9	173.0	181.9
SUPPLIES & MATERIALS	.5	.4	1.3	1.4		1.4	1.5		1.5	1.4	1.4
EQUIPMENT		.4	.3	.3		.3	.3		.3	.3	.3
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	221,806.6	232,146.0	216,513.3	216,513.3	35,544.7	252,058.0	216,513.3	34,480.7	250,994.0	233,288.9	241,551.0
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	222,062.7	232,486.8	216,877.5	216,908.2	35,544.7	252,452.9	216,921.0	34,480.7	251,401.7	233,680.6	241,951.6
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	98,303.2	106,051.4	108,447.5	108,478.2	30,584.7	139,062.9	108,491.0	29,827.7	138,318.7	120,290.6	128,868.6
DEDICATED APPROPRIATIONS:											
FEDERAL	123,759.5	126,435.4	108,430.0	108,430.0	4,960.0	113,390.0	108,430.0	4,653.0	113,083.0	113,390.0	113,083.0
TOTAL FINANCING	222,062.7	232,486.8	216,877.5	216,908.2	35,544.7	252,452.9	216,921.0	34,480.7	251,401.7	233,680.6	241,951.6
POSITIONS BY FUND											
GENERAL	6.5	7.5	7.5	7.5		7.5	7.5		7.5	7.5	7.5
TOTAL POSITIONS	6.5	7.5	7.5	7.5		7.5	7.5		7.5	7.5	7.5

GRANTS AND AIDS ANALYSIS FOR: AID TO FAMILIES WITH DEPENDENT CHILDREN GRANTS 1983-85 Biennial Budget

Activity: SUPERVISION OF AFDC, MSA, AND GA
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256.12, Subd. 14; 256.72 - 256.87

PURPOSE: The Aid to Families with Dependent Children program (AFDC) provides income assistance to low income families when there has been a breakdown in parental support or care due to the death, absence, incapacity or unemployment of a parent. The program also provides an opportunity for self-support through various employment incentives and an opportunity to strengthen family life by keeping family members together.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Grants for the Aid to Families with Dependent Children program are applied uniformly to all eligible families throughout parental support or care due to the death, incapacity, continued absence or unemployment of a parent. In addition to meeting the deprivation factor the family's income and resources must be within the allowable limits set forth by the Congress and Minnesota legislature. The income standards for the AFDC program vary depending on the size and composition of the household. In no event can gross income exceed 150% of the standard of need established by the legislature. The resource standards for the AFDC program allow a homestead to be excluded if it is owned and occupied by the client, along with \$1,000 in liquid resources (cash, stocks, bonds) and one motor vehicle with an equity of not more than \$1,500. An expectant mother is her last 3 months of pregnancy can receive AFDC for herself if she has no other children and if she is otherwise eligible for AFDC. Eligibility for AFDC qualifies the family for Medical Assistance. The AFDC program provides emergency assistance for families with children under age 21 who are in a crisis situation which cannot be resolved with the family's own available resources.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Grant amounts for the AFDC program vary depending on size and composition of the family. The grant that a family receives is determined by subtracting the available earned and unearned income from the applicable AFDC standard for that size family. Funding for the AFDC program is shared by federal, state and county governments with the federal agency paying approximately 55% of the cost and the state paying 85% of the non-federal share.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Total expenditures (in thousands)	\$206,474.3	\$207,938.2	\$199,680.0	\$215,710.0	\$221,950.0
Average monthly recipients	150,026	142,307	134,232	138,756	141,707
Average monthly payment/person	\$114.69	\$121.77	\$123.96	\$129.55	\$130.52

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-03-37-372-05
*** DOLLARS IN THOUSANDS (137,522=137.5) ***							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
OTHER AIDS TO INDIVIDUALS							
GENERAL	71,657.3	81,664.5	78,439.0	85,327.0	86,574.0	90,020.0	96,359.0
FEDERAL	123,759.5	126,435.4	108,430.0	113,390.0	113,083.0	113,390.0	113,083.0
SUBTOTAL	195,416.8	208,099.9	186,869.0	198,717.0	199,657.0	203,410.0	209,442.0
ALL RECIPIENTS BY FUND							
GENERAL	71,657.3	81,664.5	78,439.0	85,327.0	86,574.0	90,020.0	96,359.0
FEDERAL	123,759.5	126,435.4	108,430.0	113,390.0	113,083.0	113,390.0	113,083.0
TOTAL	195,416.8	208,099.9	186,869.0	198,717.0	199,657.0	203,410.0	209,442.0

ALTERNATIVES/BUDGET ISSUES:

The 1982 legislature passed Chapter 640, which raises the standard of need for earned income cases by 35%. The effect of this legislation is to allow more working recipients to retain eligibility for AFDC. The state plan amendment reflecting this policy has not been approved by the Department of Health and Human Services and it appears likely that court action will be necessary to resolve the issue.

The Omnibus Budget Reconciliation Act (OBRA) of 1981 brought significant changes to the AFDC program. Every indication from the federal budget considerations for federal fiscal year 1983, points to additional program modifications. It is not known at this time what those changes will be and what case load and impact may result.

EXPLANATION OF BUDGET REQUEST:

In order to satisfy existing statutes, an increase of \$15,023,000 is requested for the biennium; \$6,888,000 in F.Y. 1984 and \$8,135,000 in F.Y. 1985.

GOVERNOR'S RECOMMENDATION:

The Governor recommends a cost of living increase for AFDC recipients of 5% each year of the biennium. This increases the agency's request by \$4,693,000 in F.Y. 1984 and \$9,785,000 in F.Y. 1985. These increases are necessary to provide adequate support levels to eligible recipients.

GRANTS AND AIDS ANALYSIS FOR: GENERAL ASSISTANCE GRANTS 1983-85 Biennial Budget

Activity: SUPERVISION OF AFDC, MSA AND GA
Program: INCOME MAINTENANCE
Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256D.01 - 256D.18

PURPOSE:

The Minnesota General Assistance program provides maintenance grants to individuals and families not eligible for federally-funded income assistance who meet program eligibility categories and whose income and resources are less than the program standards. The program is administered by local county agencies and supervised by the Department of Public Welfare.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

General Assistance (GA) grants are available through the local agencies to meet shelter utility, basic and special needs of Minnesota residents who meet the following criteria:

- 1. They are not eligible for federally-funded income assistance programs (except residents of battered women's shelters).
- 2. They fit one or more of the following eligibility categories:
 - a. suffering from an illness, injury or incapacity which is medically certified and which prevents the person from obtaining employment
 - b. required in the home to care for another household member suffering from a medically certified illness, injury or incapacity
 - c. placed in a licensed or certified facility for physical or mental treatment or rehabilitation
 - d. residing in a battered women's shelter
 - e. displaced as a homemaker
 - f. unable to secure employment due to lacking English language skills
 - g. diagnosed by a physician or licensed consulting psychologist as mentally ill or retarded
 - h. lacking marketable job skills (limited to 5 weeks of assistance per year)
 - i. awaiting decision on an application for SSI or on an appeal of the termination of SSI benefits
 - j. (beginning 1-1-83) unable to obtain suitable employment due to advanced age.
- 3. They do not possess more than \$1,000 in liquid resources, a motor vehicle with more than \$1,500 equity, or nonhomestead real estate.
- 4. Their net monthly income does not exceed total state or local agency grant standards.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

Grant limits are specified in schedules based on household composition published by the commissioner subject to policy specified in 12 MCAR §2.055 and M.S. 256D.01. As of July, 1982, an individual living alone in his or her own apartment with no other income would receive approximately \$186.00.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-03-37-372-06	
	ACTUAL FY1981	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *		AGENCY ESTIMATES		RECOMMENDATIONS	
		ACTUAL FY1982	ESTIM. FY1983	FY1984	FY1985	FY1984	FY1985
OTHER AIDS TO INDIVIDUALS GENERAL	17,881.6	13,785.5	17,741.9	41,204.0	38,496.0	17,741.9	19,268.0
SUBTOTAL	17,881.6	13,785.5	17,741.9	41,204.0	38,496.0	17,741.9	19,268.0

ALL RECIPIENTS BY FUND GENERAL	17,881.6	13,785.5	17,741.9	41,204.0	38,496.0	17,741.9	19,268.0
TOTAL	17,881.6	13,785.5	17,741.9	41,204.0	38,496.0	17,741.9	19,268.0

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Total Expenditures (in thousands)	\$28,900.4	\$18,306.4	\$19,445.0	\$50,284.0	\$51,388.0
Monthly Avg. No. of Recipients	17,330	8,510	8,064	26,365	26,207
Avg. individual grant per person	\$156.45	\$201.82	\$223.27	\$176.59	\$181.56

ALTERNATIVES/BUDGET ISSUES:

There is a sunset provision in M.S. 256D.05, Subd. 1.a. which eliminates the 10 GA categories of eligibility effective 6-30-83. If the sunset provision goes into effect without legislative action, the GA program goes back to general eligibility for all persons. The options are:

- . extending the existing program;
- . eliminating the program;
- . expanding the program so more persons are eligible; or
- . restricting the eligibility factors even more so fewer persons remain eligible.

Should the Legislature choose not to fully fund the GA program, the department recommends that funds appropriated be distributed to counties in block grants.

EXPLANATION OF BUDGET REQUEST:

To satisfy existing statutes, an increase of \$44,216,200 is requested for the biennium; \$23,462,100 in F.Y. 1984 and \$20,754,100 in F.Y. 1985.

GOVERNOR'S RECOMMENDATION:

The Governor recommends that \$ 42,690.1 of the requested change level for General Assistance grants be deleted and used for a jobs program. The Governor recommends that the GA eligibility restrictions which are due to expire on 6-30-83 be extended to 6-30-85. This will allow this program to continue to meet its responsibilities as a public assistance program while those jobless individuals with marketable skills will be referred to Employment Security for job placement or job training.

GRANTS AND AIDS ANALYSIS FOR: MINNESOTA SUPPLEMENTAL AID 1983-85 Biennial Budget

Activity: SUPERVISION OF AFDC, MSA AND GA
Program: INCOME MAINTENANCE
Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256D.36 - 256D.41

PURPOSE:

Minnesota Supplemental Aid (MSA) provides a monthly payment to aged, blind or disabled persons whose federal Supplemental Security Income (SSI) or other income is below state standards for food, shelter and other basic necessities. The program also can provide financial help to resolve an emergency situation such as a lack of heating fuel, food or shelter.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

In order to qualify for MSA, clients must be age 65 or over, blind or disabled.

I. Persons age 65 or over may qualify for MSA if:

- Their net income does not exceed MSA payment standards. These depend on their living arrangements and where they live in the state.
- The equity in the home or mobile home in which they live and its land is worth \$45,478 or less.
- There is no more than \$750 in a prepaid burial account, and not over \$200 interest has accumulated in each account.
- The total cash surrender value of all life insurance policies available is \$1,000 or less.
- Their automobile is worth not more than \$1,650. The automobile can be worth more if:
 - it is used to go to work
 - it is used for training
 - it is used to look for work
 - the person is temporarily out of work because of illness or injury, or
 - it is used for necessary medical care.
- The total value of personal property is less than \$300 for single or \$450 for married persons. Personal property includes such things as trust funds, contracts-for-deeds, and the equity value of extra vehicles, as well as cash on hand and in the bank.

II. Persons under 65 but disabled according to SSI rules, may qualify for MSA provided they meet the same qualifications as persons in the aged category, except:

- The total cash surrender value of all life insurance policies must be \$500 or less.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-03-37-372-07
	*** DOLLARS IN THOUSANDS (137,522=137.5) ***						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
OTHER AIDS TO INDIVIDUALS							
GENERAL	8,508.2	10,260.6	11,902.4	12,137.0	12,841.0	12,137.0	12,841.0
SUBTOTAL	8,508.2	10,260.6	11,902.4	12,137.0	12,841.0	12,137.0	12,841.0

ALL RECIPIENTS BY FUND							
GENERAL	8,508.2	10,260.6	11,902.4	12,137.0	12,841.0	12,137.0	12,841.0
TOTAL	8,508.2	10,260.6	11,902.4	12,137.0	12,841.0	12,137.0	12,841.0

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: (Contd.)

III. Blind persons may qualify for MSA provided they meet the same qualifications as the aged category, except:

- They may have personal property totaling \$2,000 if single or \$4,000 if married. Within this total, persons may have a prepaid burial account with up to \$750 with no more than \$200 accumulated interest. Also included in the personal property total is the cash surrender value of life insurance.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

MSA can help pay for food, utilities, shelter, personal needs and household supplies. The amount persons receive in benefits depends upon their situation. As of July, 1982, an individual living alone in an apartment with no other income would receive no less than \$296. Additional payments for telephone, newspaper, transportation and special diets may also be considered if the client can show a need for them. MSA can also pay for unusual needs including housing repairs, furniture, appliances, moving expenses, etc. What can be paid for and the amount that can be paid depends upon the client's situation.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Total expenditures (in thousands)	\$11,082.8	\$11,952.9	\$13,493.0	\$14,279.0	\$15,107.0
Montly avg. no. of recipients	10,421	10,202	10,491	10,476	10,576
Avg. monthly individual payments	\$88.62	\$97.64	\$107.14	\$113.59	\$119.04

EXPLANATION OF AGENCY ESTIMATES:

An increase of \$1,173,200 is requested for the biennium; \$234,600 in F.Y. 1984 and \$938,600 in F.Y. 1985.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

ACTIVITY: SUPERVISION OF THE FOOD STAMP PROGRAM
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: This activity supervises all local agencies which administer federal and state regulations governing program eligibility standards, the issuance of stamps, and the accountability of the program. Under the current program, local agencies issue approximately \$7.4 million in food stamp benefits to approximately 80,000 Minnesota households or 210,000 persons every month. The average monthly allotment per household is \$88.79 or \$1.11 per person per day. The annual total of \$89 million in food stamps are 100% federally funded. The activity reviews, analyzes and interprets United States Department of Agriculture (USDA) regulations and provides operating instructions to local agencies. Technical assistance is provided to local agencies in program administration. Training of local agency staff is provided on a regularly scheduled basis and on request.

The major functions of this activity are:

1. To analyze and implement new or modified regulations in a timely manner.
2. To develop, maintain and issue state policy manual material to local agencies that accurately reflects USDA regulations.
3. To supervise 87 local Food Stamp Programs so that USDA regulations and state policies are uniformly applied to applicants and recipients.
4. To provide technical assistance, local agency consultation, and training to staffs of 87 local food stamp offices.
5. To prepare timely and accurate program reports for USDA.
6. To assist local agencies with resolution of Food Stamp Program compliance issues resulting from USDA audits.
7. To review quality control data and test corrective action recommendations on policy and procedures to improve program operation.
8. To assess the impact of demonstration projects, and to report findings and make recommendations.

ACCOMPLISHMENTS AND STATISTICS:

1. Food Stamp Regulations are analyzed within 30 days and implemented within 60 days of issuance. Responses to proposed regulations are prepared, when appropriate, within time limits.
2. Ninety percent (90%) of manual material is prepared and issued within 60 days of receipt of federal policy.
3. The food stamp error rate for eligibility and correctness of benefit amounts will be 7% or lower in F.Y. 1983-84.
4. A goal of 1 technical assistant visit per county has been set for F.Y. 1983-84. Past experience has been that technical assistance is provided to from 1/3 to 1/2 of the counties each year.
5. Ninety-five percent (95%) of all requests for technical assistance from county food stamp offices are filed within 15 days.
6. A minimum of 6 training sessions will be conducted each year. These include new worker training, refresher courses, new policy courses, migrant county training and "special" request workshops.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	96.2	91.8	120.4	115.2	118.3

ACCOMPLISHMENTS AND STATISTICS (Contd)

7. Ninety percent (90%) of federal reports will be prepared and submitted in a timely manner. Efforts will continue to be made to improve the county submission rate so the state rate can be improved.
8. Resolution of 90% of compliance issues and audit deficiencies will be accomplished within 90 days.
9. Corrective Action Reports will be reviewed and recommendations made within 30 days. Recommendations will be implemented within 90 days.
10. Implementation of new policy and procedures will be done 30 days after the due date.
11. All demonstration projects will be monitored and assessed as required.

ALTERNATIVES/BUDGET ISSUES: USDA has issued partial regulations needed to implement the 1977 Food Stamp Act and food stamp legislation passed in 1981. DPW has completed 90% of the implementation on schedule. The remaining regulations will be implemented as they are issued by USDA.

Increased activity is required in several areas of the Food Stamp Program including Corrective Action, fraud determinations, investigation and prosecution of suspected fraud cases, processing of overissuance claims and demonstration projects.

EXPLANATION OF BUDGET REQUEST: The same level of funding is requested.

GOVERNOR'S RECOMMENDATION: The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-1985 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: ASSISTANCE PAYMENTS

MANAGEMENT ACTIVITY: SUPERVISION - FOOD STAMPS

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL	ACTUAL	ESTIMATED	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
	F.Y. 1981	F.Y. 1982	F.Y. 1983	SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	99.3	117.7	159.4	143.3		143.3	143.3		143.3	143.3	143.3
-REGULAR UNCLASSIFIED		.9									
-PART-TIME/SEAS./OTHER	19.8	27.2									
-PREMIUM PAY											
-OVERTIME PAY		.4									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	119.1	146.2	159.4	143.3		143.3	143.3		143.3	143.3	143.3
EXPENSES & CONTRACTUAL SERVICES	57.0	59.0	80.7	86.3		86.3	92.4		92.4	84.7	89.1
SUPPLIES & MATERIALS	.3	.3	.7	.7		.7	.8		.8	.7	.8
EQUIPMENT		.7									
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	176.4	206.2	240.8	230.3		230.3	236.5		236.5	228.7	233.2
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	176.4	206.2	240.8	230.3		230.3	236.5		236.5	228.7	233.2
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	176.4	206.2	240.8	230.3		230.3	236.5		236.5	228.7	233.2
POSITIONS BY FUND											
GENERAL	4.5	4.5	4.5	4.5		4.5	4.5		4.5	4.5	4.5
TOTAL POSITIONS	4.5	4.5	4.5	4.5		4.5	4.5		4.5	4.5	4.5

ACTIVITY: EARLY PERIODIC SCREENING DIAGNOSIS AND TREATMENT 1983-85 Biennial Budget
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

ACTIVITY DESCRIPTION: The Early Periodic Screening Diagnosis and Treatment (EPSDT) program is a federally required preventive health program designed to bring comprehensive health screening, diagnosis and treatment services to the approximately 110,000 Minnesota children, ages birth to 21, who are eligible for Medical Assistance (MA). The program includes outreach to encourage children to participate in EPSDT, and case management and support services to ensure that all children who participate receive the health services they need. The state agency is responsible for developing program policies, monitoring local welfare agency performance, soliciting the participation of primary health care providers, assuring state compliance with federal requirements, and coordinating efforts with other programs.

The major functions of this activity are:

1. To develop and implement a child health action plan which is responsive to local needs, establishes state priorities and goals and meets federal regulatory requirements, so that federal financial sanction is not taken.
2. To revise outreach and follow-up efforts so that eligible children participate in the EPSDT program and receive needed health services.
3. To monitor local welfare agency implementation of federal regulations and the state plan and provide technical assistance so that local programs meet federal standards and provide needed services.
4. To assure sufficient participation of primary health care providers who will screen children according to department standards and who will report screening findings so that eligible children have access to screening and follow-up services.
5. To maximize coordination with other children's health care programs and services so that services are not duplicated.

Some of the goals of this activity are: Revise the state program manual, brochures, forms and reports to comply with state plan and federal program requirements within 6 months of federal program revisions. Revise the EPSDT rule to reflect state policy by June, 1985. Develop printed and other media materials to generate increased participation. Conduct annual county regional in-service training workshops, statewide. Conduct at least semi-annual program assessments in 87 local welfare agencies and require 90% compliance with federal/state requirements, monitor corrective actions. Maintain provider enrollment and compliance systems. Contact all new potential providers and resolve all provider service complaints within 30 days. Publish provider newsletters on a periodic basis. Conduct at least 6 regional continuing education seminars on screening components, annually. Conduct training on reporting and billing procedures in regional workshops, annually or individual sessions on request. Renegotiate contracts and inter-agency agreements with the Department of Health annually and monitor them quarterly. Continue coordination efforts with other providers of preventive health care services for children.

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	145.5	192.9	266.2	280.4	291.3

ACCOMPLISHMENTS AND STATISTICS: Participation in the EPSDT Program is voluntary for clients. Approximately 40% of the newly-eligible clients agree to participate in the program. All clients who agreed to participate did not get screened. Younger-aged clients may have been screened more than once, and some clients were screened on their own initiative. The total number of screenings reported is equal to 22% of the total eligible population (60% when compared to the number who agreed to participate). The number of screenings reported has increased 37% from 35,800 in F.Y. 1979-80 to over 49,000 in F.Y. 1981-82. The number of physicians and nurses who provide EPSDT has increased to over 1,600 in 520 sites in July, 1982. Release of information from this department and other states, federal regulations requiring much paperwork and imposing fiscal penalties for noncompliance were reduced. The lawsuit against the department brought by Legal Aid of Minneapolis in 1975, was "dismissed without prejudice".

	Actual	Actual	Estimated	Obj./Est.	Obj./Est.
	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
No. Agree to Participate	37,949	31,815	35,000	40,000	45,000
No. Children Screened	25,837	23,422	28,000	30,000	32,000
No. Children with Referrals	5,702	6,210	7,000	7,500	8,000

ALTERNATIVES/BUDGET ISSUES: Federal program regulation changes are expected during the biennium. The anticipated effect of these changes will be to allow the state to shape and monitor its own program. The significant program restructuring is being considered by the department aimed at reducing paperwork at the local agency level and refocusing program efforts to outreach and service assistance. The department is committed to promote the EPSDT program as the preferred method of providing preventive health care services to eligible children.

EXPLANATION OF BUDGET REQUEST: The same level of funding is requested.

GOVERNOR'S RECOMMENDATION: The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: ASSISTANCE PAYMENTS

MANAGEMENT ACTIVITY: SUPERVISION OF EPSDT

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL	ACTUAL	ESTIMATED	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
	F.Y. 1981	F.Y. 1982	F.Y. 1983	SAHE	CHANGE	TOTAL	SAHE	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	121.3	160.1	182.0	188.0		188.0	188.0		188.0	188.0	188.0
-REGULAR UNCLASSIFIED	.4										
-PART-TIME/SEAS./OTHER	3.8										
-PREMIUM PAY		.1									
-OVERTIME PAY		1.0									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	125.5	161.2	182.0	188.0		188.0	188.0		188.0	188.0	188.0
EXPENSES & CONTRACTUAL SERVICES	155.9	58.0	218.2	233.5		233.5	249.9		249.9	229.3	240.7
SUPPLIES & MATERIALS	.4	1.3	2.2	2.4		2.4	2.5		2.5	2.4	2.4
EQUIPMENT		.1	.9	1.0		1.0	1.0		1.0	1.0	1.0
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	281.8	220.6	403.3	424.9		424.9	441.4		441.4	420.7	432.1
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	281.8	220.6	403.3	424.9		424.9	441.4		441.4	420.7	432.1
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	281.8	220.6	403.3	424.9		424.9	441.4		441.4	420.7	432.1
POSITIONS BY FUND											
GENERAL	6.0	6.0	6.0	6.0		6.0	6.0		6.0	6.0	6.0
TOTAL POSITIONS	6.0	6.0	6.0	6.0		6.0	6.0		6.0	6.0	6.0

4-01114

ACTIVITY: SUPERVISION OF WORK AND TRAINING
 Program: INCOME MAINTENANCE
 Agency: DEPARTMENT OF PUBLIC WELFARE

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The Work and Training programs are those activities which assure that recipients of Aid to Families with Dependent Children (AFDC) have access to employment and training services and comply with mandated work requirements. These programs are the Work Incentive (WIN) Program and the Community Work Experience Program (CWEP).

The major functions of this activity are:

1. To coordinate welfare activities with other state departments having responsibilities for work and training.
2. To administer the WIN Program in compliance with federal standards, including supervising local agency WIN SAU efforts.
3. To develop and implement a CWEP program through pilot projects and demonstration programs.

Some of the goals of this activity are:

1. To develop and implement at least 2 pilot projects for CWEP.
2. To increase the number of placements of AFDC recipients in private employment, on-the-job training work sites or training programs, through WIN or CWEP.
3. To develop program policies and data systems which fulfill federal and state requirements.
4. To provide technical assistance and training (TAT) to county welfare departments (CWD) for WIN and CWEP.
5. To monitor and evaluate county agency program implementation of WIN and CWEP.

ACCOMPLISHMENTS AND STATISTICS:	Actual	Actual	Estimated	Obj./Est.	Obj./Est.
	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
CWEP Pilot participants	-0-	-0-	1,000	-0-	-0-
CWEP-UP participants	-0-	-0-	4,000	4,000	4,000
WIN entered employment	6,684	4,591	4,000	4,000	4,000
CWEP work site placements	-0-	-0-	500	-0-	-0-
CWEP entered employment	-0-	-0-	400	-0-	-0-
WIN welfare savings	\$2,187,368	\$1,003,200	\$1,000,000	\$1,000,000	\$1,000,000
CWEP welfare savings	-0-	-0-	\$1,000,000 ²	-0-	-0-
WIN counties given TAT	53	26	26 ²	26	26
CWEP counties given TAT	-0-	-0-	9	-0-	-0-
Number of staff trained	300	100	200	100	100
WIN counties monitored	53	26	26	26	26

- ¹ initial grant reductions
² through 9-30-82

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	54.1	40.3	54.2	56.6	58.0

ALTERNATIVES/BUDGET ISSUES:

The 2 major issues are the decrease of WIN funds, and the high unemployment rate due to the recession. In addition, there is an AFDC case load of recipients who are in need of employment and training to increase their self-sufficiency. The work and training programs are designed to help people secure useful work and ultimately enable them to get off welfare.

The WIN program is scheduled for closeout on September 30, 1982. If congress passes legislation for the extension of WIN, the Work and Training Unit will administer the welfare portion in 26 or fewer counties.

Regardless of the outcome of WIN, the department intends to implement CWEP as a response to the AFDC-UP case load increase resulting from economic conditions. The purpose of CWEP is to put recipients in public jobs to help them gain work experience, skills and confidence until they are able to find work in unsubsidized employment. An added feature will be job clubs, which help the recipient to learn job seeking skills and participate in structured job search.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: ASSISTANCE PAYMENTS

MANAGEMENT ACTIVITY: SUPERVISION WORK-TRAINING

AGENCY: PUBLIC WELFARE,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL	ACTUAL	ESTIMATED	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
	F.Y. 1981	F.Y. 1982	F.Y. 1983	SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	113.2	77.3	87.2	89.8		89.8	89.8		89.8	89.8	89.8
-REGULAR UNCLASSIFIED	53.7										
-PART-TIME/SEAS./OTHER	1.1										
-PREMIUM PAY											
-OVERTIME PAY		.1									
-MISCELLANEOUS PAYROLL	.2										
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	168.3	77.4	87.2	89.8		89.8	89.8		89.8	89.8	89.8
EXPENSES & CONTRACTUAL SERVICES	30.5	21.0	38.8	41.5		41.5	44.4		44.4	40.7	42.7
SUPPLIES & MATERIALS	.6		1.2	1.3		1.3	1.4		1.4	1.3	1.3
EQUIPMENT			1.0	1.1		1.1	1.1		1.1	1.1	1.1
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	2,667.2	1,600.6	709.2	709.2		709.2	709.2		709.2	709.2	709.2
OTHER EXPENSE ITEMS											
INTERAGENCY TRANSFERS				385.2		385.2	385.2		385.2	385.2	385.2
TOTAL EXPENDITURES	2,866.6	1,699.0	837.4	1,228.1		1,228.1	1,231.1		1,231.1	1,227.3	1,229.3
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	129.0	92.8	120.4	511.0		511.0	514.0		514.0	510.2	512.2
DEDICATED APPROPRIATIONS:											
FEDERAL	2,737.6	1,606.2	717.0	717.1		717.1	717.1		717.1	717.1	717.1
TOTAL FINANCING	2,866.6	1,699.0	837.4	1,228.1		1,228.1	1,231.1		1,231.1	1,227.3	1,229.3
POSITIONS BY FUND											
GENERAL	4.0	2.0	2.0	2.0		2.0	2.0		2.0	2.0	2.0
FEDERAL	8.5	.5	.5	.5		.5	.5		.5	.5	.5
TOTAL POSITIONS	12.5	2.5	2.5	2.5		2.5	2.5		2.5	2.5	2.5

4-01116

GRANTS AND AIDS ANALYSIS FOR: WORK INCENTIVE PROGRAM (WIN) 1983-85 Biennial Budget

Activity: INCOME MAINTENANCE
Program: WORK INCENTIVE PROGRAM UNIT
Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256.736

PURPOSE: The purpose of the Work Incentive Program is to assist participants to enter the job market by developing an individual's work skills. The expenditures pay for participant costs of child care and other contract services (primarily transportation) and pay staff salaries of the Single Administrative Unit (SAU); social workers who provide client assessment and counseling.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: In order to be eligible for these funds, the recipient must be an AFDC recipient, a participant in the WIN program and must have an employment and training plan that is approved by the SAU, the WIN Job Service staff and that is signed by the recipient. Costs for child care and other contracted services (primarily transportation) are paid so that eligible clients will be able to complete their employment and training plan.

Payment for child care expenses is based on actual cost up to a limit of \$160.00 per child per month. Transportation cost reimbursement is based upon the prevailing mileage allowance for the county in which the client participates in WIN. Other contracted services such as medical examinations are reimbursed at actual costs.

Staff salaries are determined according to county personnel contracts and are reimbursed 90% by the WIN program.

WIN funds for child care, transportation and contracted services and staff salaries are allocated to the 26 counties participating in WIN on the following formula basis:

- 10% Initial welfare grant reductions (WGR)
 AFDC grants reductions resulting from employment
- 50% Number of people register with WIN (as of September 30 each year)
- 10% Weighted performance factor
 = (WGR) x 12) x (WGR x 12) (Administrative Expenditures)
- 10% Potential WIN registrations
 = AFDC average case load, regular and Unemployed Parents (UP) plus
 initial AFDC grants
 x statewide percentage WIN registrations of statewide total AFDC
 average plus initial AFDC grants.
- 20% Potential welfare grant reductions
 = Potential WIN registrations x average AFDC grant per person

This formula has various stop/gain provisions that reduce the percentage of increases in some cases.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-03-37-378-08
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES FY1984	FY1985	RECOMMENDATIONS FY1984	FY1985
G & A TO COUNTIES							
FEDERAL	2,667.2	1,600.6	709.2	709.2	709.2	709.2	709.2
SUBTOTAL	2,667.2	1,600.6	709.2	709.2	709.2	709.2	709.2

ALL RECIPIENTS BY FUND							
FEDERAL	2,667.2	1,600.6	709.2	709.2	709.2	709.2	709.2
TOTAL	2,667.2	1,600.6	709.2	709.2	709.2	709.2	709.2

ALTERNATIVES:

WIN is a federally mandated program. Minnesota will continue to operate the program as long as federal funds are available.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for funding to achieve the F.Y. 1983-85 objectives.

ACTIVITY: SUPERVISION OF THE REFUGEE ASSISTANCE PROGRAM 1983-85 Biennial Budget
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

ACTIVITY DESCRIPTION:

The Refugee Assistance Program is responsible for helping refugees adjust to American life and for providing services that lead to economic independence. This activity coordinates public and private agency efforts; assesses the needs of the refugee population; reviews contracts for services and makes budget and policy recommendations to the federal government; and implements federal regulations and reporting systems.

Since 1975, Minnesota has resettled over 25,000 refugees and currently makes 400 resettlements each month. The funds allotted to this activity are used to help existing agencies in providing services and support to the refugee population to those available to the general population for their first 36 months in the United States. Social services are focused toward employment. The costs for all services are paid by the federal government.

The Refugee Program Office has been part of the Department of Public Welfare since 1977.

The major functions of this activity are:

1. To analyze and implement federal regulations on a timely basis.
2. To prepare and submit budget estimates; the annual state plan for refugee services; quarterly performance and financial reports; and the annual report.
3. To arrange for or fund a full range of employment, educational and social services designed to increase economic self-sufficiency and decrease refugee dependence on public support.
4. To review and recommend to the Federal Office of Refugee Resettlement action on proposed contracts for refugee social services within 30 days of receipt.
5. To implement any special refugee programs or funds as they are made available by the federal government.
6. To develop private funding for refugee services.

ACCOMPLISHMENTS AND STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Program Changes Implemented within Federal Deadlines	100%	95%	100%	100%	100%
Program Plan Submitted on Time with Sufficient Quality for Acceptance	100%	95%	100%	100%	100%
Contract Proposals Reviewed	100%	100%	100%	100%	100%
Private Foundation Donations for Special Refugee Program Initiatives	-0-	\$468,000	\$227,025	N/A	N/A
Quarterly Budget Requests Submitted to Federal Government on Time	100%	100%	100%	100%	100%
No. of Purchase of Service Contracts Executed	51	48	70	40	30

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ALTERNATIVES/BUDGET ISSUES:

1. The continuing influx of new refugees from Southeast Asia and other parts of the world may affect federal reimbursement rates, available special projects grants and the amount and kind of services needed. Such unpredictable funding makes program and budget projections difficult.
2. One hundred percent (100%) federal financial participation for AFDC and MA will be discontinued for refugees after they have been in the country 3 years. Because of this fact, it is imperative that services geared toward economic self-sufficiency be provided to decrease potential future state costs. Social Service costs are also fully funded by the federal government, but they are not time limited.

EXPLANATION OF BUDGET REQUEST:

No state funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request.

MANAGEMENT ACTIVITY FISC.

SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: ASSISTANCE PAYMENTS

MANAGEMENT ACTIVITY: SUPERVISOR REFUGEE ASSISTANCE

AGENCY: PUBLIC WELFARE, DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	15.1	57.4	204.0	207.7		207.7	207.7		207.7	207.7	207.7
-REGULAR UNCLASSIFIED	115.8	131.6									
-PART-TIME/SEAS./OTHER	31.3	8.8	20.0	20.4		20.4	20.4		20.4	20.4	20.4
-PREMIUM PAY		.1									
-OVERTIME PAY	.1	.2									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	162.3	198.1	224.0	228.1		228.1	228.1		228.1	228.1	228.1
EXPENSES & CONTRACTUAL SERVICES	135.0	154.2	161.3	172.6		172.6	184.4		184.4	172.6	184.4
SUPPLIES & MATERIALS	1.4	.7	.6	.6		.6	.7		.7	.6	.7
EQUIPMENT	.3	.3									
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	30,732.7	29,472.1	30,159.1	29,786.4		29,786.4	29,786.4		29,786.4	29,786.4	29,786.4
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	31,031.7	29,825.4	30,545.0	30,187.7		30,187.7	30,199.6		30,199.6	30,187.7	30,199.6
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
DEDICATED APPROPRIATIONS:											
GIFTS AND DEPOSITS		111.5	399.5	176.8		176.8	176.8		176.8	176.8	176.8
FEDERAL	31,031.7	29,713.9	30,145.5	30,010.9		30,010.9	30,022.8		30,022.8	30,010.9	30,022.8
TOTAL FINANCING	31,031.7	29,825.4	30,545.0	30,187.7		30,187.7	30,199.6		30,199.6	30,187.7	30,199.6
POSITIONS BY FUND											
FEDERAL	8.0	8.0	9.0	9.0		9.0	9.0		9.0	9.0	9.0
TOTAL POSITIONS	8.0	8.0	9.0	9.0		9.0	9.0		9.0	9.0	9.0

4-01119

GRANTS AND AIDS ANALYSIS FOR: REFUGEE ASSISTANCE GRANTS 1983-85 Biennial Budget

Activity: REFUGEE ASSISTANCE
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: REFUGEE ACT P.L. 96-212

I. CASH AND MEDICAL ASSISTANCE

PURPOSE: The purpose of Cash and Medical Assistance to refugees is to provide a basic subsistence payment for food, shelter and clothing and to meet the medical needs of individuals unable to provide these necessities for themselves.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: In Minnesota, refugees participate in AFDC, Title XIX, Special Refugee Assistance, General Assistance, General Assistance Medical Care, and Minnesota Supplemental Aid. As a general rule, the federal Refugee Program guarantees up to 100% reimbursement for costs incurred for these programs to states for the first 36 months a refugee is in the United States. The state reimburses county welfare departments and medical vendors according to standard state reimbursement practices. Special refugee cash and medical assistance eligibility guarantees 100% of the costs incurred for the first 18 months a refugee is in the United States. Subsequent to that, General Assistance and General Assistance Medical Care costs are reimbursed for the eligible refugees in the United States (19-36 month period). In Aid to Families with Dependent Care, Title XIX and Supplemental Security Income the state's (or non-federal) share is 100% reimbursable for the first 36 months an eligible refugee is in the United States.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Grant amounts for the refugees cash assistance program vary depending on size and composition of the family. The grant that a family receives is determined by subtracting the available earned and unearned income from the applicable AFDC or GA standard for that size family.

Medical care needs are met in the same manner as a recipient of Medical Assistance or General Assistance Medical Care.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Cash					
Total Expenditures	\$17,403,147	\$17,858,393	\$10,270,830	\$11,297,913	\$12,427,704
100% Federal Fund Average					
Monthly Recipients	13,700	12,900	11,000	11,000	11,000
Average Cost Monthly Per Recipient	120	118	126	135	144
Medical					
Total Expenditures	\$7,779,017	\$7,813,344	\$8,248,685	\$8,248,685	\$8,248,685
100% Federal Fund Average	MA = 5,825	MA = 5,620	MA = 5,676	MA = 5,676	MA = 5,676
Monthly Recipients	GAMC = N/A	GAMC = 150	GAMC = 869	GAMC = 869	GAMC = 869
Average Cost Monthly	MA = 119	MA = 196	MA = 179		
	GAMC = N/A	GAMC = 113	GAMC = 113		

EXPLANATION OF AGENCY ESTIMATES: No state funds are requested.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-03-37-379-09
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
CARE OF PERSONS							
FEDERAL	7,242.4	7,718.0	7,900.0	7,900.0	7,900.0	7,900.0	7,900.0
SUBTOTAL	7,242.4	7,718.0	7,900.0	7,900.0	7,900.0	7,900.0	7,900.0
G & A TO COUNTIES							
FEDERAL	19,104.7	19,016.8	21,859.6	21,709.6	21,709.6	21,709.6	21,709.6
SUBTOTAL	19,104.7	19,016.8	21,859.6	21,709.6	21,709.6	21,709.6	21,709.6
G & A TO SCHOOL DISTRICTS							
FEDERAL	2,165.3	1,123.9					
GIFTS AND DEPOSITS		16.9					
SUBTOTAL	2,165.3	1,140.8					
G & A TO NONGOV'T ORGNZTNS							
FEDERAL	2,220.3	1,501.9					
GIFTS AND DEPOSITS		94.6	399.5	176.8	176.8	176.8	176.8
SUBTOTAL	2,220.3	1,596.5	399.5	176.8	176.8	176.8	176.8
ALL RECIPIENTS BY FUND							
FEDERAL	30,732.7	29,360.6	29,759.6	29,609.6	29,609.6	29,609.6	29,609.6
GIFTS AND DEPOSITS		111.5	399.5	176.8	176.8	176.8	176.8
TOTAL	30,732.7	29,472.1	30,159.1	29,786.4	29,786.4	29,786.4	29,786.4

GRANTS AND AIDS ANALYSIS FOR: REFUGEE ASSISTANCE GRANTS 1983-85 Biennial Budget
(Continuation)
Activity: REFUGEE ASSISTANCE
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF
REFUGEE ACT P.L. 96-212

II. SOCIAL SERVICES

PURPOSE:

To ensure that contracts are in place to provide English language and employment, and other social services to refugees so that the refugees can achieve economic self-sufficiency within the shortest period of time possible.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

Prior to the start of the federal fiscal year, all potential vendors of services to refugees are notified of available funding. The state identifies the priority services through its State Plan for refugee services, issues proposal applications, and makes funding decisions in consultation with the Regional Office of Refugee Resettlement. To be eligible, an agency must be a nonprofit incorporated service provider, with demonstrated experience or expertise in serving refugees.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

English contracts were awarded on the basis of a Request for Proposal (R.F.P.). In other instances, subject to approved proposals, the state negotiates contracts individually. Because of quarterly funding cycles from the federal government, quarterly contracts have been of necessity used to continue approved proposals throughout the fiscal year.

SIGNIFICANT STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Total Expenditures					
100% federal fund	\$4,832,522	\$2,659,525	\$3,600,000	\$3,960,000	\$4,356,000
No. of Providers	52	45	45	45	45

EXPLANATION OF AGENCY ESTIMATES: No state funds are requested.

III. PRIVATE FOUNDATION GRANTS

PURPOSE:

The purpose of this 19 month project funded by the McKnight Foundation and other foundations is to provide health interpreter services to refugees and to educate the health providers so that refugees can be "mainstreamed" into the existing health care delivery system by October 1, 1983.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

To be eligible for these health services, a person must have refugee immigration status. In addition, recipients of the foundation funds are:

- East Metro Health (St. Paul-Ramsey Medical Center)
- West Metro Health (Hennepin County Community Health)
- Olmsted County Health
- Church World Service
- Catholic Charities of St. Cloud
- Lutheran Social Services of Minnesota

To be eligible, the recipient agencies had to be existing providers of health interpretive services with trained health aid interpreters on staff.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

Contracts were awarded to providers on the basis of continuing existing health projects previously funded by refugee social service dollars. These health providers had been specifically identified in the foundation proposals. In one instance in southeast Minnesota, the health interpreter was shifted from the resettlement agency to the county health department which was delivering health care to refugees.

Payments are based on actual expenditures and do not exceed amounts contracted for in purchase of service agreements.

SIGNIFICANT STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Funding					
McKnight Foundation	N/A	\$353,806	\$227,025		
Blandin Foundation		25,000			
Ordean Foundation		15,000			
Bremer Foundation		20,300			

EXPLANATION OF AGENCY ESTIMATES:

No state funds are requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

ACTIVITY: PROGRAM INTEGRITY
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The purpose of this activity is to ensure the fiscal and administrative integrity of Minnesota's publicly funded health care programs, including the Medical Assistance (MA), General Assistance Medical Care (GAMC) and Catastrophic Health Expense Protection (CHEPP) Programs. Program Integrity has dual responsibility for safeguarding against unnecessary or inappropriate use of publicly funded health care services, and for providing control of the utilization of care and services in the long-term care setting.

The Surveillance and Utilization Review (SURS) activity of Program Integrity is responsible for the identification and investigation of suspected fraud and abuse in the programs. SURS monitors utilization, the medical necessity and the quality of health care services, and enrolls providers. Specific duties of SURS include: Operation of the Recipient Restriction Program which reviews potential recipient abuse cases in an effort to restrict recipient misutilization of the programs; investigation of potential fraud and abuse by health care providers participating in the programs; and development and application of quarterly computer reports which identify recipients and providers whose patterns of utilization exceed norms established which are consistent with standard health care practices. Corrective action authorized for this activity are monetary recovery, administrative sanctions, and referral to law enforcement authorities for civil or criminal action.

The Utilization Control (UC) Activity of Program Integrity is responsible for the ongoing evaluation of the necessity for and the quality and timeliness of services provided in long-term care facilities. This activity administers and monitors a contract with the Minnesota Department of Health which provides a utilization review function to safeguard against unnecessary or inappropriate care in long-term care facilities. The Utilization Control Activity further administers and monitors contracts with 2 professional standards review organizations to determine the medical necessity, appropriateness and quality of inpatient hospital care.

The major functions of this activity are:

1. To control and correct fraud or abuse by medical providers through monitoring reports, auditing records, initiating civil or criminal proceedings, or taking such administrative action as recovery of improper payments and suspending or terminating provider participation.
2. To control and correct fraud or misutilization by recipients of health care services through education about program policies, restriction of recipients to primary providers, and by asking local agencies to counsel recipients on appropriate utilization of services.
3. To provide on-site evaluations of long term care facilities, state hospitals and state nursing homes by examining a sample of records in each facility.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	363.0	384.6	427.6	447.3	451.9

MAJOR OBJECTIVES: (Contd.)

4. To avoid a sanction by the Department of Health and Human Services resulting in reduction of federal funds for services to recipients, by ensuring compliance with federal mandates for long-term care facilities, state hospitals, state nursing homes, and for patient and provider profiles.

ACCOMPLISHMENTS AND STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Number of Provider Investigations undertaken	729	517	575	600	625
Number of Cases Referred to Attorney General's Office	3	4	8	10	12
Number of Recipients Restricted at End of Year	110	152	160	180	200
Number of Long-Term Care Facility Evaluations	585	480	600	720	720
Federal Financial Participation Lost Due to Utilization Control Sanctions	-0-	-0-	-0-	-0-	-0-

EXPLANATION OF BUDGET REQUEST:

The explanation of budget request is contained in the management activities which follow.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's requests to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: MA PROGRAM INTEGRITY

PROGRAM: INCOME MAINTENANCE

AGENCY: PUBLIC WELFARE,OPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	400.2	476.5	569.9	615.2		615.2	615.2		615.2	615.2	615.2
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	6.3	8.1									
-PREMIUM PAY		.1									
-OVERTIME PAY		.6									
-MISCELLANEOUS PAYROLL	18.0	29.7									
-OTHER BENEFITS	25.1										
TOTAL PERSONAL SERVICES	469.6	515.0	569.9	615.2		615.2	615.2		615.2	615.2	615.2
EXPENSES & CONTRACTUAL SERVICES	2,107.8	46.0	2,898.6	3,101.4	554.5	3,655.9	3,318.8	554.5	3,873.3	3,624.3	3,806.2
SUPPLIES & MATERIALS	2.5	2.2	4.0	4.3		4.3	4.6		4.6	4.3	4.4
EQUIPMENT	.3	.3	4.4	4.7		4.7	5.0		5.0	4.6	4.9
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	2,580.2	563.5	3,476.9	3,725.6	554.5	4,280.1	3,943.6	554.5	4,498.1	4,248.4	4,430.7
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	1,113.8	563.5	1,676.9	1,799.6	554.5	2,354.1	1,882.6	554.5	2,437.1	2,322.4	2,369.7
DEDICATED APPROPRIATIONS:											
FEDERAL	1,466.4		1,800.0	1,926.0		1,926.0	2,061.0		2,061.0	1,926.0	2,061.0
TOTAL FINANCING	2,580.2	563.5	3,476.9	3,725.6	554.5	4,280.1	3,943.6	554.5	4,498.1	4,248.4	4,430.7
POSITIONS BY FUND											
GENERAL	21.0	21.0	22.0	22.0		22.0	22.0		22.0	22.0	22.0
TOTAL POSITIONS	21.0	21.0	22.0	22.0		22.0	22.0		22.0	22.0	22.0

4-01123

ACTIVITY: SURVEILLANCE AND UTILIZATION REVIEW
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity identifies misuse, in the form of fraud or abuse, of the Medical Assistance (MA), General Assistance Medical Care (GAMC), and Catastrophic Health Expense Protection (CHEPP) programs by both medical providers and recipients, and takes corrective action where appropriate. This activity is required by M.S. 256B, and 12 MCAR 2.064, Surveillance and Utilization Review. Quarterly computer reports identify providers and recipients who deviate from group norms. The computer reports are produced in accordance with federal requirements for a certified Medical Management Information System (MMIS) necessary for maximum federal financial participation. Potential instances of fraud or abuse are analyzed and investigated to determine appropriateness of billing. Potential criminal misuse cases are referred to the Attorney General's Office for civil or criminal prosecution.

The Recipient Restriction Program works with a committee of providers in reviewing recipient cases for use of excessive medical services.

Complaints about possible fraud or abuse are received from within and from outside the agency. Included are responses to the MA Explanation of Medical Benefit forms that are returned by recipients whose records or memories of health care received does not correspond to provider records.

The provider enrollment activity within the SUR section processes provider requests to be enrolled in the programs and thereby become eligible to receive public funds for goods and services. This activity includes verification of an applicant's alleged credentials, assignment of an exclusive participation number, and administrative processing of any changes in record information specific to a provider.

The major functions of this activity are:

1. To identify fraud and abuse by designing and using regular computer reports which indicate exceptional medical services.
2. Take action to control and correct fraud and abuse of MA, GAMC, and CHEPP programs by medical services PROVIDERS through analyzing reports; auditing records of services and billing; initiating civil or criminal proceedings; or by taking administrative action.
3. Take action to control and correct fraud and abuse of the MA, GAMC, and CHEPP programs by RECIPIENTS through reports; educating the recipients about MA, GAMC, and CHEPP policies; requesting local agency department counseling; restricting recipients to specific providers; or initiating civil or criminal proceedings.
4. To ensure that providers are appropriately enrolled and legally entitled to receive reimbursement for services claimed and to ensure that recipients receive service only from fully qualified providers.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	276.8	306.9	403.1	358.5	361.4

ACCOMPLISHMENTS AND STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Provider allegations from outside sources	803	560	600	625	650
Provider investigations undertaken	729	517	575	600	625
Provider cases referred to Attorney General	3	4	8	10	12
Provider suspended, disenrolled	2	2	3	5	7
Recipient allegations from outside sources	132	178	200	200	200
Recipient investigations undertaken	975	913	1,000	1,020	1,040
Recipient on restriction	110	152	160	180	200
Recipient cases referred to county welfare department	135	167	175	185	195

LEGISLATIVE ISSUES:

The Surveillance and Utilization Review activity functions under the authority of M.S. 256B. The following legislative issues are being reviewed which would enhance the administrative efficiency and impact of the activity:

1. Eliminate the requirement for DPW to present consent forms before gaining access to recipient medical records;
2. Strengthen the language concerning recipient abuse to make it consistent with existing statutory language allowing for the suspension of recipients from the program; and
3. Authorize provider appeals to be handled by the DPW appeals office.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: MA PROGRAM INTEGRITY

MANAGEMENT ACTIVITY: SUPRVSN-SRVLCN-UTILIZATION

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	334.1	364.3	433.7	473.0		473.0	473.0		473.0	473.0	473.0
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	6.3	8.1									
-PREMIUM PAY		.1									
-OVERTIME PAY		.3									
-MISCELLANEOUS PAYROLL	18.0	29.7									
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	358.5	402.5	433.7	473.0		473.0	473.0		473.0	473.0	473.0
EXPENSES & CONTRACTUAL SERVICES	25.0	22.4	50.5	54.0		54.0	57.7		57.7	53.0	55.5
SUPPLIES & MATERIALS	2.3	2.0	2.5	2.7		2.7	2.9		2.9	2.7	2.8
EQUIPMENT	.3	.3	3.4	3.6		3.6	3.9		3.9	3.5	3.8
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	386.1	427.2	490.1	533.3		533.3	537.5		537.5	532.2	535.1
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	386.1	427.2	490.1	533.3		533.3	537.5		537.5	532.2	535.1
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	386.1	427.2	490.1	533.3		533.3	537.5		537.5	532.2	535.1
POSITIONS BY FUND											
GENERAL	16.0	16.0	17.0	17.0		17.0	17.0		17.0	17.0	17.0
TOTAL POSITIONS	16.0	16.0	17.0	17.0		17.0	17.0		17.0	17.0	17.0

4-01125

ACTIVITY: UTILIZATION CONTROL
Program: INCOME MAINTENANCE
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The purpose of this activity is to prevent unnecessary or inappropriate care and services to Medical Assistance (MA) recipients in long-term care facilities. The program has 5 essential components: physician certification; physician recertification; review of the plan of care; utilization review; and periodic medical review or independent professional review. Although the Department of Public Welfare is responsible for oversight of the program, under M.S., Chapter 144, the Minnesota Department of Health (MDH) is responsible for implementation of the utilization review and periodic medical review and independent professional review components. To ensure compliance with federal law and regulations and thereby avoid loss of federal financial participation due to sanction, this activity conducts on-site reviews and samples medical records in approximately 770 long term care facilities, 8 state hospitals and 2 state nursing homes. This activity also submits required quarterly reports to the Department of Health and Human Services (DHHS). Contracts with the Professional Standards Review Organizations (PSROs) to determine the medical necessity, appropriateness and quality of inpatient hospital care are written and monitored by this activity. In addition, federal funds are transferred to MDH for survey and certification of long-term care facilities. The staff monitors the MDH's timelines in certifying and decertifying the long-term care facilities, state hospitals and state nursing homes. This activity prevents loss of federal financial participation.

The major functions of this activity are:

1. To conduct on-site sample reviews, identify problems, initiate corrective action, and assure compliance in long-term care facilities, state hospitals and state nursing homes to avoid sanctions from DHHS.
2. To monitor MDH certification and decertification of long-term care facilities, state hospitals and state nursing homes on a timely basis to avoid loss of federal financial participation.
3. To monitor the PSRO contracts for effectiveness.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	86.2	77.7	84.5	88.8	90.5

ACCOMPLISHMENTS AND STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Federal Financial Participation Lost as a result of sanctions	-0-	-0-	-0-	-0-	-0-
Number of facilities to be reviewed	760	780	800	820	840
Number of on-site reviews	585	480	600	720	720
Percent of compliance of facilities with utilization control requirements	75%	80%	80%	85%	85%

EXPLANATION OF BUDGET REQUEST:

An increase of \$1,109,000 is requested for the biennium; \$554,500 for each year, to fund contracts with the two Minnesota PSRO's. A change in federal financial participation has necessitated this request. Failure to provide the services done under contract by the PSRO would result in large fiscal sanction.

GOVERNOR'S RECOMMENDATION:

The Governor concurs in the agency's request for a change level. State support of the PSRO activity is necessary to avoid federal fiscal sanctions. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: MA PROGRAM INTEGRITY

MANAGEMENT ACTIVITY: UTILIZATION CONTROL

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	86.1	112.2	136.2	142.2		142.2	142.2		142.2	142.2	142.2
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY		.3									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	25.0										
TOTAL PERSONAL SERVICES	111.1	112.5	136.2	142.2		142.2	142.2		142.2	142.2	142.2
EXPENSES & CONTRACTUAL SERVICES	2,082.8	23.6	2,848.1	3,047.4	554.5	3,601.9	3,261.1	554.5	3,815.6	3,571.3	3,750.7
SUPPLIES & MATERIALS	.2	.2	1.5	1.6		1.6	1.7		1.7	1.6	1.6
EQUIPMENT			1.0	1.1		1.1	1.1		1.1	1.1	1.1
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	2,194.1	136.3	2,986.8	3,192.3	554.5	3,746.8	3,406.1	554.5	3,960.6	3,716.2	3,895.6
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	727.7	136.3	1,186.8	1,266.3	554.5	1,820.8	1,345.1	554.5	1,899.6	1,790.2	1,834.6
DEDICATED APPROPRIATIONS:											
FEDERAL	1,466.4		1,800.0	1,926.0		1,926.0	2,061.0		2,061.0	1,926.0	2,061.0
TOTAL FINANCING	2,194.1	136.3	2,986.8	3,192.3	554.5	3,746.8	3,406.1	554.5	3,960.6	3,716.2	3,895.6
POSITIONS BY FUND											
GENERAL	5.0	5.0	5.0	5.0		5.0	5.0		5.0	5.0	5.0
TOTAL POSITIONS	5.0	5.0	5.0	5.0		5.0	5.0		5.0	5.0	5.0

4-01127

PROGRAM: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM PURPOSE:

This program exists to ensure that citizens who are mentally retarded, mentally ill or chemically dependent receive humane care and appropriate treatment; that these services are provided at the most effective and accessible level; and that these services will help each person live as productive, independent and normal a life as possible. The Mental Health Bureau has a responsibility to promote prevention of these disabilities, to identify needed services, and to aid in the development of needed programs and services by local agencies.

1. The Program Offices for Mental Illness, Mental Retardation and Chemical Dependency develop state plans, coordinate the delivery of services among state and local agencies, develop service standards for each disability, provide technical assistance to counties and service providers, administer certain categorical and federal block grant programs, monitor counties' and providers' compliance with standards, promote prevention services and evaluate the effectiveness of services.
2. The Client Protection Office¹ educates state and local agencies about the legal, civil and human rights of clients, and investigates complaints about violations of these rights.
3. The Residential Facilities Division¹ supervises the operation of 8 state hospitals and 2 state nursing homes.

CLIENTELE:

The direct clientele of the Mental Health Bureau are the local social service agencies; county and human service boards; the Governor's office; the legislature; state agencies for Health, Corrections, Education, Economic Security and Planning; private service providers; and advocacy groups.

In addition to this client group, this program has two other kinds of direct service clients: mentally retarded people who are under state guardianship or conservatorship, and people receiving care and treatment in state hospitals and nursing homes. Indirect clientele include all Minnesota citizens with problems of mental retardation, mental illness or chemical dependency.

¹The Client Protection Office and the Residential Facilities Division are included in the activity called "Central Office Support".

BUDGET ISSUES:

In F.Y. 1982, the federal government combined a number of categorical mental health and chemical dependency grants into a Federal Alcohol, Drug Abuse and Mental Health Block Grant and, in that process, substantially reduced the total funding for Minnesota. Further details on this block grant are provided in the Grants and Aids Analyses "Federal Mental Health Block Grant" and "Federal Alcohol and Drug Abuse Block Grant". Although this is technically one block grant, federal law determines the exact allocation between mental health, and alcohol and drug abuse.

EXPLANATION OF BUDGET REQUEST:

An increase of \$10,094,500 is requested for the biennium; \$5,663,800 in F.Y. 1984 and \$4,430,700 in F.Y. 1985. Details concerning the budget request are contained on the individual activity narratives and grants and aids analysis pages that follow.

An additional increase level of funding of \$3,285,500 for F.Y. 1984 and \$2,896,200 for F.Y. 1985 is requested to restore the expense and salary appropriation and complement of 123.5 positions reduced by 3rd Special Session 1982, Chapter 1.

A decrease of \$4,199,500 is requested for the biennium; \$1,399,900 in F.Y. 1984 and \$2,799,600 in F.Y. 1985 in order to transfer \$3,783,200 for Chronic Mental Illness Grants and \$416,300 for Semi-Independent Living Services Grants to the Community Social Services Act block grant effective 1-1-84.

GOVERNOR'S RECOMMENDATION:

The Governor recommends restoration of 123.5 positions and \$3,285,500 for F.Y. 1984 and \$2,896,200 for F.Y. 1985 which were cut by the 1982 3rd Special Session. The restoration of these cuts are necessary for the institutions and program offices to maintain service levels.

The Governor recommends the department's requested increase of \$2,489,500 for the biennium for the Adult Mentally Ill Residential Grants. This increase is necessary to support the 1,887 beds which were brought up to licensure standards in F.Y. 1983.

The Governor recommends those department requests needed to comply with the Welsch v. Noot consent decree: 1 new position in the MR program office \$68,200, \$11,600 for the biennium for the consent decree monitor expenses, an increase of \$2,365,800 for the SILS program.

The Governor does not recommend the additional \$200,000 subsidy for the Mash-Ka-Wisen Treatment Center. The present subsidy of \$500,000 for the biennium should be sufficient for its operation. The treatment center should make renewed efforts to become self-sufficient.

The Governor makes no specific recommendation for the alcohol and other drug abuse advisory committee since by law it is required to sunset as of 6-30-83.

PROGRAM: MENTAL HEALTH

1983-85 Biennial Budget

(Continuation)

Agency: PUBLIC WELFARE, DEPARTMENT OF

GOVERNOR'S RECOMMENDATION (Contd.)

State Hospitals and Nursing Homes

The Governor does not concur with the agency's request for the 39 added positions (\$1,780,000) or the \$528,000 for restoration of salary funds that were transferred to comply with the Welsch v. Noot consent decree.

The Governor concurs with the remainder of the agency's state hospital request. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

The Governor, however, further recommends that the State Hospitals and Nursing Homes be appropriated only \$40,600.5 in F.Y. 1984 and \$36,653.9 in F.Y. 1985. The difference to be provided by allowing each institution to use the receipts from its accounts receivable billing system, i.e. change its receipts from non-dedicated to dedicated.

The hospitals are directed to comply with the terms of the consent decree.

The department is further directed to study the institutions catchment areas and revise or eliminate them as appropriate.

The Governor believes this funding arrangement will increase institutions' incentives to manage efficiently, provide them with the flexibility to respond to community service needs and realize the potential of the Shared Services Act (Chapter 246.67).

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: MENTAL HEALTH

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
PROGRAM OFFICES	9,213.9	9,947.8	15,726.1	14,615.0	791.8	15,406.8	14,651.8	178.8	14,830.6	15,242.8	14,758.7
CENTRAL OFFICE SUPPORT	729.1	442.4	684.6	621.9	5.0	626.9	637.9	5.0	642.9	622.8	634.2
STATE HOSPITALS	122,939.5	128,659.7	138,567.6	143,290.3	6,192.6	149,482.9	142,526.7	4,025.9	146,552.6	148,023.6	144,896.5
STATE NURSING HOMES	12,575.7	13,396.8	15,272.6	15,816.8	560.0	16,376.8	15,775.7	317.6	16,093.3	16,341.6	16,034.4
TOTAL	145,458.2	152,446.7	170,250.9	174,344.0	7,549.4	181,893.4	173,592.1	4,527.3	178,119.4	180,230.8	176,323.8
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	120,011.0	125,663.1	137,139.4	139,406.0	4,160.9	143,566.9	139,411.3	4,160.9	143,572.2	142,412.9	142,418.2
EXPENSES & CONTRACTUAL SERVICES	5,189.1	5,334.5	5,034.0	5,700.7	54.4	5,755.1	6,042.6	34.3	6,076.9	5,646.4	5,850.6
SUPPLIES & MATERIALS	11,968.8	12,614.9	13,691.1	15,696.8	2,225.2	17,922.0	15,014.1	204.3	15,218.4	17,688.2	14,856.2
EQUIPMENT	550.8	475.0	553.4	660.2	374.9	1,035.1	241.8	6.0	247.8	1,019.0	244.7
REAL PROPERTY		42.9									
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	7,735.5	8,311.0	13,833.0	12,880.3	734.0	13,614.3	12,882.3	121.8	13,004.1	13,464.3	12,954.1
OTHER EXP ITEMS	3.0	5.3									
TOTAL EXPENDITURES	145,458.2	152,446.7	170,250.9	174,344.0	7,549.4	181,893.4	173,592.1	4,527.3	178,119.4	180,230.8	176,323.8
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	140,791.8	148,855.2	165,406.9	169,976.9	7,549.4	177,526.3	169,166.9	4,527.3	173,694.2	52,959.8	48,530.0
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	40.1	39.1	46.9	48.4		48.4	50.1		50.1	122,952.3	123,418.7
AGENCY	518.7	467.2	369.7	398.5		398.5	427.1		427.1	398.5	427.1
GIFTS AND DEPOSITS	12.4	14.1	8.7	9.3		9.3	9.9		9.9	9.3	9.9
FEDERAL	4,095.2	3,071.1	4,418.7	3,910.9		3,910.9	3,938.1		3,938.1	3,910.9	3,938.1
TOTAL FINANCING	145,458.2	152,446.7	170,250.9	174,344.0	7,549.4	181,893.4	173,592.1	4,527.3	178,119.4	180,230.8	176,323.8
POSITIONS BY FUND:											
GENERAL	6,326.5	6,273.1	5,990.6	5,974.6	163.5	6,138.1	5,974.6	163.5	6,138.1	6,099.1	6,099.1
FEDERAL	53.0	40.6	37.6	35.6		35.6	35.6		35.6	35.6	35.6
TOTAL POSITIONS	6,379.5	6,313.7	6,028.2	6,010.2	163.5	6,173.7	6,010.2	163.5	6,173.7	6,134.7	6,134.7

4-01130

ACTIVITY: PROGRAM OFFICES
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	590.3	495.0	535.6	553.5	565.4

ACTIVITY DESCRIPTION:

The Mental Health Program has established separate program offices for the 3 disability groups of mental retardation, mental illness, and chemical dependency. Each of these program offices has responsibility to:

1. Develop state plans and review the state plans of other agencies that affect a particular disability group;
2. Coordinate plans and programs with the work of other state agencies;
3. Develop cooperative programs with other local agencies;
4. Supervise the delivery of services by local agencies;
5. Provide technical assistance to local agencies, state hospitals, and private service providers;
6. Administer certain state categorical and federal block grants;
7. Promote prevention services; and
8. Evaluate the effectiveness of services and service delivery in terms of cost effectiveness and client outcomes.

ACCOMPLISHMENTS AND STATISTICS:

Accomplishments and statistics are detailed on the activity narrative pages that follow.

EXPLANATION OF BUDGET REQUEST:

The explanation of budget request is contained in the activity narrative and grant and aid analysis pages that follow.

GOVERNOR'S RECOMMENDATION:

The Governor recommendations are to be found in the activity narratives and grant and aid analysis pages that follow.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: PROGRAM OFFICES

PROGRAM: MENTAL HEALTH

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	684.4	924.3	1,098.8	1,172.1	43.4	1,215.5	1,177.4	43.4	1,220.8	1,215.5	1,220.8
-REGULAR UNCLASSIFIED	233.2	296.5	239.6	140.9		140.9	140.9		140.9	140.9	140.9
-PART-TIME/SEAS./OTHER	61.6	64.0	27.0								
-PREMIUM PAY		.3									
-OVERTIME PAY		1.1									
-MISCELLANEOUS PAYROLL	13.3	9.2	12.4	12.4		12.4	12.4		12.4	12.4	12.4
-OTHER BENEFITS	.4										
TOTAL PERSONAL SERVICES	992.9	1,295.4	1,377.8	1,325.4	43.4	1,368.8	1,330.7	43.4	1,374.1	1,368.8	1,374.1
EXPENSES & CONTRACTUAL SERVICES	401.6	335.6	501.3	403.7	13.9	417.6	432.7	13.1	445.8	403.7	424.0
SUPPLIES & MATERIALS	3.5	5.4	13.2	5.2	.5	5.7	5.7	.5	6.2	5.6	6.1
EQUIPMENT	.4	.4	.8	.4		.4	.4		.4	.4	.4
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	7,735.5	8,311.0	13,833.0	12,880.3	734.0	13,614.3	12,882.3	121.8	13,004.1	13,464.3	12,954.1
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	9,213.9	9,947.8	15,726.1	14,615.0	791.8	15,406.8	14,651.8	178.8	14,830.6	15,242.8	14,758.7
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	5,773.9	7,431.9	11,722.2	11,136.0	791.8	11,927.8	11,162.3	178.8	11,341.1	11,763.8	11,269.2
DEDICATED APPROPRIATIONS:											
AGENCY			6.9	10.0		10.0	12.0		12.0	10.0	12.0
GIFTS AND DEPOSITS	11.2	10.7	5.0	5.4		5.4	5.7		5.7	5.4	5.7
FEDERAL	3,428.8	2,505.2	3,992.0	3,463.6		3,463.6	3,471.8		3,471.8	3,463.6	3,471.8
TOTAL FINANCING	9,213.9	9,947.8	15,726.1	14,615.0	791.8	15,406.8	14,651.8	178.8	14,830.6	15,242.8	14,758.7
POSITIONS BY FUND											
GENERAL	19.0	20.0	21.5	21.5	1.5	23.0	21.5	1.5	23.0	23.0	23.0
FEDERAL	26.0	25.0	20.0	18.0		18.0	18.0		18.0	18.0	18.0
TOTAL POSITIONS	45.0	45.0	41.5	39.5	1.5	41.0	39.5	1.5	41.0	41.0	41.0

4-01132

ACTIVITY: MENTAL ILLNESS PROGRAM OFFICE
 Program: MENTAL HEALTH
 Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity develops policies and plans and supervises a wide array of services for mentally ill persons provided under the aegis of the Department of Public Welfare. The Mental Illness Program Office is responsible for all mentally ill persons in Minnesota, with particular concern for the approximately 30,000 persons who are chronically mentally ill. To accomplish its responsibilities, the office works with counties, state hospitals, other state agencies, advocacy organizations and a variety of community-based programs to help them provide a continuum of services for persons with mental illness problems.

The major functions of this activity are:

1. To write and update annually a state plan to provide state policy direction.
2. To provide training and technical assistance to local agencies to improve services to mentally ill people, particularly those with chronic problems, by improving individual service plans.
3. To distribute and monitor state and federal grants, including federal Mental Health Block Grant funds, to pay for services for mentally ill individuals in the community rather than in institutions.
4. To develop and advocate needed changes in funding and other key policy issues important to mentally ill persons.
5. To establish placement criteria so that mentally ill clients are referred to the appropriate level of service.
6. To evaluate the effect of state and federal grants on chronically mentally ill people.
7. To write department rules, as needed, to clarify state policy, identify minimum program service standards and define state and local responsibilities.
8. To implement legislation (M.S. 245.69) to approve individual public and private mental health centers and clinics for insurance reimbursement.
9. To provide program consultation to other divisions in the department on licensing, funding and staffing issues important to mentally ill persons.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Percent State Plan Achieved	75%	75%	80%	85%	85%
Technical Assistance					
Number of Counties	45	87	87	87	87
Projects Evaluated	21	28	42	49	49
Rules Promulgated	1	3	1	1	0

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	88.4	75.5	66.5	75.7	76.4

ALTERNATIVES/BUDGET ISSUES:

In F.Y. 1983, Federal Mental Health Manpower Development and Community Support funds will be lost. In F.Y. 1982 these funds supported 10 staff persons. Five of these positions have been terminated. The remaining 5 positions provide technical assistance and training to counties and providers and monitor compliance with the Federal Mental Health Block Grant. They will be supported from Federal Mental Health Block Grant funds allowed for its administration.

Federal law required the state to do an annual audit of its block grant expenditures. If the department is given additional auditing staff it can conduct the required audits itself. If not, block grant funds will have to be used to pay for outside audits, thus reducing the funds available for MI program staff.

The reduction of funds in F.Y. 1982 under the Alcohol, Drug Abuse and Mental Health Block Grant will not be restored by the federal government. The limited amount of funds available will discourage some counties from offering the 5 mental health services that must be provided to received federal block grant funds.

LEGISLATIVE ISSUES:

Legislation is being proposed to revise statutory requirements for mental health center boards, to provide for data collection in centers and clinics approved for insurance reimbursement, and to clarify the responsibility of the State MH advisory committee.

Legislative proposals pertaining to particular grant and aid programs are explained in the grants and aids analysis pages that follow.

EXPLANATION OF BUDGET REQUEST:

An increase of \$2,489,500 is requested for the biennium; \$1,073,500 for F.Y. 1984 and \$1,416,000 for F.Y. 1985, in the Adult Mentally Ill Residential Grants. Details concerning this request are contained in the grant and aid analysis that follows.

The same level of funding is requested for the rest of this activity, with the provision that \$3,783,200 for Chronic Mental Illness grants be transferred to the CSSA block grant as of 1-1-84; \$1,261,100 in F.Y. 1984 and \$2,522,100 in F.Y. 1985.

ACTIVITY: MENTAL ILLNESS PROGRAM OFFICE

1983-85 Biennial Budget

(Continuation)

Program: MENTAL HEALTH

Agency: PUBLIC WELFARE, DEPARTMENT OF

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-95 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts. The increase requested for Adult Mentally Ill residential grants is needed to continue support for the 1,887 community beds which were brought up to license standards over the 1982-83 biennium.

The Governor further supports the shift of the chronically mentally ill activity to the CSSA block grant. In line with this recommendation, the commissioner of public welfare will submit proposed legislation necessary to manage this activity within the resources recommended.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: PROGRAM OFFICES

MANAGEMENT ACTIVITY: MI PROGRAM OFFICE

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	135.0	188.0	153.3	156.0		156.0	156.0		156.0	156.0	156.0
-REGULAR UNCLASSIFIED	115.3	190.3	160.5	88.0		88.0	88.0		88.0	88.0	88.0
-PART-TIME/SEAS./OTHER	44.6	25.9									
-PREMIUM PAY											
-OVERTIME PAY		.2									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	295.0	404.4	313.8	244.0		244.0	244.0		244.0	244.0	244.0
EXPENSES & CONTRACTUAL SERVICES	49.4	70.9	82.3	48.4		48.4	51.8		51.8	47.6	50.3
SUPPLIES & MATERIALS	1.1	2.0	3.5	1.2		1.2	1.3		1.3	1.2	1.3
EQUIPMENT		.2									
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	3,207.2	4,168.9	7,795.2	7,104.6	187.6-	6,917.0	7,104.6	1,106.1-	5,998.5	6,917.0	5,998.5
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	3,552.7	4,646.4	8,194.8	7,398.2	187.6-	7,210.6	7,401.7	1,106.1-	6,295.6	7,209.8	6,294.1
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	3,066.0	4,239.6	7,180.5	6,546.1	187.6-	6,358.5	6,549.3	1,106.1-	5,443.2	6,357.7	5,441.7
DEDICATED APPROPRIATIONS:											
GIFTS AND DEPOSITS	11.2	10.7	5.0	5.4		5.4	5.7		5.7	5.4	5.7
FEDERAL	475.5	386.1	1,009.3	846.7		846.7	846.7		846.7	846.7	846.7
TOTAL FINANCING	3,552.7	4,646.4	8,194.8	7,398.2	187.6-	7,210.6	7,401.7	1,106.1-	6,295.6	7,209.8	6,294.1
POSITIONS BY FUND											
GENERAL	4.0	4.0	4.0	4.0		4.0	4.0		4.0	4.0	4.0
FEDERAL	10.0	10.0	7.0	5.0		5.0	5.0		5.0	5.0	5.0
TOTAL POSITIONS	14.0	14.0	11.0	9.0		9.0	9.0		9.0	9.0	9.0

4-01135

GRANTS AND AIDS ANALYSIS FOR: COMMUNITY-BASED MENTAL ILLNESS GRANTS 1983-85 Biennial Budget

Activity: MENTAL ILLNESS PROGRAM OFFICE
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: LAWS OF 1981, CHAPTERS 355 AND 360, 12 MCAR 2.022 (DPW Rule 22)

PURPOSE: This grant provided funds to counties and community agencies to assist mentally ill persons to use community-based resources rather than state institutional services.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Counties and nonprofit organizations were eligible to apply to the department for grants. A majority of the funds were awarded to the counties previously served by Hastings State Hospital. These funds were for support of additional programs and services and did not replace the funding of existing care and maintenance costs. The funds were directed primarily toward programs and services for chronic mentally ill persons.

Applications for funds included: 1) a narrative description of the proposed services, the number of mentally ill persons expected to use the service, an assurance that the individualized treatment programs document the need for the proposed services and a statement of expected results; 2) a budget outlining the cost of proposed services; 3) a design for evaluation of the project.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: The law allowed for up to 100% state funding of approved applications. In most instances, however, the state share was at a much lower percentage level. Department staff determined the amount of grants based on statutory requirements, an evaluation of project success and effectiveness, and a determination that the budgeted costs were comparable to those of similar community services.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated, ¹ F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Number of local programs funded	15	15	15	-0-	-0-
Number of counties with funded programs	18	18	16	-0-	-0-
Number of mentally ill persons served	2,025	2,030	2,030	-0-	-0-
Sources of revenue					
State Grants	\$ 920,000	\$ 838,700	\$ 449,000	-0-	-0-
Other	\$ 871,369	\$1,420,562	\$ 561,378	-0-	-0-
Total	\$1,739,665	\$2,251,844	\$1,010,378	-0-	-0-

¹Estimates cover a 6 month period to 12-31-82.

EXPLANATION OF BUDGET REQUEST: Laws of 1981, Chapter 355 transferred these funds to the Community Social Services Act block grant as of 1-1-83. Therefore, separate funding is not requested for this grant.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-04-40-400-01
*** DOLLARS IN THOUSANDS (137,522=137.5) ***							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
GENERAL	539.2	581.0	309.8				
SUBTOTAL	539.2	581.0	309.8				
G & A TO NONGOVT ORGNZTNS							
GENERAL	380.8	257.7	139.2				
SUBTOTAL	380.8	257.7	139.2				

ALL RECIPIENTS BY FUND							
GENERAL	920.0	838.7	449.0				
TOTAL	920.0	838.7	449.0				

GRANTS AND AIDS ANALYSIS FOR: CHRONIC MENTAL ILLNESS GRANTS 1983-85 Biennial Budget

Activity: MENTAL ILLNESS PROGRAM OFFICE
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 256E.12, 12 MCAR 2.014

PURPOSE:

This grant provides funds to counties to help chronically mentally ill persons remain and function in their own communities. Funds are used for new or expanded services and should emphasize crisis management, independent living skill training, and case management.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

Counties are eligible to apply to the department for grants; they may contract with private organizations for all, or portions, of the programs. The administrative rule, 12 MCAR 2.014 (DPW Rule 14) specifies a regional priority consideration when awarding the funds. To the extent applications submitted are equally meritorious, the department allocates funds in such a way that amounts are awarded, pro rata, according to population size, with approximately one-half to counties from Region XI and approximately one-half to counties from the balance of the state. There are several guidelines for use of these funds. State funds may be used only for program costs, which are defined as direct service staff salaries and related costs such as local staff travel, consumable supplies and crisis home room and board costs justified on the basis of cost effectiveness. Programs and services provided at the site of a long-term residential facility may be funded, but at a lower priority than those provided away from the facility. Counties may not use state funds to replace existing local funding levels, nor to pay for room and board maintenance costs.

County applications must include: a statement outlining the problem to be addressed, the population at risk, and the need for this service; project objectives that are measurable and time limited; a methodology for carrying out the project, including modalities of treatment, a description of how proposed services will fit into the local continuum of care, and identification of program sites to be used; a plan for evaluation of effectiveness of the project; a budget that reflects and is based on the prevailing cost of like components in the local community; and signatures of chairpersons of all participating county boards of commissioners.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENTS:

Grant applicants are required to annually submit a proposed expenditures and income budget for the project. The budget must identify total operational costs of the project and also separately identify the allowable direct service and administrative

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-04-40-400-02	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
GENERAL	1,609.6	2,271.2	2,522.1	1,261.0		1,261.0	
SUBTOTAL	1,609.6	2,271.2	2,522.1	1,261.0		1,261.0	

ALL RECIPIENTS BY FUND							
GENERAL	1,609.6	2,271.2	2,522.1	1,261.0		1,261.0	
TOTAL	1,609.6	2,271.2	2,522.1	1,261.0		1,261.0	

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENTS (Contd.):

overhead costs. Local matching funds must make up at least 10% of total program expenditures. All grant applications are reviewed by a committee of department staff and community representatives, with review emphasis on compliance with the authorizing law and DPW Rule 14, appropriateness and reasonableness of the planned expenditures. Final grant awards may not exceed 90% of the allowable, eligible expenditures.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Number of local projects funded	31	31	28	28	28
Number of counties served	33	39	37	37	37
Number of counties with grants	20	20	20	20	20
Number of clients served	1,781	2,737	2,800	2,800	2,800
Estimated reduction in psychiatric hospitalization for these clients	45%	45%	45%	45%	45%
Sources of revenue in DPW funded programs					
State	\$1,609,600	\$2,271,200	\$2,522,100	\$2,522,100	\$2,522,100
Federal	5,705	66,776	98,835	85,000	85,000
Local taxes	232,067	327,378	417,483	369,000	369,000
Other	94,825	202,966	205,641	268,900	268,900
Total	\$1,942,197	\$2,868,320	\$3,224,059	\$3,245,000	\$3,245,000

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested with the provision that \$3,783,200 be transferred to the CSSA block grant effective 1-1-84; \$1,261,100 for F.Y. 1984 and \$2,522,100 for F.Y. 1985.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding. In line with this recommendation the commissioner of Department of Public Welfare will submit proposed legislation necessary to transfer this activity to CSSA.

GRANTS AND AIDS ANALYSIS FOR:ADULT MENTALLY ILL RESIDENTIAL GRANTS (Rule 36) 1983-85 Biennial Budget

Activity:MENTAL ILLNESS PROGRAM OFFICE
Program:MENTAL HEALTH
Agency :PUBLIC WELFARE, DEPARTMENT OF
Statutory References:Laws of 1981, Chapter 360, Article 2, Section 14

PURPOSE: This grant provides funds to counties to ensure that residential facilities for adult mentally ill persons can comply with the minimum program licensing standards of 12 MCAR 2.036 (Rule 36). Standards address individual program plans, resident rights, resident living environment and staffing requirements. Compliance with this rule also requires compliance with applicable health and fire/safety requirements. In addition, the services of Rule 36 facilities are expected to be effective alternatives to hospitalization and to allow mentally ill persons to achieve a higher level of independence, through social, vocational and daily living skills. This grant pays for costs of direct care personnel and other ongoing direct service costs required for licensure.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: By law, the commissioner may make these grants only to county boards. County boards may then pay all or part of the grant to a residential facility, or to a subcontractor who agrees to provide the services needed by the facility to comply with licensing standards. The temporary rule promulgated to implement this legislation assures accountability, but also provides counties with broad flexibility in the specific methods chosen by the county to provide the required services.

To be eligible for a grant the county board must show, in an application to the commissioner, that the facility will submit a completed application for a Rule 36 license within 3 months of the effective date of the grant award; attain at least provisional Rule 36 licensure within 6 months of the grant award; and maintain the license for the remainder of the grant period.

If funds are not sufficient for all applicants, the authorizing legislation requires the commissioner to give first priority to residential facilities for adult mentally ill persons operating as of 7-1-80.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENTS: Laws of 1981, Ch. 360, Art. 2, Sec. 14, Subd. 3 requires that grants "shall finance 75 percent of the county's costs of expanding or providing services for adult mentally ill persons in residential facilities". Subd. 2 adds the restriction that the grant can only be used for direct service costs which are required for licensure and approved by the commissioner; non-direct service costs, such as required physical renovation, may be paid from local matching funds. Subd. 2 also prohibits the use of the grant to replace existing funding unless the reduction in existing funding is due to a state or federal decision.

In the application to the commissioner, the county board must provide a detailed budget and a plan for the use of the grant. All applications are reviewed by a committee of department staff and community representatives. Grant amounts are based upon: compliance with the authorizing law and the temporary rule; appropriateness and reasonableness of the planned expenditures; and availability of funds.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-04-40-400-03	
	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
GENERAL		573.3	3,820.5	4,894.0	5,236.5	4,894.0	5,236.5
SUBTOTAL		573.3	3,820.5	4,894.0	5,236.5	4,894.0	5,236.5

ALL RECIPIENTS BY FUND							
GENERAL		573.3	3,820.5	4,894.0	5,236.5	4,894.0	5,236.5
TOTAL		573.3	3,820.5	4,894.0	5,236.5	4,894.0	5,236.5

GRANTS AND AIDS ANALYSIS FOR: ADULT MENTALLY ILL RESIDENTIAL
(Continuation) GRANTS (Rule 36) 1983-85 Biennial Budget
Activity: MENTAL ILLNESS PROGRAM OFFICE
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual ¹ F.Y. 1982	Estimated ² F.Y. 1983	Estimated ⁶ F.Y. 1984	Estimated ⁶ F.Y. 1985
No. of counties receiving grants	-0-	5	14	14	14
No. of residential facilities funded	-0-	36	68	68	68
No. of beds funded	-0-	521 ³	1,332 ⁴	1,332	1,332
No. of residential facilities licensed under Rule 36	-0-	9	88 ⁵	88	88
No. of licensed beds (excluding state hospitals)	-0-	197 ³	1,887 ⁴	1,887	1,887
No. of licensed Category I beds (intensive, primarily in-house programming)	-0-	154	785	785	785
No. of licensed Category II beds (transitional, supportive, group living programming)	-0-	43	1,102	1,102	1,102
Average total cost per licensed bed per day (including room and board)	-0-	NA ³	\$ 32.20	\$ 34.45	\$ 36.86
Average total cost per Category I bed per day	-0-	NA	\$ 45.30	\$ 48.47	\$ 51.86
Average total cost per Category II bed per day	-0-	NA	\$ 29.39	\$ 31.45	\$ 33.65
Average grant per licensed bed per day	-0-	NA	\$ 6.80	\$ 7.28	\$ 7.79
Total expenditures for funded facilities (\$ in thousands)	-0-	\$1,423	\$12,178	\$15,602	\$16,692
Sources of Revenue for funded facilities: (\$ in thousands)					
State grants (75% state match for direct service costs)	-0-	\$ 573	\$ 3,820	\$ 4,894	\$ 5,236
County funds (25% match)	-0-	\$ 285	\$ 1,309	\$ 1,677	\$ 1,794
Other (primarily room and board funding through GA, MSA, SSI, private pay, etc.)	-0-	\$ 565	\$ 7,049	\$ 9,031	\$ 9,662
No. of Persons in need of but not receiving Rule 36 services	9,300	9,103	7,413	7,413	7,413

¹ Figures based on time periods ranging from 2 to 6 months.
² Figures based on time periods ranging from 3 to 12 months

SIGNIFICANT STATISTICS: (Contd.)

- ³ F.Y. 1982 grants were mainly for program start up costs. In most cases, licensed services for residents did not begin until F.Y. 1983
⁴ F.Y. 1983 beds funded are less than beds licensed because a few facilities have
⁵ sufficient funding from other sources to attain licensure without a grant
F.Y. 1983 "facilities licensed" includes an estimated 20 facilities expected to be in the process of being licensed at the end of F.Y. 1983. These are existing facilities which will be providing services in F.Y. 1983 but will not formally achieve licensure
⁶ until October, 1983.
Statistics assume approval of the budget request.

BUDGET ISSUES:

The increase requested provides no funding for the over 500 existing beds which have received no funding in F.Y. 1982 and F.Y. 1983 and which will need to be brought up to licensure standards in F.Y. 1984. Use of these beds for mentally ill persons will have to be discontinued if funding is not available.

LEGISLATIVE ISSUES:

Legislation is being proposed to repeal the funding priority for facilities for adult mentally ill persons that were in existence on 7-1-80. No additional funds are required to implement this proposal.

EXPLANATION OF BUDGET REQUEST:

An increase of \$2,489,500 is requested for the biennium; \$1,073,500 for F.Y. 1984 and \$1,416,000 for F.Y. 1985.

The initial appropriation for F.Y. 1982 and F.Y. 1983 made it possible to begin a 4 year gradual phase-in of Rule 36 licensure for all adult MI residential programs. Most facilities received grants for a partial year only. The increase requested for F.Y. 1984 and F.Y. 1985 provides a full 2 years' funding for continued compliance with licensure standards for the 1,887 beds which are being brought up to standard in F.Y. 1983.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. This increase of \$1,073,500 in F.Y. 1984 and \$1,416,000 in F.Y. 1985 is necessary to support the 1,887 beds brought up to licensure standards during the 1981-83 biennium

GRANTS AND AIDS ANALYSIS FOR: SHARING LIFE IN THE 1983-85 Biennial Budget
 COMMUNITY (SLIC) GRANTS

Activity: MENTAL ILLNESS PROGRAM OFFICE
Program: MENTAL HEALTH
Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 245.72, 12 MCAR 2.021

PURPOSE: This grant provided funds to counties for nonresidential social and rehabilita-
tive services to mentally ill residents who would otherwise be hospitalized or who could
not use other available after-care services.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: The only applicants eligible were the
Dakota, Ramsey and Washington County Boards. By mutual agreement, Dakota County was
designated to make application on behalf of the others and assume responsibility for
program and fiscal accountability as required by DPW. The application included a narra-
tive description of the proposed services, number of mentally ill persons to use the ser-
vice, assurance that individual treatment plans will document the need for proposed
services, and a statement of the expected results; a budget which stated costs of the
proposed services; and a plan for evaluating the effectiveness of project services. DPW
also required the boards and agencies receiving funds to report the number of persons
served, the county of residence, the costs of providing services, the results achieved,
and other relevant data.

CRITERIA AND FORMULAS FOR DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: The law allowed
for up to 100% state funding of the project. The applicant submitted a proposed budget
detailing the intended use of funds requested from the Department and estimating other
expected income amounts. The amount of the grant was dependent upon the budget request
and evaluation of that request by department staff. Staff evaluation took into account
comparable community service costs and the relative cost effectiveness measured by units
of service to be delivered.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated ¹ F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Number of local programs funded	1	1	1	-0-	-0-
Number of counties with funded programs	3	3	3	-0-	-0-
Number of mentally ill served	151	123	100	-0-	-0-
Sources of revenue					
State Grant	\$ 401,100	\$ 393,600	\$ 205,950	-0-	-0-
Other	1,016		16,517	-0-	-0-
Total	\$ 402,491	\$ 392,247	\$ 222,467	-0-	-0-

¹Estimates only cover 6 month period to 12-31-82.

EXPLANATION OF BUDGET REQUEST: Laws of 1981, Chapter 355 transferred this grant to the
Community Social Services block grant as of 1-1-83. Therefore, separate funding is not
requested.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-04-40-400-04
	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
GENERAL	401.1	393.6	206.0				
SUBTOTAL	401.1	393.6	206.0				

ALL RECIPIENTS BY FUND							
GENERAL	401.1	393.6	206.0				
TOTAL	401.1	393.6	206.0				

GRANTS AND AIDS ANALYSIS FOR: FEDERAL MENTAL ILLNESS PROJECTS 1983-85 Biennial Budget

Activity: MENTAL ILLNESS PROGRAM OFFICE
Program: MENTAL HEALTH
Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 245.70; 245.71

I. FEDERAL COMMUNITY SUPPORT PROJECT (CSP) GRANTS

PURPOSE: This grant provided funds to selected mental health projects to develop model community systems to deliver services to chronically mentally ill persons.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Federal criteria were published in the Federal Register and negotiated with the states.

The local demonstration site(s) were selected on the basis of: 1) assessment of the problem; 2) evidence of capability to implement promptly; and 3) evidence of local officials' willingness to upgrade services to the target population.

Using the above criteria department staff selected one major demonstration project, (Hennepin County) and, subsequently, 3 smaller grantees: 1) Northwestern Mental Health Center (rural CSP demonstration project); 2) Project Overcome (client empowerment project); and 3) Fond du Lac Reservation (minority outreach and client identification project).

Projects funded were state, county and non-profit agencies or organizations.

In addition to the 3 criteria above each project had to demonstrate replicability, state of the art advancement, and client outcome effectiveness.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: The original awards were competitive contracts negotiated between the state and the National Institute of Mental Health (NIMH) and then between the state and the local demonstration sites. This was a 3 year process. The fourth and final funding awards were negotiated grants.

Funding was 100% of negotiated costs for allowable categories. A total of \$16,688 was awarded to 2 projects in FY 1981 and \$67,801 to 4 projects in FY 1982.

EXPLANATION OF AGENCY ESTIMATES: No state funding is requested. Federal grants ended in F.Y. 1982. Further funding is not expected.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-04-40-400-05	
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *		RECOMMENDATIONS	
				AGENCY ESTIMATES		FY1984	FY1985
G & A TO COUNTIES FEDERAL	7.1	6.3					
SUBTOTAL	7.1	6.3					
G & A OTHER GOVT ORGNZTNS FEDERAL	24.8						
SUBTOTAL	24.8						
G & A TO NONGOVT ORGNZTNS FEDERAL	244.6	85.8	35.6				
SUBTOTAL	244.6	85.8	35.6				
ALL RECIPIENTS BY FUND FEDERAL	276.5	92.1	35.6				
TOTAL	276.5	92.1	35.6				

II. FEDERAL MENTAL HEALTH MANPOWER DEVELOPMENT (MHMD) PROJECT

PURPOSE: This grant provided funds to mental health agencies throughout the state to improve their capacity to plan, recruit, utilize and retain qualified personnel to provide necessary mental health services. It was anticipated that this project would help make necessary changes to improve local service delivery and improve the knowledge and skills in the area of manpower development through the sharing of information.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Eligible recipients for MHMD contracts include non-profit public and private agencies and organizations which provide various services related to the purposes of the MHMD grants as discussed above. These contractors frequently subcontracted with individuals to meet specific goals or provide a specific resource. Criteria for these contracts included the capacity and interest of these organizations in performing the needed work, and the soundness of the proposal itself.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Contracts were reviewed in terms of the reasonableness and necessity of the proposed budget items and applicable federal and state budget and fiscal guidelines and contracting requirements. Payments were based on the costs negotiated and incurred under the contracts and were made on the basis of 100% of expenditures for allowable cost categories.

A total of \$28,872 was awarded to 1 project in FY 1981 and \$14,269 to 5 projects in FY 1982.

EXPLANATION OF AGENCY ESTIMATES:

No state funding is requested. Federal funds for these grants ended in FY 1982. Further funding is not expected.

Statutory References: LAWS of 1982, CHAPTER 607

GOVERNOR'S RECOMMENDATION: The Governor concurs with the agency's estimate.

4-01142

ACTIVITY: MENTAL RETARDATION PROGRAM OFFICE

1983-85 Biennial Budget

Program: MENTAL HEALTH

Agency: PUBLIC WELFARE, DEPARTMENT OF

ACTIVITY DESCRIPTION: This activity develops policy and plans and supervises the services provided under the aegis of the Department of Public Welfare to approximately 13,000 mentally retarded persons. To accomplish its goals, the office works directly with state hospitals, other state agencies, and community-based programs to help them provide a continuum of services to the mentally retarded population. One of the major goals of the activity is the implementation of the department's Six-Year Plan for mentally retarded persons.

The major functions of this activity are:

1. To assure the continued reduction of the state hospital population to 2,100 by 6-30-85 and assist in the development of alternative day and residential programs in the community.
2. To administer the need determination process, monitor existing and developing community-based services, and provide technical assistance as needed to a) counties on the Community Social Services Act (CSSA), case management, and service planning; b) community residential and day programs on licensing, funding and program issues; c) service providers on need determination, service development and coordination, and program implementation.
3. To provide program consultation to other divisions in the department on licensing, funding and staffing issues for community residential programs.
4. To assure appropriate placements of the mentally retarded in state hospital and community settings so that persons not needing more restrictive state hospital care are provided appropriate county services. This is accomplished through: a) administering the mental retardation grants under the Family Subsidy Program and Semi-Independent Living Services/Aid to Counties; b) supervising counties and and service programs to insure compliance with the Welsch v. Noot Consent Decree.
5. To administer the Mental Retardation Protection Act.
6. To participate in various planning and management committees within and outside the department to insure coordinated mental retardation service system development and implementation.

On 10-15-80, the Department of Public Welfare signed a Consent Decree with the U.S. Federal District Court settling the 6 year old Welsch v. Noot Class Action suit. The decree deals primarily with state hospital reform and population reductions and the development of alternative community-based programs and services.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
State Hosital Population ¹					
Reduction Targets:					
Required	2,600	2,525	2,375	2,225	2,100
Achieved	2,548	2,424	--	--	--
Average Daily Populations:					
1. Intermediate Care Facility/ ²					
Mentally Retarded (ICF/MR)	4,350	4,793	5,071	5,121	5,246
2. Semi-Independent Living	305	552	871	971	1,071

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	183.3	175.1	169.9	171.4	176.8

ACCOMPLISHMENTS AND STATISTICS: (contd.)	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
3. Developmental Achievement Centers	5,000	5,154	5,350	5,400	5,525
4. Family Subsidy Recipients ³	105	150	187	180	174
5. Mentally Retarded Persons under Guardianship	6,700	6,650	6,600	6,580	6,580

- ¹ State hospital resident reductions are required by the Welsch v. Noot Consent Decree.
- ² Increases in the service programs are a result of the reductions in the state hospitals plus continuing community demand.
- ³ Increases through 1983 are a result of legislation that specified the number of clients to be subsidized. The decreases in numbers of clients served in F.Y. 1984 and 1985 are the result of no-inflation adjustment guidelines.

LEGISLATIVE ISSUES: Legislation is being proposed to transfer responsibility for all preschool day developmental services to the Department of Education.

Legislative proposals pertaining to particular grant and aid programs are explained in the grants and aids analyses pages that follow.

EXPLANATION OF BUDGET REQUEST: An increase of \$2,441,200 is requested for the biennium; \$948,500 in F.Y. 1984 and \$1,492,700 in F.Y. 1985. These funds are requested for the following purposes:

1. An increase of \$56,600 is requested to restore one position as required by the Welsch v. Noot Consent Decree;
2. An increase of \$7,200 is requested to cover supplies and expenses for the restored position. This request meets the criteria established in the Department of Finance budget guidelines.
3. An increase of \$11,600 is requested to cover the added expenses of the monitor and technical assistance staff.
4. An increase of \$2,365,800 is requested for semi-independent living service grants, with the provision that \$416,300 be transferred to the CSSA Block Grant effective 1-1-84; \$138,800 in F.Y. 1984 and \$277,500 in F.Y. 1985. Details of this request are contained in the grants and aids analysis pages that follow.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts. These change levels are necessary to comply with the Welsch v. Noot consent decree.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: PROGRAM OFFICES

MANAGEMENT ACTIVITY: MR PROGRAM OFFICE

AGENCY: PUBLIC WELFARE,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	178.4	174.5	199.0	192.3	28.3	220.6	192.3	28.3	220.6	220.6	220.6
-REGULAR UNCLASSIFIED		1.1									
-PART-TIME/SEAS./OTHER	.3	.3									
-PREMIUM PAY		.1									
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL	.1	.3									
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	178.9	176.3	199.0	192.3	28.3	220.6	192.3	28.3	220.6	220.6	220.6
EXPENSES & CONTRACTUAL SERVICES	97.0	86.3	152.2	162.8	9.3	172.1	174.3	8.5	182.8	169.0	176.1
SUPPLIES & MATERIALS	.3	.5	.5	.5	.5	1.0	.6	.5	1.1	1.0	1.1
EQUIPMENT		.2									
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	730.6	964.2	2,022.2	2,022.2	771.6	2,793.8	2,022.2	1,177.9	3,200.1	2,793.8	3,200.1
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	1,006.8	1,227.5	2,373.9	2,377.8	809.7	3,187.5	2,389.4	1,215.2	3,604.6	3,184.4	3,597.9
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	1,006.8	1,227.5	2,373.9	2,377.8	809.7	3,187.5	2,389.4	1,215.2	3,604.6	3,184.4	3,597.9
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	1,006.8	1,227.5	2,373.9	2,377.8	809.7	3,187.5	2,389.4	1,215.2	3,604.6	3,184.4	3,597.9
POSITIONS BY FUND											
GENERAL	6.0	5.0	5.0	5.0	1.0	6.0	5.0	1.0	6.0	6.0	6.0
TOTAL POSITIONS	6.0	5.0	5.0	5.0	1.0	6.0	5.0	1.0	6.0	6.0	6.0

4-01144

GRANTS AND AIDS ANALYSIS FOR: SEMI-INDEPENDENT LIVING SERVICES 1983-85 Biennial Budget

Activity: MENTAL RETARDATION PROGRAM OFFICE
Program: MENTAL HEALTH
Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References: Laws of Minnesota for 1981, Chapter 360

PURPOSE: This grant provides funds to counties to maintain or expand semi-independent living services (SILS) for mentally retarded persons. The purposes of SILS are to train mentally retarded persons for independent living or maintain them in a semi-independent living arrangement. A system of support services enables persons currently residing (or likely to be placed) in community-based residential facilities (ICF/MR) to be placed into more independent living and service settings. This movement frees space to serve people coming from a state hospital. Semi-independent living services include training, counseling, instruction, supervision and other assistance required by a client's individual program plan. Specific services may include assistance in budgeting, meal preparation, shopping, personal appearance, counseling and related social support services needed to maintain and improve the client's functioning. SILS may be provided in various community settings such as the client's own home, apartment or rooming house.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: All counties are eligible to apply for a state grant to provide semi-independent living services to eligible clients. Clients are considered eligible for state reimbursement for semi-independent living services if they are 18 years and older, determined to be mentally retarded and likely to benefit from SILS.

Counties provide SILS directly or contract with private vendors. Such services must meet applicable licensing standards regardless of method of service delivery. Grants are awarded to counties after their proposals are reviewed and evaluated by department staff. Each proposal is funded based on the projected cost of maintaining and expanding SILS using the following criteria:

1. The degree to which the proposal will place mentally retarded clients currently residing in ICF/MR residential facilities into more independent living settings;
2. The degree to which the proposal will permit placement of mentally retarded clients from state hospitals into community-based residential programs;
3. The degree to which the proposal enables the county to reduce the number of mentally retarded persons residing in state hospitals;
4. The degree to which the proposal facilitates placement of clients from residential settings into independent living;
5. The degree to which the proposal prevents and minimizes additional or inappropriate ICF/MR development and utilization.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Counties are required to submit a budget detailing proposed expenditures for semi-independent living services for each fiscal year. The amount of the grant is dependent upon 1) the number and types of clients to be served, 2) the projected service costs, and 3) statewide rates of reimbursement. The percentage of state reimbursement is determined by dividing the SILS state appropriation by the total proposed eligible budgets for each fiscal year.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-04-40-401-07	
*** DOLLARS IN THOUSANDS (137,522=137.5) ***							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES GENERAL	459.6	570.0	1,496.4	2,268.0	2,674.3	2,268.0	2,674.3
SUBTOTAL	459.6	570.0	1,496.4	2,268.0	2,674.3	2,268.0	2,674.3

ALL RECIPIENTS BY FUND GENERAL	459.6	570.0	1,496.4	2,268.0	2,674.3	2,268.0	2,674.3
TOTAL	459.6	570.0	1,496.4	2,268.0	2,674.3	2,268.0	2,674.3

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: (Contd.)

Counties are reimbursed based on their actual expenditures for semi-independent living services to eligible mentally retarded clients.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated, F.Y. 1984 ¹	Estimated, F.Y. 1985 ¹
No. of Participant Counties	36	51	61	70	70
No. of Licensed Vendors	-0-	30	55	60	60
Total Clients Served	311	552	871	971	1,071
From ICF/MR	82	123	227	277	327
Eligible for ICF/MR Placement	123	230	397	447	497
Other Clients	106	199	247	247	247
Average Annual Cost per Client	2,628	2,167	2,364	3,164	3,487
No. of Clients in Need of SILS, but not receiving:	700	489	297	197	97
Total Expenditures/Budget	\$817,309	\$1,196,371	\$2,059,327	\$3,071,966	\$3,734,382
State dollars	421,400	570,000	1,496,400	2,268,000	2,674,300
County dollars	395,909	626,371	562,927	665,166	782,582

¹ Statistics assume approval of the budget request.

GRANTS AND AIDS ANALYSIS FOR: SEMI-INDEPENDENT LIVING

1983-85 Biennial Budget

(Continuation) SERVICES
Activity: MENTAL RETARDATION PROGRAM OFFICE
Program: MENTAL HEALTH
Agency : PUBLIC WELFARE, DEPARTMENT OF

LEGISLATIVE ISSUES: Legislation is being proposed to establish semi-independent living services as a statewide program and to authorize the commissioner to make grants for such services.

EXPLANATION OF BUDGET REQUEST: An increase of \$2,365,800 is requested for the biennium; \$910,400 for F.Y. 1984 and \$1,455,400 in F.Y. 1985. Funds are requested to maintain the current semi-independent living services and to expand the program by 200 persons in order to meet the state hospital population reduction targets required by the Welsch vs. Noot Consent Decree. Of this increase, \$1,628,300 is required to maintain the current 871 clients, and \$737,500 is required to expand the SILS program to include an additional 200 persons, 100 each year.

The department recommends that \$416,300 of this grant be transferred into the Community Social Services Act block grant on 1-1-84; \$138,800 in F.Y. 1984 and \$277,500 in F.Y. 1985. These funds are for clients currently funded under SILS who have not come from or who are not likely to be placed into a community-based residential facility (ICF/MR).

GOVERNOR'S RECOMMENDATION: The Governor concurs with the agency's request. This increase of \$910,400 in F.Y. 1984 and \$1,455,400 in F.Y. 1985 is necessary to comply with the Welsch/Noot Consent Decree.

GRANTS AND AIDS ANALYSIS FOR: MR FAMILY SUBSIDY

1983-85 Biennial Budget

Activity: MENTAL RETARDATION PROGRAM OFFICE
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 252.27, Subd. 4

PURPOSE:

This grant provides funds to counties to reimburse families with mentally retarded children, up to \$250.00 per month, for specific items which are needed in order for the child to remain in, or return to the natural home.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

Parents of mentally retarded children may apply for this subsidy through their county social services or human services agency. Each mentally retarded child must qualify for placement into, or already be in, a state or private residential facility or foster home. The individual program plan devised by the county agency must include specific reimbursable items needed to return the child to, or let him stay in, the natural home. The county agency must apply and send a periodic review to the Mental Retardation Program Office for final determination of eligibility and continued eligibility. The county agency pays the families and is reimbursed by the Department of Public Welfare. No reimbursements are made for items eligible for financial assistance from other public or private funds.

Eligibility criteria are: 1) the potential for placement of the child or return of the child to the natural home; 2) the severity of the mental retardation; 3) the severity of other physical and mental disabilities of the child; 4) the amount of emotional stress in the family; and 5) whether the family has only one parent present.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO THE RECIPIENT:

Determination of the amount of the grant is based on the specific items needed to fulfill the individual program plan for the child, such as medical costs, medications, education, babysitting, respite care, special clothing, special diet, special equipment, and transportation. Other individualized items may be added when the individual program plan requires the item, but special approval from the Mental Retardation Office is required.

All grants can be changed at 6 month intervals. Grants cancelled due to loss of eligibility are given to the next eligible family the month following the cancellation of the grant. The Mental Retardation Office determines waiting list order and which family will receive the grants.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-04-40-401-08
	ACTUAL FY1981	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *					
		ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
OTHER AIDS TO INDIVIDUALS							
GENERAL	271.0	394.2	525.8	525.8	525.8	525.8	525.8
SUBTOTAL	271.0	394.2	525.8	525.8	525.8	525.8	525.8

ALL RECIPIENTS BY FUND							
GENERAL	271.0	394.2	525.8	525.8	525.8	525.8	525.8
TOTAL	271.0	394.2	525.8	525.8	525.8	525.8	525.8

SIGNIFICANT STATISTICS:	Actual	Actual	Estimated	Estimated	Estimated
	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
Number of Grants (at any one time) ¹	105	150	187	180	174
Number of Families Served (over one year period)	105	156	195	190	185
Average Grant	\$ 218	\$ 221	\$ 233	\$ 240	\$ 245
Number of Counties Participating	26	34	65	65	65
Number of Families on Waiting List	33	80	175	200	250

¹Increases in the number of grants (families) in each of the reported years is specified by the Legislature in its appropriation. F.Y. 1983 authorized 200 families, however, the actual appropriation permitted only 187 families to be served at any one time.

BUDGET ISSUES:

The number of families served is expected to be reduced by 5 in F.Y. 1984 and an additional 5 in F.Y. 1985 due to the increasing average monthly grant for each family.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding.

ACTIVITY: CHEMICAL DEPENDENCY PROGRAM OFFICE

1983-85 Biennial Budget

Program: MENTAL HEALTH

Agency: PUBLIC WELFARE, DEPARTMENT OF

ACTIVITY DESCRIPTION: This activity is the State Authority on Alcohol and Drug Abuse as set forth in M.S. 254A. The activity's purpose is to reduce alcohol and drug problems and their resulting social and economic costs. This requires a full continuum of alcohol and drug services and monitoring and profiling the nature and extent of drug and alcohol problems. The State Authority on Alcohol and Drug Abuse clarifies and focuses the state's role in reducing these problems and integrates state efforts with those in the private sector. The Office is assisted by the Alcohol and Other Drug Abuse Advisory Council, appointed by the Governor; by an American Indian Advisory Board; and by an Interdepartmental Coordinating Committee.

The estimated number of problem chemical users in Minnesota is about 340,000 persons, of which 280,000 are problem drinkers. Economic costs of chemical abuse in Minnesota are estimated to exceed \$1.5 billion per year. Certain population groups such as American Indians, the elderly and young people, have special and unique problems which require specialized responses.

The main functions of this activity are:

1. To plan, coordinate and fund American Indian programs to help develop a continuum of care for chemically dependent American Indians.
2. To provide technical assistance to counties, state hospitals, and other groups to plan and offer CD services.
3. To develop and advocate needed changes in CD funding and other key policy issues.
4. To establish standards for and provide information and assistance to CD service providers.
5. To establish placement criteria so that CD clients are referred to the appropriate level of service.
6. To encourage chemical health in communities in Minnesota by promoting community education, prevention, and early intervention.
7. To continue the development of a system of credentialing, accreditation, and training for CD practitioners.
8. To establish a needs assessment program to document the nature and extent of CD problems in the state.
9. To establish a normative information and evaluation system capable of providing uniform information across the CD continuum of care.
10. To conduct, encourage, and coordinate research and evaluation studies.
11. To manage grants and contracts funded with state and federal funds, including Federal Alcohol and Drug Abuse Block Grant funds.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Technical Assistance					
State Hospital/Other Program					
Reviews	8	9	9	9	9
Other Technical Assistance					
Contacts	548	718	820	900	900

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	318.6	138.4	180.6	184.4	186.5

ACCOMPLISHMENTS AND STATISTICS: (Contd.)	Actual F.Y. 1981	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Prevention and Training					
Special Initiatives	9	8	10	10	10
Training Events	31	40	45	45	45
No. of Training Participants	512	993	1,075	1,000	1,000
Needs Assessment Reports	94	1	90	90	90
Normative Evaluation Reports	276	296	370	400	500
Programs Participating	68	71	79	100	200
Special Studies	4	2	2	2	2
Agencies Involved	150	10	10	10	10
Planning/Policy Development					
Legislation/Policy Issues	44	113	55	55	55
Special Reports	6	8	11	11	11
Grants Administration					
No. of Grants	123	68	75	75	75
Monitoring Visits	107	75	166	166	166

ALTERNATIVES/BUDGET ISSUES: Additional funds will be needed to implement legislation effective July 1, 1983 which requires detoxification for those arrested for driving while intoxicated. Detail is provided in the Community Social Services Grants and Aids Analysis. Fiscal Year 1982 reductions in the Alcohol, Drug Abuse and Mental Health Block Grant will not be restored by the federal government. Reduction in the level, and possibly the types of CD services will result. Details about the Federal Alcohol and Drug Abuse block grant are contained on the grant and aid analysis pages that follow.

LEGISLATIVE ISSUES: Legislation is being proposed to: 1) clarify department powers and duties to coordinate state services and collect data on chemical dependency; 2) remove the requirement for physician examinations in routine emergency hold cases; and 3) require DWI cases to verify either payment of detoxification costs or eligibility for non-payment prior to restoration of driving privileges. This will help reduce state and local costs for detoxification services which would otherwise result from the new law.

EXPLANATION OF BUDGET REQUEST: An increase of \$200,000 is requested for the biennium; \$150,000 for F.Y. 1984 and \$50,000 for F.Y. 1985 for primary treatment services for American Indians at Mash-Ka-Wisen. Details concerning this request are contained in the grant and aid analyses that follows.

An increased level of funding of \$15,100 for F.Y. 1984 and \$15,100 for F.Y. 1985 is requested to restore the salary appropriation and complement of .5 positions reduced by 3rd Special Session 1982, Chapter 1.

ACTIVITY: CHEMICAL DEPENDENCY PROGRAM OFFICE

1983-85 Biennial Budget

(Continuation)

Program: MENTAL HEALTH

Agency: PUBLIC WELFARE, DEPARTMENT OF

GOVERNOR'S RECOMMENDATION:

The Governor recommends restoration of .5 complement and \$15,100 each year which was cut by the 3rd Special Session, Chapter 1. The \$250,000 annual subsidy for Mash-Ka-Wisen, which is part of the agency's same level request, should be sufficient support for that program. Therefore, the \$200,000 increase is not recommended.

The Governor further makes no specific recommendation regarding the Alcohol and Other Drug Abuse Advisory Committee since by law it is required to sunset as of 6-30-83.

Adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: PROGRAM OFFICES

MANAGEMENT ACTIVITY: CD PROGRAM OFFICE

AGENCY: PUBLIC WELFARE,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	291.0	438.6	606.3	683.6	15.1	698.7	688.9	15.1	704.0	698.7	704.0
-REGULAR UNCLASSIFIED	117.9	105.1	79.1	52.9		52.9	52.9		52.9	52.9	52.9
-PART-TIME/SEAS./OTHER	16.7	37.8	27.0								
-PREMIUM PAY		.1									
-OVERTIME PAY		.6									
-MISCELLANEOUS PAYROLL	13.2	8.9	12.4	12.4		12.4	12.4		12.4	12.4	12.4
-OTHER BENEFITS	.2										
TOTAL PERSONAL SERVICES	439.0	591.1	724.8	748.9	15.1	764.0	754.2	15.1	769.3	764.0	769.3
EXPENSES & CONTRACTUAL SERVICES	333.0	103.9	174.9	93.8		93.8	100.6		100.6	85.6	91.0
SUPPLIES & MATERIALS	1.9	2.6	8.7	3.0		3.0	3.2		3.2	2.9	3.1
EQUIPMENT	.4		.8	.4		.4	.4		.4	.4	.4
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	3,797.7	3,177.9	4,015.6	3,753.5	150.0	3,903.5	3,755.5	50.0	3,805.5	3,753.5	3,755.5
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	4,572.0	3,875.5	4,924.8	4,599.6	165.1	4,764.7	4,613.9	65.1	4,679.0	4,606.4	4,619.3
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	1,618.7	1,766.4	1,935.2	1,972.7	165.1	2,137.8	1,976.8	65.1	2,041.9	1,979.5	1,982.2
DEDICATED APPROPRIATIONS:											
AGENCY			6.9	10.0		10.0	12.0		12.0	10.0	12.0
FEDERAL	2,953.3	2,109.1	2,982.7	2,616.9		2,616.9	2,625.1		2,625.1	2,616.9	2,625.1
TOTAL FINANCING	4,572.0	3,875.5	4,924.8	4,599.6	165.1	4,764.7	4,613.9	65.1	4,679.0	4,606.4	4,619.3
POSITIONS BY FUND											
GENERAL	6.0	7.0	8.5	8.5	.5	9.0	8.5	.5	9.0	9.0	9.0
FEDERAL	16.0	15.0	13.0	13.0		13.0	13.0		13.0	13.0	13.0
TOTAL POSITIONS	22.0	22.0	21.5	21.5	.5	22.0	21.5	.5	22.0	22.0	22.0

4-01150

GRANTS AND AIDS ANALYSIS FOR: CD AMERICAN INDIANS

1983-85 Biennial Budget

Activity: CHEMICAL DEPENDENCY PROGRAM OFFICE
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 254A

PURPOSE: This grant provides funds to reservations and nonprofit corporations for American Indian alcoholism services, including residential primary treatment, residential halfway house care, detoxification services, intervention and counseling programs, prevention services, and training. Chemical dependency services for American Indians are also provided under the federal CD projects and Federal Alcohol and Drug Abuse Block Grant.

It has been estimated that 40-49% of the total United States Indian population have or are seriously affected by the disease of alcoholism. In Minnesota, about 16,000 Indian persons are considered chronically dependent. Alcohol is considered the single most serious problem of Indians because it contributes to the three leading causes of death among adults: cirrhosis of the liver, suicide and homicide.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Federally-recognized Indian Reservations and nonprofit corporations serving American Indians are eligible to apply for the grants. Grants are awarded on a competitive basis after screening and review of grant applications by the American Indian Desk staff, the American Indian Advisory Board and the Alcohol and Other Drug Abuse Advisory Council. In general, grant applications must demonstrate the ability to plan and provide alcoholism services for American Indians.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Applicants are required to submit a proposal specifying their goals and objectives. A proposed budget showing expenditures by line item is required, including other sources of income. Applications are reviewed in terms of the reasonableness and necessity of proposed budget items, the ability of the applicant to perform the work described, and available funds. DPW staff, the Grants Committee of the American Indian Advisory Board and the Alcohol and Other Drug Abuse Advisory Council review applications and recommend grant amounts to Commissioner of Public Welfare.

SIGNIFICANT STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated ¹ F.Y. 1984	Estimated ¹ F.Y. 1985
Recipients					
Reservations - Number of Grants	16	15	12	12	12
Funds Awarded	\$ 776,743	\$ 750,652	\$ 675,980	675,980	675,980
Average Grant	48,546	50,043	56,331	56,331	56,331
Nonprofit Corporations					
Number of Grants	7	6	10	10	10
Funds Awarded	\$ 616,857	\$ 519,648	\$ 574,020	574,020	574,020
Average Grant	88,112	86,608	57,402	57,402	57,402
State Obligation Total	1,393,600	1,207,300	1,250,000	1,400,000	1,300,000

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-04-40-402-10
G & A TO NONGOV'T ORGNZTNS GENERAL	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *		RECOMMENDATIONS	
				AGENCY ESTIMATES FY1984	FY1985	FY1984	FY1985
	1,393.6	1,270.3	1,250.0	1,400.0	1,300.0	1,250.0	1,250.0
SUBTOTAL	1,393.6	1,270.3	1,250.0	1,400.0	1,300.0	1,250.0	1,250.0
ALL RECIPIENTS BY FUND GENERAL	1,393.6	1,270.3	1,250.0	1,400.0	1,300.0	1,250.0	1,250.0
TOTAL	1,393.6	1,270.3	1,250.0	1,400.0	1,300.0	1,250.0	1,250.0

SIGNIFICANT STATISTICS: (Contd.)

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated ¹ F.Y. 1984	Estimated ¹ F.Y. 1985
Prevention/Training-					
Number of Grants	9	8	4	4	4
Total Funds Awarded	\$ 386,845	\$ 403,291	\$ 141,400	\$ 141,400	\$ 141,400
Clients Served	2,128	2,392	800	800	800
Non-Residential Services-					
Number of Grants	9	7	12	12	12
Total Funds Awarded	\$ 261,875	\$ 197,321	\$ 473,640	\$ 473,640	\$ 473,640
Clients Served	2,337	2,166	2,245	2,245	2,245
Primary Treatment (Mash-Ka-Wisen)					
Number of Grants	1	1	1	1	1
Total Funds Awarded	\$ 436,103	\$ 350,000	\$ 250,000	\$ 400,000	\$ 300,000
Clients Served	323	165	250	325	325
Detox Services-					
Number of Grants	2	2	2	2	2
Total Funds Awarded	\$ 174,076	\$ 188,207	\$ 225,170	\$ 225,170	\$ 225,170
Clients Served	1,051	1,056	1,200	1,200	1,200
Halfway Houses-					
Number of Grants	3	3	3	3	3
Total Funds Awarded	\$ 134,301	\$ 131,482	\$ 159,790	\$ 159,790	\$ 159,790
Clients Served	281	404	550	550	550

¹ Statistics assume approval of the budget request.

GRANTS AND AIDS ANALYSIS FOR: CD AMERICAN INDIANS

1983-85 Biennial Budget

(Continuation)

Activity: CHEMICAL DEPENDENCY PROGRAM OFFICE

Program: MENTAL HEALTH

Agency: PUBLIC WELFARE, DEPARTMENT OF

BUDGET ISSUES: The combined effects of a 50% reduction in state funding during F.Y. 1982 and F.Y. 1983, inflation pressures, and reduction in treatment funds available through counties for public assistance clients have seriously jeopardized the Mash-Ka-Wisen American Indian treatment program. The increase requested calls for a larger amount of funds in F.Y. 1984 than in 1985 with the expectation that improving economic conditions will relieve financial pressures on Mash-Ka-Wisen.

EXPLANATION OF BUDGET REQUEST: An increase of \$200,000 is requested; \$150,000 in F.Y. 1984 and \$50,000 in F.Y. 1985. This increase is requested to increase the state contribution to Mash-Ka-Wisen treatment center. Mash-Ka-Wisen is one of only 2 American Indian primary residential treatment facilities in the state and was built and has been operated with significant state funding.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding rather than the agency's change level for this activity.

The Governor does not recommend the additional Mash-Ka-Wisen subsidy (\$150,000 in F.Y. 1984 and \$50,000 in F.Y. 1985). The present subsidy of \$250,000 each year should be sufficient for its operation.

Statutory References: M.S. 254A.03; M.S. 254A.16; Laws 1979, Ch. 336, Section 2, Subd. 5; M.S. 152.15, Subd. 2(5)

I. State Grants for Treatment

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Applicants are required to submit a proposal specifying their goals and objectives as well as a proposed budget showing expenditures by line item and other sources of project income. Applications are reviewed for reasonableness and necessity of proposed budget items, the ability of the applicant to perform the work described, and available funds. DPW staff and the Grants Committee of the Alcohol and Other Drug Abuse Advisory Council review applications and recommend grant amounts to the Commissioner of Public Welfare.

<u>SIGNIFICANT STATISTICS:</u>		<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>
		<u>F.Y. 1981</u>	<u>F.Y. 1982</u>	<u>F.Y. 1983</u>	<u>F.Y. 1984</u>	<u>F.Y. 1985</u>
<u>Recipients</u>						
Number of Grants						
Counties	-0-	1	1	1	1	1
Private Organizations	-0-	2	3	3	3	3

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-04-40-402-11	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
GENERAL		8.5	20.0	20.0	20.0	20.0	20.0
SUBTOTAL		8.5	20.0	20.0	20.0	20.0	20.0
G & A TO NONGOV'T ORGNZTNS							
GENERAL		103.8	120.1	120.1	120.1	120.1	120.1
SUBTOTAL		103.8	120.1	120.1	120.1	120.1	120.1

ALL RECIPIENTS BY FUND							
GENERAL		112.3	140.1	140.1	140.1	140.1	140.1
TOTAL		112.3	140.1	140.1	140.1	140.1	140.1

<u>SIGNIFICANT STATISTICS: (Contd.)</u>	<u>Actual F.Y. 1981</u>	<u>Actual F.Y. 1982</u>	<u>Estimated F.Y. 1983</u>	<u>Estimated F.Y. 1984</u>	<u>Estimated F.Y. 1985</u>
Clients Served	-0-	345 ¹	60	60	60
Local Funds	-0-	\$26,150	\$120,000	\$120,000	\$120,000
State Funds Awarded	-0-	\$67,046	\$ 75,000	\$ 75,000	\$ 75,000

The same level of funding is requested.

II. State Grants for Evaluation

State evaluation funds were used in F.Y. 1982-83 for several high priority research and evaluation efforts. The purpose of these projects is to provide empirical data to improve needs assessment, program planning, and decision-making in the CD field. The ultimate goal of these efforts is to increase the cost-effectiveness of CD services in the state.

GRANTS AND AIDS ANALYSIS FOR: CHEMICAL DEPENDENCY
(Continuation) TREATMENT/EVALUATION 1983-85 Biennial Budget
Activity: CHEMICAL DEPENDENCY PROGRAM OFFICE
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: F.Y. 1981 evaluation funds were awarded based on a request for proposals (RFP), issued 3-10-80, entitled "Outcome and Cost Assessment of Selected Chemical Dependency Services." In addition to the regular state grant review process, all proposals were reviewed by a special Evaluation Advisory Committee composed of staff from DPW, the University of Minnesota, the Legislative Audit Commission, and Senate Counsel. Criteria used in reviewing these proposals included: 1) staff qualifications; 2) related experience; 3) project goals in relation to goals of RFP; 4) deliverables; 5) cost justification; 6) county and service provider participation; 7) background knowledge and resources; 8) management plan; 9) marketability of results; and 10) quality of products in relation to costs.

F.Y. 1982-83 evaluation funds were awarded based on the office's long-range research and evaluation plan and on input from policy-makers, service providers, and those engaged in CD research and evaluation concerning high priority topics for focused studies. Grants were solicited for collaborative research/evaluation projects from those already engaged in similar efforts. These grants were reviewed using the regular state grant review process described below. Current grantees include the University of Minnesota and the St. Paul-Ramsey Hospital Medical Education and Research Foundation.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIEPINT:
Applicants are required to submit a proposal specifying their goals and objectives as well as a proposed budget showing expenditures by line item and other sources of project income. Applications are reviewed for reasonableness and necessity of proposed budget items, the ability of the applicant to perform the work described, and available funds. DPW staff and the Grants Committee of the Alcohol and Other Drug Abuse Advisory Council review applications and recommend grant amounts to the Commissioner of Public Welfare.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Recipients					
Number of Grants					
Other Governmental	-0-	1	1	1	1
Private Organizations	2	1	1	1	1
Programs Studied	120	10	10 ²	10	10
Reports Produced	10	2	90 ²	90	90
State Funds Awarded	\$89,500	\$42,251	\$65,100	\$65,100	\$65,100

²F.Y. 1983 reports include needs assessment reports, funded jointly with federal funds, to 87 counties. These reports were not produced in F.Y 1982.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: CHEMICAL DEPENDENCY PREVENTION1983-85 Biennial Budget

Activity: CHEMICAL DEPENDENCY PROGRAM OFFICE
Program: MENTAL HEALTH
Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 254A

PURPOSE: This grant provides funds to prevent alcohol and drug abuse through education, information and training. The funds are used to offer all Minnesota communities accurate, up-to-date information, prevention programs, speakers, and assistance in planning and operating local prevention efforts. Materials include marijuana information for parents, parent training materials, alcohol education for senior citizens, and other materials on prevention of alcohol and drug abuse. Issues given special attention are street drug identification, information on pharmaceuticals, prevention efforts in the Black and Hispanic communities, and statewide awareness and skill building workshops. These services are funded jointly with funds from the Federal Alcohol and Drug Abuse Block Grant.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: These funds are currently granted to one private non-profit organization, which was selected based on competitive bidding in F.Y. 1982. The organization is reviewed annually to determine whether it still quali-fies for the funds. Criteria include:

- 1. Consistency of program's philosophy;
- 2. Sensitivity to the needs and interests of community members;
- 3. Reasonableness of budget estimates; and
- 4. Ability to perform work objectives.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Applicants are required to submit a proposed budget detailing expenditures by line item, including income from other sources, and a narrative specifying their goals, objectives and work plan. A maximum is set by DPW. DPW staff and the Alcohol and Other Drug Abuse Advisory Council review applications and recommend grant amounts to the Commissioner of Public Welfare.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Number of Grants	-0-	1	1	1	1
Funds Awarded	-0-	\$149,914	\$199,100	\$199,100	\$199,100
Number of Communities Served	-0-	89	106	106	106
Responses to Information Requests	-0-	1,575	2,000	2,000	2,000
Number of Consultation Events	-0-	106	133	133	133
Number of Presentations	-0-	243	304	304	304
Project Income	-0-	11,054	19,000	19,000	19,000

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-04-40-402-12	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO NONGOV'T ORGNZTNS GENERAL		149.9	199.1	199.1	199.1	199.1	199.1
SUBTOTAL		149.9	199.1	199.1	199.1	199.1	199.1

ALL RECIPIENTS BY FUND GENERAL		149.9	199.1	199.1	199.1	199.1	199.1
TOTAL		149.9	199.1	199.1	199.1	199.1	199.1

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: CHEMICAL DEPENDENCY
FORFEITED PROPERTY

1983-85 Biennial Budget

Activity: CHEMICAL DEPENDENCY
Program: MENTAL HEALTH PROGRAM OFFICE
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 152.19, Subd. (5)4.

PURPOSE:

This fund provides resources to care for and treat patients with drug-related disorders and to support licensed drug analysis centers. Resources for this fund are derived from the sale of forfeited property or cash seized by law enforcement agencies in drug-related arrests and convictions. After payment of seizure, storage and sale expenses and satisfaction of valid liens, proceeds are forwarded to the State Drug Abuse Authority. Half the net proceeds are distributed for the purpose described above. The remaining half is returned to the appropriate law enforcement agency.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

According to statute, the funds received are distributed among licensed hospitals, licensed drug treatment facilities, and licensed drug analysis centers. Grantees are the final recipients.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENTS:

Funds are used in combination with federal and state drug abuse treatment funds granted to drug treatment or drug analysis centers. Because the amount of money involved has not been large, these funds are used to provide a portion of the support for a grant award which meets the statutory eligibility.

SIGNIFICANT STATISTICS:

The small amount of money received under this statute suggests that all law enforcement agencies are not aware of its provisions. In F.Y. 1983 DPW will inform appropriate agencies about it.

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Net Funds Received	-0-	900	6,000	10,000	12,000
Funds Distributed	-0-	-0-	6,900	10,000	12,000
Clients Receiving Treatment	-0-	-0-	11	16	20

EXPLANATION OF AGENCY ESTIMATES:

No state funding is requested. Funding level depends on the value of forfeited property seized in drug-related legal actions.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:401-04-40-402-13	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO NONGOV'T ORGNZTNS							
AGENCY			6.9	10.0	12.0	10.0	12.0
SUBTOTAL			6.9	10.0	12.0	10.0	12.0

ALL RECIPIENTS BY FUND							
AGENCY			6.9	10.0	12.0	10.0	12.0
TOTAL			6.9	10.0	12.0	10.0	12.0

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's estimate.

GRANTS AND AIDS ANALYSIS FOR: FEDERAL CD PROJECTS

1983-85 Biennial Budget

Activity: CHEMICAL DEPENDENCY PROGRAM OFFICE
Program: MENTAL HEALTH
Agency : PUBLIC WELFARE, DEPARTMENT OF
Statutory References: M.S. 254A

PURPOSE:

This grant provided funds to public and private agencies and individuals. Funds were used to develop and demonstrate new methods for preventing and treating chemical dependency; to research the causes and prevention of drug and alcohol dependence; and on the methods of diagnosis, treatment and rehabilitation of drug and alcohol dependent persons; and to provide services throughout the state and to American Indians, including services through demonstration and evaluation projects.

The following federal grants were included: 1) National Institute on Drug Abuse Formula Grant, 2) State Prevention Coordinator Grant, 3) Statewide Services Grant, 4) State Training Project, 5) National Institute on Alcohol Abuse and Alcoholism Formula Grant, 6) Human Resource and Development Project Grant, and 7) Uniform Alcoholism Act Project Grant.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

Grants and contracts were made to public and private agencies, both profit and non-profit, and individuals. Upon approval of the CD state plan, formula grant funding was provided to recipients through a request for proposals (RFP) process and occasionally to a sole source vendor when appropriate. All proposals were reviewed by the Alcohol and Other Drug Abuse Advisory Council, and in the case of RFPs, by a panel of persons knowledgeable of the specific subject. In addition, Statewide Services grants require counties to provide a 33% local match and to serve non-alcohol, drug dependent clients. Uniform Alcoholism Act grants were also partially distributed to counties or local mental health centers for detoxification transportation services.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

Applicants were required to submit a proposal specifying their goals and objectives and describing how the proposed activities relate to the state CD Plan. In most instances the maximum amount of money available for various types of programs was established in the State CD Plan. A proposed budget showing expenditures by line item and other sources of project income was required. Applications were reviewed in terms of their relationship to the goals and objectives of the State CD Plan, the reasonableness and necessity of proposed budget items, the ability of the applicant to perform the work described, and available funds. DPW staff and the Grants Committee of the Alcohol and Other Drug Abuse Advisory Council reviewed applications and recommended grant amounts to the Commissioner of Public Welfare.

REF:401-04-40-402-14

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES FEDERAL	258.4	173.3	100.0				
SUBTOTAL	258.4	173.3	100.0				
G & A TO NONGOV'T ORGNZTNS FEDERAL	2,145.7	1,297.0	295.2				
SUBTOTAL	2,145.7	1,297.0	295.2				

ALL RECIPIENTS BY FUND FEDERAL	2,404.1	1,470.3	395.2				
TOTAL	2,404.1	1,470.3	395.2				

GRANTS AND AIDS ANALYSIS FOR: FEDERAL CD PROJECTS
(Continuation)

1983-85 Biennial Budget

Activity: CHEMICAL DEPENDENCY PROGRAM OFFICE
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
<u>Recipients</u>					
Cities - Number of Grants	2	1	-0-	-0-	-0-
Funds Awarded	\$ 139,646	\$ 12,528	-0-	-0-	-0-
Average Award	69,823 ¹	12,528 ¹	-0-	-0-	-0-
Counties - Number of Grants	60 ¹	5 ¹	4	-0-	-0-
Funds Awarded	\$ 830,440	\$ 692,042	\$ 67,550	-0-	-0-
Average Award	13,840	138,408	16,887	-0-	-0-
Other Governmental -					
Number of Grants	18	20	10	-0-	-0-
Funds Awarded	\$ 460,400	\$502,694	\$249,704	-0-	-0-
Average Award	25,578	25,135	24,970	-0-	-0-
Non-Governmental -					
Number of Grants	40	23	5	-0-	-0-
Funds Awarded	\$1,196,928	\$441,116	\$ 80,581	-0-	-0-
Average Award	29,923	19,179	16,116	-0-	-0-
Local and Other Revenue	\$ 508,313	\$607,316	\$ 66,872	-0-	-0-
<u>American Indian Projects</u>					
Number of Grants	12	12	-0-	-0-	-0-
Funds Awarded	\$ 389,915	\$342,966	-0-	-0-	-0-
Clients Served	2,337	1,668	-0-	-0-	-0-
<u>Treatment Services</u>					
Number of Grants	16	12	9	-0-	-0-
Funds Awarded	\$ 896,221	\$937,492	\$110,755	-0-	-0-
Clients Served	2,103	1,665	365	-0-	-0-
<u>Prevention and Intervention</u>					
Number of Grants	16	17	4	-0-	-0-
Funds Awarded	\$704,154	\$219,841	\$ 70,456	-0-	-0-
Clients Served (Intervention)	2,070	493	-0-	-0-	-0-
Communities Served (Prevention)	128	44	2	-0-	-0-
Consultation Events	531	195	61	-0-	-0-
Information Requests	3,200	1,704	680	-0-	-0-
Presentations	464	300	70	-0-	-0-
<u>Training</u>					
Number of Grants	6	2	1	-0-	-0-
Funds Awarded	\$187,278	\$ 40,271	\$ 24,624	-0-	-0-
Participants	2,399	850	400	-0-	-0-

SIGNIFICANT STATISTICS: (Contd.)

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
<u>Evaluation and Research</u>					
Number of Grants	4	4	4	-0-	-0-
Funds Awarded	\$155,649	\$ 68,000	\$192,000	-0-	-0-
Programs Studied	248	6	20 ²	-0-	-0-
Reports	24	5	90 ²	-0-	-0-

Detoxification Transportation
and Board and Lodging

Number of Detox Trans- portation Grants	66	1	-0-	-0-	-0-
Funds Awarded	\$294,197	\$ 39,810	-0-	-0-	-0-
Trips to Detox	4,868	-0-	-0-	-0-	-0-
Number of Board and Lodging Facilities Grants	3	1	-0-	-0-	-0-

¹F.Y. 1981 includes 57 grants to counties for detoxification transportation. These grants ended 6-30-81.

²F.Y. 1983 reports include individual needs assessment reports to 87 counties. These reports were funded jointly with the state Chemical Dependency Treatment/Evaluation grant.

BUDGET ISSUES:

Proposals before Congress to rescind all Federal Formula Grant funds during federal F.Y. 1981 ultimately resulted in a reduction of these awards by 70%. Funds were not available to the state until the fourth quarter of federal F.Y. 1981.

EXPLANATION OF AGENCY ESTIMATES:

Five of the grants included in this analysis were incorporated into the Federal Alcohol and Drug Abuse Block Grant in F.Y. 1982. Two grants which were not included in the block grant will receive no funds after F.Y. 1982. Because the federal requirements allow a 2 year obligation period and an unlimited period for expenditure, some of these funds will be expended in F.Y. 1983.

No state funds are requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request.

GRANTS AND AIDS ANALYSIS FOR: FEDERAL ALCOHOL AND DRUG ABUSE BLOCK GRANT
1983-85 Biennial Budget
Activity: CHEMICAL DEPENDENCY PROGRAM OFFICE
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF
Statutory References: LAWS OF 1982, CHAPTER 607, M.S.254A

PURPOSE:

The Alcohol and Drug Abuse portion of the Alcohol, Drug Abuse and Mental Health Block Grant combines a number of federal categorical grants into 1 block grant to the states. Minnesota combines block grant funds with state, other federal, and local funds to support American Indian projects, special treatment services, prevention, early intervention, training, research, and evaluation activities. Specific purposes are:

- 1. To provide a full continuum of care for chemically dependent clients and their families in the State of Minnesota.
- 2. To reduce the likelihood, frequency, seriousness, or duration of chemical use problems by operating community education, special prevention, and early intervention programs.
- 3. To give practitioners and programs the opportunity for credentialing, accreditation, human resource mobility, and continuing education.
- 4. To design and implement a data collection and reporting system that will provide timely and accurate information on chemical dependency programs in Minnesota and thereby serve the needs of federal, state, and local authorities.
- 5. To evaluate chemical dependency programs to measure their progress, efficiency, and effectiveness.
- 6. To further develop Minnesota's chemical dependency needs assessment system so that unmet needs can be identified and addressed.
- 7. To conduct and sponsor research on the causes, prevention, diagnosis, and treatment of chemical dependency.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

Eligible grantees are public and nonprofit private agencies and organizations. Funds must be used to supplement and increase the level of state, local and other nonfederal funds and in no event are to supplant such funds. In certain instances, grantees, such as counties, may act as fiscal agents for disbursement of funds to local programs with the approval of DPW. Grants and contracts are solicited in accord with a block grant spending plan developed by DPW and reviewed at public hearings before the legislature. Primary consideration for the use of these funds is given to carrying out the responsibilities of the State Authority on Alcohol and Drug Abuse as specified in M.S. 254A.03.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

In any fiscal year not less than 35 percent of these funds must be used for activities related to alcoholism and alcohol abuse. Similarly not less than 35 percent must be used

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:401-04-40-402-15
*** DOLLARS IN THOUSANDS (137,522=137.5) ***							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
FEDERAL		19.6	806.4	825.0	825.0	825.0	825.0
SUBTOTAL		19.6	806.4	825.0	825.0	825.0	825.0
G & A OTHER GOVT ORGNZTNS							
FEDERAL		79.4	610.8	620.0	620.0	620.0	620.0
SUBTOTAL		79.4	610.8	620.0	620.0	620.0	620.0
G & A TO NONGOVT ORGNZTNS							
FEDERAL		76.1	607.1	709.3	709.3	709.3	709.3
SUBTOTAL		76.1	607.1	709.3	709.3	709.3	709.3

ALL RECIPIENTS BY FUND							
FEDERAL		175.1	2,024.3	2,154.3	2,154.3	2,154.3	2,154.3
TOTAL		175.1	2,024.3	2,154.3	2,154.3	2,154.3	2,154.3

for drug abuse activities. In addition, not less than 20 percent of the total funds available are to be used for prevention and early intervention programs designed to discourage the abuse of alcohol and drugs. Applicants for these funds are required to submit a proposal specifying their goals and objectives and describing how the proposed activities relate to the state block grant plan. In most instances the maximum amount of money available for various types of programs has been established in the block grant plan. A proposed budget demonstrating expenditures by line item is required, including other sources of project income. DPW staff and the Grants Committee of the Alcohol and Other Drug Abuse Advisory Council review applications and recommend grant amounts to the Commissioner of Public Welfare.

GRANTS AND AIDS ANALYSIS FOR: FEDERAL ALCOHOL AND DRUG
(Continuation) ABUSE BLOCK GRANT
Activity: CHEMICAL DEPENDENCY PROGRAM OFFICE
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

SIGNIFICANT STATISTICS:

The first Alcohol, Drug Abuse and Mental Health Block Grant was received in November, 1981. F.Y. 1982 expenditures were minimized in order to utilize other remaining federal funds to continue ongoing projects.

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
<u>Recipients</u>					
Cities-Number of Grants	-0-	1	1	1	1
Funds Awarded	-0-	\$ 8,600	\$ 11,878	\$ 15,000	\$ 15,000
Counties-Number of Grants	-0-	2	5	6	6
Funds Awarded	-0-	\$20,261	\$ 806,404	\$ 825,000	\$ 825,000
Average Award	-0-	\$10,130	\$ 161,280	\$ 137,500	\$ 137,500
Other Governmental -					
Number of Grants	-0-	7	15	15	15
Funds Awarded	-0-	\$70,819	\$ 579,430	\$ 640,000	\$ 640,000
Average Award	-0-	\$10,117	\$ 38,629	\$ 42,670	\$ 42,670
Non-Governmental -					
Number of Grants	-0-	4	15	15	15
Funds Awarded	-0-	\$76,605	\$ 626,588	\$ 674,300	\$ 674,300
Average Award	-0-	\$19,151	\$ 41,772	\$ 44,953	\$ 44,953
Local and Other Revenue	-0-	\$11,700	\$1,038,445	\$1,100,000	\$1,100,000
<u>American Indian Projects</u>					
Number of Grants	-0-	10	9	10	10
Total Funds Awarded	-0-	\$91,449	\$ 440,000	440,000	440,000
Clients Served	-0-	498	2,515	2,500	2,500
<u>Special Treatment Services</u>					
Number of Grants	-0-	2	9	10	10
Total Funds Awarded	-0-	\$20,261	\$1,143,000	1,239,300	1,239,300
Clients Served	-0-	200	1,305	1,450	1,450
<u>Prevention and Early Intervention</u>					
Number of Grants	-0-	2	12	12	12
Total Funds Awarded	-0-	\$64,575	\$ 225,000	245,000	245,000
Clients Served (Early Intervention)	-0-	535	1,466	1,500	1,500
Communities Served (Prevention)	-0-	-0-	3	4	4
Consultation Events	-0-	-0-	116	120	120
Information Requests	-0-	180	1,320	1,400	1,400
Presentations	-0-	-0-	136	150	150

SIGNIFICANT STATISTICS: (Contd.)

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
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Training

Number of Grants	-0-	-0-	2	2	2
Funds Awarded	-0-	-0-	\$ 34,300	30,000	30,000
Participants	-0-	-0-	700	700	700

Evaluation and Research

Number of Grants	-0-	-0-	4	4	4
Funds Awarded	-0-	-0-	\$ 182,000	200,000	200,000
Programs Studied	-0-	-0-	10	30	30
Reports	-0-	-0-	10	100	100

BUDGET ISSUES:

The Minnesota portion of the Alcohol, Drug Abuse and Mental Health Block Grant is based upon funds received for mental health during F.F.Y. 1981 and for alcohol and drugs during F.F.Y. 1980. The award represents a 27% decrease in alcohol and drug funds to Minnesota.

Thirteen staff positions are supported in the Chemical Dependency Program Division with these funds; 5 to carry out the administrative responsibilities of the block grant, and 8 to perform program activities associated with treatment, prevention, training, research and evaluation as specified in Minn. Stat. 254A.03.

Federal law requires the state to do an annual audit of its block grant expenditures. If the department is given additional auditing staff, it can conduct the required audits itself. If not, block grant funds will have to be used to pay for outside audits, thus reducing the funds available for chemical dependency programs.

EXPLANATION OF AGENCY ESTIMATES:

The total Alcohol/Drug Block Grant award for F.F.Y. 1982 is \$2,616,296. A same level figure is projected for F.F.Y. 1983. The above columns do not equate with F.F.Y. figures because of the difference in fiscal years. The major portion of F.F.Y. 1982 funds are being spent in F.Y. 1983. No state funds are requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

ACTIVITY: MENTAL HEALTH MANAGEMENT
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: This activity oversees the program offices for mental illness, mental retardation and chemical dependency in their involvement with both local and state administered mental health programs to avoid duplication of effort, promote consistency and provide coordination. Responsibilities include managing experimental and other grants, client and program record keeping, coordinating planning and evaluation, managing the budget and the budget process, preparing rules and legislation, developing policy, supervising technical assistance to local agencies, and coordinating work with other bureaus, agencies, and organizations.

With the consolidation of several categorical funding sources into block grants to counties under the Community Social Services Act, an important task is to make certain that this Act is cooperatively implemented by mental health and social service programs. The similar direction taken by the federal government with the creation of the Alcohol/Drug/Mental Health Block Grant has made it necessary to manage the process for acquiring funds and implementing the requirements of the law in a manner that crosses the organizational boundaries of the state mental illness and chemical dependency programs.

The major functions of this activity are:

1. To supervise the preparation, analysis, and implementation of legislation to meet timetables, promote program priorities, and carry out legislative objectives.
2. To develop consistent rules and policies that accurately reflect legislative intent, meet legal standards, and reflect the involvement of all relevant groups.
3. To supervise mental health services provided by local agencies to make sure they meet minimum standards by: a) reviewing local social services plans, b) arranging for necessary technical assistance, c) monitoring local social services, and d) evaluating local social service programs.
4. To prepare regular and special budgets so that those budgets reflect program priorities, are submitted on time, and have necessary supporting data.
5. To monitor the use of experimental and other categorical grants and block grants to make sure program goals are met and the grants are used efficiently.
6. To supervise the client record system to make sure information is accessible and data privacy requirements are met.
7. To develop and maintain working relationships with other activities within this program so that work is done cooperatively, policies and procedures are compatible, and information is shared promptly.

	Actual	Actual	Estimated	Obj./Est.	Obj./Est.
ACCOMPLISHMENTS AND STATISTICS:	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
No. of mental health related bills tracked	79	57	85	65	85
No. of administrative rules reviewed	24	23	22	22	22
acted upon	4	5	7	7	7
No. of local agencies with plans/evaluation reports reviewed	87	87	87	87	87

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	-0-	106.0	118.6	122.0	125.7

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Esimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
No. of local/regional technical assistance meetings	9	8	8	8	8
No. of grant projects requiring compliance oversight	36	67	96	68	68
No. of special mental health administration projects conducted	4	3	4	4	4
No. of state facility population reports prepared	12	13	14	14	14
Average no. of client record check requests per month	1,050	1,050	1,050	1,050	1,050

EXPLANATION OF BUDGET REQUEST:

An increase level of funding of \$4,600 for F.Y. 1984 and \$4,600 for F.Y. 1985 is requested to restore the expense appropriation reduced by 3rd Special Session 1982, Chapter 1.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: PROGRAM OFFICES

MANAGEMENT ACTIVITY: MENTAL HEALTH MANAGEMENT

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	80.0	123.2	140.2	140.2		140.2	140.2		140.2	140.2	140.2
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY		.1									
-OVERTIME PAY		.3									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	80.0	123.6	140.2	140.2		140.2	140.2		140.2	140.2	140.2
EXPENSES & CONTRACTUAL SERVICES	2.2	74.5	91.9	98.7	4.6	103.3	106.0	4.6	110.6	101.5	106.6
SUPPLIES & MATERIALS	.2	.3	.5	.5		.5	.6		.6	.5	.6
EQUIPMENT											
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	82.4	198.4	232.6	239.4	4.6	244.0	246.8	4.6	251.4	242.2	247.4
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	82.4	198.4	232.6	239.4	4.6	244.0	246.8	4.6	251.4	242.2	247.4
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	82.4	198.4	232.6	239.4	4.6	244.0	246.8	4.6	251.4	242.2	247.4
POSITIONS BY FUND											
GENERAL	3.0	4.0	4.0	4.0		4.0	4.0		4.0	4.0	4.0
TOTAL POSITIONS	3.0	4.0	4.0	4.0		4.0	4.0		4.0	4.0	4.0

4-01162

ACTIVITY: CENTRAL OFFICE SUPPORT
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity provides administrative support services for 8 state hospitals and 2 state nursing homes, which are responsible for the care and treatment of mentally ill, mentally retarded, chemically dependent, and elderly residents and patients. This activity involves communicating with counties, mental health centers, human services boards, county and district courts, the Department of Health, the State Fire Marshal, and other state and federal agencies about issues and policies affecting admission, retention, care, treatment and rehabilitation and discharge of residents and patients.

The major functions of this activity are:

1. To see that residents and patients have a humane living environment, including necessary life-sustaining services, which is consistent with individual needs for care and treatment.
2. To protect the rights and dignity of state hospital residents by working with hospital review boards and advocates, by reviewing policies and procedures for adverse impact on clients' rights, and by dealing with problems involving individual clients.
3. To coordinate budget preparation and monitor expenditures to best use resources to carry out care and treatment objectives.
4. To meet accreditation, certification and licensure requirements of the Joint Commission on Accreditation of Hospitals, the Department of Health, and the Department of Public Welfare, including the Medicare and Medicaid programs, and to assist the program offices in their program reviews of state residential facilities.
5. To monitor staffing requirements, physical plant needs, treatment programs, Worker's Compensation claims and to provide central coordination for matters concerning the "Welsch vs Noot" and other litigations.
6. To train staff on the Minnesota Commitment Act of 1982.
7. To provide patient and resident census data research and statistical information.

ACCOMPLISHMENTS AND STATISTICS:

1. In F.Y. 1982, formulated and implemented the Rochester State Hospital closure plan in accordance with Laws 1981, Chapter 360, Section 2, Subd. 5, and developed regular reports on the closure. Supervised the elimination of 717 licensed hospital beds and 69 nursing home beds.
2. Continued the department's efforts to eliminate barriers for the handicapped during F.Y. 1982 and F.Y. 1983.
3. Worked intensively with the legislature, the counties and the state system throughout F.Y. 1981-83 to develop and implement the Minnesota Commitment Act of 1982.
4. Revised patients' rights booklet containing the relevant provisions of the Minnesota Commitment Act of 1982 and in F.Y. 1982 and F.Y. 1983 developed training materials and carried out training sessions for implementing this new law.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACCOMPLISHMENTS AND STATISTICS: (Contd.)

5. Improved coordination and functioning of activities related to clients' rights. The number of situations reviewed and dealt with increased from 3,833 in F.Y. 1981 to 4,705 in F.Y. 1982, and are expected to increase to 5,500 in F.Y. 1983.
6. Increased number of complaints reviewed and corrected, increased consultation and help with clients' rights; in F.Y. 1981 through F.Y. 1983, 97% of review board and other cases were resolved.
7. Developed and obtained a federal Title I grant for the Minnesota Learning Center in F.Y. 1982.
8. Developed throughout F.Y. 1981-82, court ordered staffing requirements for mental retardation, and are now developing similar standards for mentally ill and chemically dependent persons.
9. In F.Y. 1982, construction was completed and a new 165 bed security hospital was opened in accordance with Laws 1979, Chapter 792, Section 15.

LEGISLATIVE ISSUES:

Legislation is being proposed to establish area governing boards for state hospitals, and to grant those boards discretionary power to use part of the hospital's budget for other mental health programs. During the biennium one or more experimental management contracts would be established to test the feasibility of this administrative model.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: CENTRAL OFFICE SUPPORT

PROGRAM: MENTAL HEALTH

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	370.6	346.0	427.9	390.9		390.9	390.9		390.9	390.9	390.9
-REGULAR UNCLASSIFIED	12.6	14.5	40.0								
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY		2.2									
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL	7.8	8.1	13.0	13.0		13.0	13.0		13.0	13.0	13.0
-OTHER BENEFITS	42.1										
TOTAL PERSONAL SERVICES	433.1	370.8	480.9	403.9		403.9	403.9		403.9	403.9	403.9
EXPENSES & CONTRACTUAL SERVICES	295.0	71.0	199.2	213.2	5.0	218.2	228.8	5.0	233.8	214.2	225.2
SUPPLIES & MATERIALS	.8	.6	4.1	4.4		4.4	4.7		4.7	4.3	4.6
EQUIPMENT	.2		.4	.4		.4	.5		.5	.4	.5
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	729.1	442.4	684.6	621.9	5.0	626.9	637.9	5.0	642.9	622.8	634.2
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	707.2	417.8	657.8	594.6	5.0	599.6	610.6	5.0	615.6	595.5	606.9
DEDICATED APPROPRIATIONS:											
FEDERAL	21.9	24.6	26.8	27.3		27.3	27.3		27.3	27.3	27.3
TOTAL FINANCING	729.1	442.4	684.6	621.9	5.0	626.9	637.9	5.0	642.9	622.8	634.2
POSITIONS BY FUND											
GENERAL	13.0	13.0	11.0	11.0		11.0	11.0		11.0	11.0	11.0
FEDERAL	1.5	1.5	1.5	1.5		1.5	1.5		1.5	1.5	1.5
TOTAL POSITIONS	14.5	14.5	12.5	12.5		12.5	12.5		12.5	12.5	12.5

4-01164

ACTIVITY: STATE HOSPITALS
(Continuation)
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

GOVERNOR'S RECOMMENDATION:

The Governor does not concur with the agency's request for the 39 added positions, \$1,780,000, or the \$528,000 for restoration of salary funds that were transferred to comply with the Welsch v. Noot Consent Decree.

The Governor concurs with the remainder of the agency's state hospital request. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

The Governor, however, further recommends that the state hospitals be appropriated only \$39,105.8 in F.Y. 1984 and \$36,244.2 in F.Y. 1985. The difference (\$108,105.4 in F.Y. 1984 and \$107,794.0 in F.Y. 1985) to be provided by allowing each hospital to use the receipts from its accounts receivable billing system, i.e., change its receipts from non-dedicated to dedicated.

The majority of these receipts result from billings to the Medical Assistance program. In the past the state has fully appropriated both the Medical Assistance program and the state hospitals. This results in double appropriating that amount which the state hospitals bill the Medical Assistance program.

The affect of this proposal will be to reduce state appropriations by \$246,371.0 for the biennium. However, since this was previously treated as revenue this also results in a decrease in revenues to the General Fund by a like amount. The amounts are offsetting and no savings or costs to the state result from this change in policy.

The Governor feels however that there are other tangible benefits of this change.

First of all the hospitals will be required to ensure that their billing and receivable systems are functioning efficiently and are well managed.

In addition it will encourage an emphasis on cost consciousness by hospital administrators in managing day to day operations.

It will further allow state hospitals to make use of new program initiatives via the recently expanded Shared Services Act (Chapter 246.57).

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: STATE HOSPITALS

PROGRAM: MENTAL HEALTH

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	98,005.5	102,432.2	112,970.3	114,941.9	3,845.7	118,787.6	114,941.9	3,845.7	118,787.6	117,633.6	117,633.6
-REGULAR UNCLASSIFIED	1,009.9	1,123.7	1,033.6	1,052.5		1,052.5	1,052.5		1,052.5	1,052.5	1,052.5
-PART-TIME/SEAS./OTHER	2,111.5	1,206.5	872.1	888.2		888.2	888.2		888.2	888.2	888.2
-PREMIUM PAY	943.6	1,200.7	1,168.2	1,168.2		1,168.2	1,168.2		1,168.2	1,168.2	1,168.2
-OVERTIME PAY	1,857.6	3,192.5	2,402.7	2,446.5		2,446.5	2,446.5		2,446.5	2,446.5	2,446.5
-MISCELLANEOUS PAYROLL	1,269.0	1,372.3	1,234.9	1,234.9		1,234.9	1,234.9		1,234.9	1,234.9	1,234.9
-OTHER BENEFITS	2,503.0	1,937.1	2,321.1	2,426.1		2,426.1	2,426.1		2,426.1	2,426.1	2,426.1
TOTAL PERSONAL SERVICES	107,705.1	112,515.0	122,002.9	124,158.3	3,845.7	128,004.0	124,158.3	3,845.7	128,004.0	126,850.0	126,850.0
EXPENSES & CONTRACTUAL SERVICES	4,077.7	4,535.5	3,927.4	4,653.8	19.0	4,672.8	4,925.9		4,925.9	4,589.8	4,747.1
SUPPLIES & MATERIALS	10,626.7	11,129.3	12,114.2	13,871.8	1,984.1	15,855.9	13,201.9	180.2	13,382.1	15,648.2	13,061.7
EQUIPMENT	530.0	446.1	523.1	606.4	343.8	950.2	240.6		240.6	935.6	237.7
REAL PROPERTY		29.7									
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS		4.1									
TOTAL EXPENDITURES	122,939.5	128,659.7	138,567.6	143,290.3	6,192.6	149,482.9	142,526.7	4,025.9	146,552.6	148,023.6	144,896.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	121,738.7	127,609.7	137,754.3	142,429.5	6,192.6	148,622.1	141,618.3	4,025.9	145,644.2	39,105.8	36,244.2
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	40.1	39.1	46.9	48.4		48.4	50.1		50.1	108,105.4	107,794.0
AGENCY	515.0	466.2	362.8	388.5		388.5	415.1		415.1	388.5	415.1
GIFTS AND DEPOSITS	1.2	3.4	3.7	3.9		3.9	4.2		4.2	3.9	4.2
FEDERAL	644.5	541.3	399.9	420.0		420.0	439.0		439.0	420.0	439.0
TOTAL FINANCING	122,939.5	128,659.7	138,567.6	143,290.3	6,192.6	149,482.9	142,526.7	4,025.9	146,552.6	148,023.6	144,896.5
POSITIONS BY FUND											
GENERAL	5,677.4	5,622.0	5,352.6	5,336.6	149.5	5,486.1	5,336.6	149.5	5,486.1	5,447.1	5,447.1
FEDERAL	25.5	14.1	16.1	16.1		16.1	16.1		16.1	16.1	16.1
TOTAL POSITIONS	5,702.9	5,636.1	5,368.7	5,352.7	149.5	5,502.2	5,352.7	149.5	5,502.2	5,463.2	5,463.2

4-01167

ACTIVITY: ANOKA STATE HOSPITAL
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: Anoka State Hospital provides inpatient mental illness and chemical dependency treatment services to severely disabled persons from the Metro Region, most of whom have exhausted community hospital and outpatient program alternatives and are medically indigent. The region includes one-half of the state's population.¹ Programs are monitored and guided by a statutory State Hospital Planning Committee with members from the counties and the local communities served by this hospital.

This hospital carries out the functions described for all state hospitals in the state hospital summary. Additional functions of this hospital are:

1. To operate a specialized treatment unit for patients who are suffering from both mental illness and chemical dependency.
2. To operate a psychogeriatric unit to care for elderly and nursing home-type patients during periods of acute mental illness.
3. To participate in the Fairweather Program which combines job training with transitional placement in community lodges for mentally ill persons. Fairweather's F.Y. 1983 population numbers 15.
4. To operate on-campus training programs for mental health professionals in cooperation with Metro Region and midwestern universities and colleges.

¹ Some counties are served by more than one hospital.

ACCOMPLISHMENTS AND STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Avg. Daily Population - Total	320	306	310	310	310
Mentally Ill	240	228	230	232	230
Chemically Dependent	80	78	80	78	80
Admissions - Total	1041	1200	1375	1650	1650
Informal Admissions ¹ - Total	616	690	793	994	994
Mentally Ill	132	147	150	152	152
Chemically Dependent	484	543	643	842	842
Court Committed Admissions - Total	425	510	582	656	656
Mentally Ill	329	396	450	508	508
Chemically Dependent	96	114	132	148	148
Licensed Bed Capacity ² - Total	414	347	347	347	347
Mentally Ill	281	257	257	257	257
Chemically Dependent	133	90	90	90	90
Utilized Bed Capacity ³ - Total	365	342	339	339	339
Mentally Ill	274	252	249	249	249
Chemically Dependent	91	90	90	90	90

¹ Under the Minnesota Commitment Act of 1982, all admissions are either informal or committed. Informal admissions for chemically dependent persons were previously termed "voluntary".

² Licensed bed capacity is the maximum number of beds the facility may operate based on the annual Minnesota Department of Health license.

³ Utilized beds are beds set up and staffed for immediate patient use.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

EXPLANATION OF BUDGET REQUEST:

An increase of \$1,237,400 is requested for the biennium; \$758,600 for F.Y. 1984 and \$478,800 for F.Y. 1985. These funds are requested for the following purposes:

An increase of \$228,200 is requested for each year of the biennium to restore 10 staff positions for the care of mentally ill persons. These positions were transferred from this hospital to the Minnesota Security Hospital to make certain that facility would have adequate staff when Anoka State Hospital needed to transfer behaviorally difficult or dangerous patients to the Security Hospital.

An increase of \$55,200 is requested for each year of the biennium to restore salary funds that were allocated to other state hospitals to fully fund mental retardation and general support staff positions as required by the Welsch v. Noot Consent Decree per Federal District Court Memorandum of Understanding of 6-30-82.

An increase of \$249,300 for F.Y. 1984 and \$5,700 for F.Y. 1985 is requested for dietary allowances, and repairs, replacement and betterment. This request meets criteria established in the Department of Finance budget guidelines. The specific request is for \$5,700 in F.Y. 1984 and \$5,700 in F.Y. 1985 for dietary allowance, and \$243,600 in F.Y. 1984 for repairs, replacement, and betterment.

The daily food allowance increase is requested to partially offset the costs of double portion diets, dietary supplements, edible reinforcers, and snacks.

An increased level of funding of \$225,900 for F.Y. 1984 and \$189,700 for F.Y. 1985 is requested to restore the expense and salary appropriation and complement of 8.5 positions reduced by 3rd Special Session 1982, Chapter 1.

GOVERNOR'S RECOMMENDATIONS

The Governor does not recommend the change level request for 10 staff and \$228,200 each year for transferred MI positions. The Governor further does not recommend the restoration of \$55,200 each year of transferred salary funds.

The Governor concurs in the hospitals other change requests. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

Furthermore, the Governor recommends that the activity be funded using dedicated receipts rather than direct appropriations.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: STATE HOSPITALS

MANAGEMENT ACTIVITY: ANOKA STATE HOSPITAL

AGENCY: PUBLIC WELFARE,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL	ACTUAL	ESTIMATED	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
	F.Y. 1981	F.Y. 1982	F.Y. 1983	SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	6,714.3	7,051.0	7,780.9	8,532.1	473.1	9,005.2	8,532.1	473.1	9,005.2	8,721.8	8,721.8
-REGULAR UNCLASSIFIED	151.9	116.6	115.0	117.2		117.2	117.2		117.2	117.2	117.2
-PART-TIME/SEAS./OTHER	131.2	84.3	72.0	73.3		73.3	73.3		73.3	73.3	73.3
-PREMIUM PAY	69.5	92.2	92.2	92.2		92.2	92.2		92.2	92.2	92.2
-OVERTIME PAY	203.4	297.6	169.1	172.2		172.2	172.2		172.2	172.2	172.2
-MISCELLANEOUS PAYROLL	116.6	178.0	162.0	162.0		162.0	162.0		162.0	162.0	162.0
-OTHER BENEFITS	357.8	215.2	280.0	441.1		441.1	441.1		441.1	441.1	441.1
TOTAL PERSONAL SERVICES	7,744.7	8,034.9	8,679.2	9,590.1	473.1	10,063.2	9,590.1	473.1	10,063.2	9,779.8	9,779.8
EXPENSES & CONTRACTUAL SERVICES	570.2	569.3	547.9	671.7		671.7	715.8		715.8	659.7	689.6
SUPPLIES & MATERIALS	799.0	825.4	912.4	1,093.3	249.3	1,342.6	995.1	5.7	1,000.8	1,323.4	975.5
EQUIPMENT	9.1	26.3	16.0	11.0	36.2	47.2				46.3	
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	9,123.0	9,455.9	10,155.5	11,366.1	758.6	12,124.7	11,301.0	478.8	11,779.8	11,809.2	11,444.9
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	9,103.9	9,455.9	10,155.5	11,366.1	758.6	12,124.7	11,301.0	478.8	11,779.8	10,080.0	9,688.7
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT										1,729.2	1,756.2
FEDERAL	19.1										
TOTAL FINANCING	9,123.0	9,455.9	10,155.5	11,366.1	758.6	12,124.7	11,301.0	478.8	11,779.8	11,809.2	11,444.9
POSITIONS BY FUND											
GENERAL	369.4	374.8	370.3	370.3	18.5	388.8	370.3	18.5	388.8	378.8	378.8
TOTAL POSITIONS	369.4	374.8	370.3	370.3	18.5	388.8	370.3	18.5	388.8	378.8	378.8

4-01169

ACTIVITY: BRAINERD STATE HOSPITAL
 Program: MENTAL HEALTH
 Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: Brainerd State Hospital provides in-patient evaluation and treatment for the mentally ill and chemically dependent persons in the 12 county catchment area (approximately 253,000 population) of North Central Minnesota. In addition, residential, developmental, evaluation and respite care services are provided to mentally retarded citizens in 14 counties of North Central Minnesota, plus the Moose Lake State Hospital area for children. (Some counties are served by more than 1 hospital.) Approximately 90% of the program residents are in the severe and profound range of retardation.

This hospital carries out the functions described for all state hospitals in the state hospital summary. Additional functions of this hospital are:

1. The Minnesota Learning Center. This center provides short-term intensive behavior modification services to help children (age 5-18) benefit from existing community services. This educational-residential program serves the entire state population of mildly retarded and borderline clients with severe behavior problems.
2. A statewide program for mentally retarded deaf/blind persons. This program is operated at the facility and involves 14 residents.
3. A regional laundry. The laundry serves Ah-Gwah-Ching State Nursing Home, Fergus Falls and Brainerd State Hospitals.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Avg. Daily Population - Total	507	485	479	463	448
Mentally Ill	65	74	78	78	78
Mentally Retarded	359	327	311	295	280
Minnesota Learning Center	36	35	38	38	38
Chemically Dependent	47	49	52	52	52
Admissions - Total	827	811	913	910	910
Informal Admissions ¹ - Total	754	769	848	845	845
Mentally Ill	215	280	280	280	280
Mentally Retarded	25	17	18	15	15
Minnesota Learning Center	84	67	60	60	60
Chemically Dependent	430	405	490	490	490
Court Committed Admissions - Total	73	42	65	65	65
Mentally Ill	43	22	30	30	30
Mentally Retarded	9	10	10	10	10
Minnesota Learning Center	0	3	15	15	15
Chemically Dependent	21	7	10	10	10
Licensed Bed Capacity ² - Total	600	600	600	600	600
Mentally Ill	80	80	80	80	80
Mentally Retarded	400	400	400	400	400
Minnesota Learning Center	48	48	48	48	48
Chemically Dependent	55	55	55	55	55
Infirmary	17	17	17	17	17
Utilized Bed Capacity ³ - Total	600	600	600	600	600
Mentally Ill	80	80	80	80	80
Mentally Retarded	400	400	400	400	400

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Minnesota Learning Center	48	48	48	48	48
Chemically Dependent	55	55	55	55	55
Infirmary	17	17	17	17	17

¹Under the Minnesota Commitment Act of 1982, all admissions are either informal or committed. Informal admissions for chemically dependent persons were previously termed "voluntary".

²Licensed bed capacity is the maximum number of beds the facility may operate based on the annual Minnesota Department of Health license.

³Utilized beds are beds set up and staffed for immediate patient use.

EXPLANATION OF BUDGET REQUEST: An increase of \$946,700 is requested for the biennium; \$548,600 for F.Y. 1984 and \$398,100 for F.Y. 1985. These funds are requested for the following purposes:

An increase of \$45,600 is requested for each year of the biennium to restore 2 staff positions for the care of mentally ill persons. These positions were transferred from this hospital to the Minnesota Security Hospital to make certain that facility would have adequate staff when Brainerd State Hospital needed to transfer behaviorally difficult or dangerous patients to the Security Hospital.

An increase of \$10,200 is requested for each year of the biennium to restore salary funds for staff positions for the care of mentally ill and chemically dependent persons that were transferred within this facility (and other state hospitals) to fully fund mental retardation and general support positions as required by the Weisch v Noot Consent Decree per Federal District Court Memorandum of Understanding of 6-30-82.

An increase of \$36,200 in F.Y. 1984 is requested for the regional laundry in order to maintain the equipment required to sustain this operation.

An increase of \$89,300 for F.Y. 1984 and \$8,200 for F.Y. 1985 is requested for dietary allowances and repairs, replacement and betterment. This request meets the criteria established in the Department of Finance budget guidelines. The specific request is for \$8,500 in F.Y. 1984 and \$8,200 in F.Y. 1985 for dietary allowances and \$80,800 in F.Y. 1984 for repairs, replacement and betterment. The daily food allowance increase is requested to partially offset the costs of double portion diets, dietary supplements, edible reinforcers, and snacks.

An increase level of funding of \$367,300 for F.Y. 1984 and \$334,100 for F.Y. 1985 is requested to restore the expense and salary appropriations and complement of 14.0 positions reduced by 3rd Special Session 1982, Chapter 1.

ACTIVITY: BRAINERD STATE HOSPITAL
(Continuation)
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

GOVERNOR'S RECOMMENDATION:

The Governor does not recommend the change level request for 2 staff and \$45,600 each year for transferred MI positions. The Governor further does not recommend the restoration of \$10,200 each year of transferred salary funds.

The Governor concurs in the hospitals other change requests. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

Furthermore, the Governor recommends that the activity be funded using dedicated receipts rather than direct appropriations.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: STATE HOSPITALS

MANAGEMENT ACTIVITY: BRAINERD STATE HOSPITAL

AGENCY: PUBLIC WELFARE,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	11,702.8	12,501.0	14,628.7	14,778.2	377.5	15,155.7	14,778.2	377.5	15,155.7	15,099.9	15,099.9
-REGULAR UNCLASSIFIED	112.1	127.0	145.5	148.2		148.2	148.2		148.2	148.2	148.2
-PART-TIME/SEAS./OTHER	233.1	33.1	27.0	27.5		27.5	27.5		27.5	27.5	27.5
-PREMIUM PAY	111.9	157.9	157.2	157.2		157.2	157.2		157.2	157.2	157.2
-OVERTIME PAY	295.8	523.3	312.4	318.0		318.0	318.0		318.0	318.0	318.0
-MISCELLANEOUS PAYROLL	146.9	150.1	133.0	133.0		133.0	133.0		133.0	133.0	133.0
-OTHER BENEFITS	328.6	446.8	615.3	675.5		675.5	675.5		675.5	675.5	675.5
TOTAL PERSONAL SERVICES	12,936.2	13,939.2	16,019.1	16,237.6	377.5	16,615.1	16,237.6	377.5	16,615.1	16,559.3	16,559.3
EXPENSES & CONTRACTUAL SERVICES	432.6	595.2	557.5	654.9		654.9	693.1		693.1	643.3	668.2
SUPPLIES & MATERIALS	1,170.6	1,323.8	1,503.0	1,756.1	130.5	1,886.6	1,661.6	20.6	1,682.2	1,861.6	1,639.7
EQUIPMENT	26.4	25.2	64.3	73.6	40.6	114.2	8.5		8.5	112.2	8.5
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	14,565.8	15,883.4	18,143.9	18,722.2	548.6	19,270.8	18,600.8	398.1	18,998.9	19,176.4	18,875.7
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	14,367.9	15,632.7	17,966.0	18,536.9	548.6	19,085.5	18,409.1	398.1	18,807.2	3,845.5	3,335.9
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	20.2	21.5	25.1	26.2		26.2	27.4		27.4	15,171.8	15,375.5
AGENCY		.3									
FEDERAL	177.7	228.9	152.8	159.1		159.1	164.3		164.3	159.1	164.3
TOTAL FINANCING	14,565.8	15,883.4	18,143.9	18,722.2	548.6	19,270.8	18,600.8	398.1	18,998.9	19,176.4	18,875.7
POSITIONS BY FUND											
GENERAL	713.0	686.8	672.7	672.7	16.0	688.7	672.7	16.0	688.7	686.7	686.7
FEDERAL	14.5	7.8	9.0	9.0		9.0	9.0		9.0	9.0	9.0
TOTAL POSITIONS	727.5	694.6	681.7	681.7	16.0	697.7	681.7	16.0	697.7	695.7	695.7

4-01172

ACTIVITY: CAMBRIDGE STATE HOSPITAL
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

Cambridge State Hospital provides residential, developmental, evaluation and respite care services to mentally retarded citizens of 9 counties of east central Minnesota (approximately 900,000 population).¹ The percentage of profoundly retarded being served has changed from 46% in December, 1975 to 65% in F.Y. 1983.

This hospital carries out the functions described for all state hospitals in the state hospital summary. Additional functions of this facility are:

1. To provide an adult mental health treatment service for mentally retarded residents displaying emotional or behavior problems which have prevented them from successfully adjusting to community facilities or other areas within the facility.
2. To provide a behavior modification unit for residents with severe behavior problems.
3. To provide regional laundry services to the Anoka and Moose Lake State Hospitals.
4. To conduct a computerized resident behavior evaluation program.
5. To conduct research on the side effects of long-term neuroleptic medication on involuntary body movements.

¹ Some counties are served by more than 1 hospital.

ACCOMPLISHMENTS AND STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Average Daily Population - (Mentally Retarded)	510	508	500	492	484
Admissions - Total	50	63	49	49	49
Informal Admissions - Total	41	56	42	42	42
Court Committed Admissions - Total	9	7	7	7	7
Licensed Bed Capacity ¹ - Total	588	588	588	588	588
Utilized Bed Capacity ² - Total	550	550	550	550	550

¹ Licensed bed capacity is the maximum number of beds the facility may operate based on the annual Minnesota Department of Health license.

² Utilized beds are beds set up and staffed for immediate patient use.

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

EXPLANATION OF BUDGET REQUEST:

An increase of \$916,100 is requested for the biennium; \$560,800 for F.Y. 1984 and \$355,300 for F.Y. 1985. These funds are requested for the following purposes:

An increase of \$26,200 in F.Y. 1984 is requested for the regional laundry in order to maintain the equipment required to sustain this operation.

An increase of \$131,200 for F.Y. 1984 and \$8,800 for F.Y. 1985 is requested for dietary allowances, and repairs, replacement and betterment. This request meets the criteria established in the Department of Finance budget guidelines. The specific request is for \$9,000 in F.Y. 1984 and \$8,800 in F.Y. 1985 for dietary allowances, and \$122,200 in F.Y. 1984 for repairs, replacement and betterment.

The daily food allowance increase is requested to partially offset the costs of double portion diets, dietary supplements, edible reinforcers, and snacks.

An increased level of funding of \$403,400 for F.Y. 1984 and \$346,500 for F.Y. 1985 is requested to restore the expense and salary appropriation and complement of 15.5 positions reduced by 3rd Special Session 1982, Chapter 1.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

Furthermore, the Governor recommends that the activity be funded using dedicated receipts rather than direct appropriations.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: STATE HOSPITALS

MANAGEMENT ACTIVITY: CAMBRIDGE STATE HOSPITAL

AGENCY: PUBLIC WELFARE,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	11,948.9	12,990.8	15,992.1	15,769.2	346.5	16,115.7	15,769.2	346.5	16,115.7	16,115.7	16,115.7
-REGULAR UNCLASSIFIED	70.2	105.4	100.0	101.8		101.8	101.8		101.8	101.8	101.8
-PART-TIME/SEAS./OTHER	752.4	249.1	214.0	217.9		217.9	217.9		217.9	217.9	217.9
-PREMIUM PAY	121.4	149.5	152.1	152.1		152.1	152.1		152.1	152.1	152.1
-OVERTIME PAY	359.5	574.1	344.2	350.5		350.5	350.5		350.5	350.5	350.5
-MISCELLANEOUS PAYROLL	49.4	50.5	46.0	46.0		46.0	46.0		46.0	46.0	46.0
-OTHER BENEFITS	574.9	220.2	297.7	326.8		326.8	326.8		326.8	326.8	326.8
TOTAL PERSONAL SERVICES	13,876.7	14,339.6	17,146.1	16,964.3	346.5	17,310.8	16,964.3	346.5	17,310.8	17,310.8	17,310.8
EXPENSES & CONTRACTUAL SERVICES	410.3	461.1	402.0	491.1	19.0	510.1	536.9		536.9	500.9	517.1
SUPPLIES & MATERIALS	1,064.0	1,180.8	1,316.5	1,461.9	144.2	1,606.1	1,350.6	8.8	1,359.4	1,585.2	1,327.1
EQUIPMENT	165.1	77.6	87.1	113.9	51.1	165.0	57.2		57.2	162.6	56.6
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	15,516.1	16,059.1	18,951.7	19,031.2	560.8	19,592.0	18,909.0	355.3	19,264.3	19,559.5	19,211.6
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	15,353.1	15,969.8	18,865.2	18,941.0	560.8	19,501.8	18,816.0	355.3	19,171.3		
DEDICATED APPROPRIATIONS:										19,469.3	19,118.6
SPEC REV/APPORTIONMT		29.8									
AGENCY	.3	.1	.9	1.0		1.0	1.0		1.0	1.0	1.0
GIFTS AND DEPOSITS	162.7	59.4	85.6	89.2		89.2	92.0		92.0	89.2	92.0
FEDERAL											
TOTAL FINANCING	15,516.1	16,059.1	18,951.7	19,031.2	560.8	19,592.0	18,909.0	355.3	19,264.3	19,559.5	19,211.6
POSITIONS BY FUND											
GENERAL	744.4	762.9	781.4	781.4	15.5	796.9	781.4	15.5	796.9	796.9	796.9
FEDERAL	1.0	2.8	2.6	2.6		2.6	2.6		2.6	2.6	2.6
TOTAL POSITIONS	745.4	765.7	784.0	784.0	15.5	799.5	784.0	15.5	799.5	799.5	799.5

4-01174

ACTIVITY: FARIBAULT STATE HOSPITAL
 Program: MENTAL HEALTH
 Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The Faribault State Hospital provides resident evaluation, goal planning and training and treatment services for persons who are mentally retarded in a 13 county catchment area in the southeastern and metropolitan part of the state. The total population of these 13 counties is approximately 1,600,000.

This hospital carries out the functions described for all state hospitals in the state hospital summary. An additional function of this hospital is to conduct and encourage research into the causes, prevention and treatment of mental retardation.

¹ Some counties are served by more than 1 hospital.

<u>ACCOMPLISHMENTS AND STATISTICS:</u>	<u>Actual</u> <u>F.Y. 1981</u>	<u>Actual</u> <u>F.Y. 1982</u>	<u>Estimated</u> <u>F.Y. 1983</u>	<u>Obj./Est.</u> <u>F.Y. 1984</u>	<u>Obj./Est.</u> <u>F.Y. 1985</u>
Average Daily Population (Mentally Retarded)	773	770	739	704	669
Admissions - Total	36	91 ¹	40	45	45
Informal Admissions	18	12	20	20	20
Court Committed Admissions	18	79	20	25	25
Licensed Bed Capacity ²	852	845	845	813	813
Utilized Bed Capacity ³	817	810	810	776	778

¹ Increase in admissions is due to absorption of mentally retarded resident population from the Rochester State Hospital catchment area.

² Licensed bed capacity is the maximum number of beds the facility may operate based on the annual Minnesota Department of Health license.

³ Utilized Beds are beds which are set up and staffed for immediate patient use.

EXPLANATION OF BUDGET REQUEST:

An increase of \$1,899,700 is requested for the biennium; \$1,253,200 for F.Y. 1984 and \$646,500 for F.Y. 1985. These funds are requested for the following purposes:

An increase of \$53,400 in F.Y. 1984 is requested for the regional laundry to maintain the equipment required to sustain this operation.

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

EXPLANATION OF BUDGET REQUEST: (Contd.)

An increase of \$531,900 for F.Y. 1984 and \$12,200 for F.Y. 1985 is requested for dietary allowances, and repairs, replacement and betterment. This request meets the criteria established in the Department of Finance budget guidelines. The specific request is for \$12,900 in F.Y. 1984, \$12,200 in F.Y. 1985 for dietary allowances; and \$519,000 in F.Y. 1984 for repairs, replacement and betterment.

The daily food allowance increase is requested to partially offset the costs of double portion diets, dietary supplements, edible reinforcers, and snacks.

In order to comply with M.S. 246.57, an increase of \$119,100 in F.Y. 1984 and \$122,700 in F.Y. 1985 is requested for salaries (4.8 over complement positions) and supplies for the laundry under a shared services agreement. This amount plus a prorated amount for depreciation, fuel and utilities will be charged to the agencies served and the proceeds deposited in the general fund.

An increased level of funding of \$548,800 for F.Y. 1984 and \$511,600 for F.Y. 1985 is requested to restore the expense and salary appropriation and complement of 21.5 positions reduced by 3rd Special Session 1982, Chapter 1.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

Furthermore, the Governor recommends that the activity be funded using dedicated receipts rather than direct appropriations.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: STATE HOSPITALS

MANAGEMENT ACTIVITY: FARIBAULT STATE HOSPITAL

AGENCY: PUBLIC WELFARE,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	16,425.6	18,439.0	22,433.9	22,316.2	570.9	22,887.1	22,316.2	570.9	22,887.1	22,887.1	22,887.1
-REGULAR UNCLASSIFIED	85.4	84.7	100.5	102.3		102.3	102.3		102.3	102.3	102.3
-PART-TIME/SEAS./OTHER	219.8	332.0	154.0	156.8		156.8	156.8		156.8	156.8	156.8
-PREMIUM PAY	142.4	221.4	219.5	219.5		219.5	219.5		219.5	219.5	219.5
-OVERTIME PAY	290.7	624.6	469.4	478.0		478.0	478.0		478.0	478.0	478.0
-MISCELLANEOUS PAYROLL	104.6	111.5	99.2	99.2		99.2	99.2		99.2	99.2	99.2
-OTHER BENEFITS	627.3	296.0	398.8	437.8		437.8	437.8		437.8	437.8	437.8
TOTAL PERSONAL SERVICES	17,895.8	20,109.2	23,875.3	23,809.8	570.9	24,380.7	23,809.8	570.9	24,380.7	24,380.7	24,380.7
EXPENSES & CONTRACTUAL SERVICES	559.9	560.5	534.7	650.6		650.6	662.3		662.3	639.1	638.8
SUPPLIES & MATERIALS	1,952.1	2,129.2	2,454.4	2,609.3	618.9	3,228.2	2,557.2	75.6	2,632.8	3,181.9	2,561.7
EQUIPMENT	66.6	72.2	144.1	157.1	63.4	220.5	73.9		73.9	216.9	72.2
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	20,474.4	22,871.1	27,008.5	27,226.8	1,253.2	28,480.0	27,103.2	646.5	27,749.7	28,418.6	27,653.4
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	20,311.5	22,798.2	26,906.8	27,119.2	1,253.2	28,372.4	26,989.0	646.5	27,635.5		
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	19.0	17.6	21.2	21.6		21.6	22.0		22.0	28,332.6	27,561.2
AGENCY	14.1	13.1	20.7	22.2		22.2	23.7		23.7	22.2	23.7
GIFTS AND DEPOSITS	.4	.3	2.8	2.9		2.9	3.2		3.2	2.9	3.2
FEDERAL	129.4	41.9	57.0	60.9		60.9	65.3		65.3	60.9	65.3
TOTAL FINANCING	20,474.4	22,871.1	27,008.5	27,226.8	1,253.2	28,480.0	27,103.2	646.5	27,749.7	28,418.6	27,653.4
POSITIONS BY FUND											
GENERAL	991.8	1,040.2	1,071.7	1,071.7	21.5	1,093.2	1,071.7	21.5	1,093.2	1,093.2	1,093.2
TOTAL POSITIONS	991.8	1,040.2	1,071.7	1,071.7	21.5	1,093.2	1,071.7	21.5	1,093.2	1,093.2	1,093.2

4-01176

ACTIVITY: FERGUS FALLS STATE HOSPITAL
 Program: MENTAL HEALTH
 Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: Fergus Falls State Hospital provides inpatient evaluation and treatment for mentally ill and chemically dependent persons, and residential, developmental, evaluation and respite care services for mentally retarded citizens in the 17 county catchment area of northwestern Minnesota. The total population of this catchment area is approximately 303,000.

This hospital carries out the functions described for all state hospitals in the state hospital summary. Additional functions of this hospital are:

1. Specialized programs in chemical dependency. The FREEWAY Program is designed for youth, and the HOPE and LIV Programs for long-term patients and families.
2. A 12-month Chemical Dependency Counseling training program.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Avg. Daily Population - Total	550	547	554	551	549
Mentally Ill	125	113	119	117	115
Mentally Retarded	268	268	260	250	240
Chemically Dependent	157	166	175	184	194
Admissions - Total	1776	1984	2110	2220	2341
Informal Admissions ¹ - Total	1429	1506	1597	1690	1792
Mentally Ill	226	221	232	230	230
Mentally Retarded	10	6	6	6	6
Chemically Dependent	1193	1279	1359	1454	1556
Court Committed Admissions - Total	347	478	513	530	549
Mentally Ill	166	166	170	165	160
Mentally Retarded	25	23	24	24	24
Chemically Dependent	156	289	319	341	365
Licensed Bed Capacity ² - Total	717	717	611	611	611
Mentally Ill	168	168	135	135	135
Mentally Retarded	316	316	270	270	270
Chemically Dependent	233	233	206	206	206
Utilized Bed Capacity ³ - Total	639	613	611	611	611
Mentally Ill	153	135	135	135	135
Mentally Retarded	280	272	270	270	270
Chemically Dependent	206	206	206	206	206

¹ Under the Minnesota Commitment Act of 1982, all admissions are either informal or committed. Informal admissions for chemically dependent persons were previously termed "voluntary".

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

- ² Licensed bed capacity is the maximum number of beds the facility may operate based on the annual Minnesota Department of Health license.
- ³ Utilized Beds are beds which are set up and staffed for immediate patient use.

EXPLANATION OF BUDGET REQUEST:

An increase of \$1,265,200 is requested for the biennium; \$738,300 for F.Y. 1984 and \$526,900 for F.Y. 1985. These funds are requested for the following purposes:

An increase of \$114,100 is requested for each year of the biennium to restore 5 staff positions for the care of mentally ill persons. These positions were transferred from this hospital to the Minnesota Security Hospital to make certain that facility would have adequate staff when Fergus Falls State Hospital needed to transfer behaviorally difficult or dangerous patients to the Security Hospital.

An increase of \$26,000 is requested for each year of the biennium to restore salary funds for staff positions for the care of mentally ill and chemically dependent persons that were transferred within this facility (and other state hospitals) to fully fund mental retardation and general support positions as required by the Welsch v. Noot Consent Decree per Federal District Court Memorandum of Understanding of 6-30-82.

An increase of \$161,100 for F.Y. 1984 and \$10,000 for F.Y. 1985 is requested for dietary allowances and repairs, replacement and betterment. This request meets the criteria established in the Department of Finance budget guidelines. The specific request is for \$10,100 in F.Y. 1984 and \$10,000 in F.Y. 1985 for dietary allowances, and \$151,000 in F.Y. 1984 for repairs, replacement and betterment.

The daily food allowance increase is requested to partially offset the costs of double portion diets, dietary supplements, edible reinforcers, and snacks.

In order to comply with M.S. 246.57, an increase of \$80,200 (4 over complement positions) is requested each year of the biennium to allow the hospital to enter into a shared services agreement for detoxification services with Otter Tail, Grant, Wilkin, Becker and Clay Counties. In addition to the CD per diem rate, the participating counties will pay a pro rata share of the cost for detoxification services based on anticipated patient days. This additional charge will be updated at least annually to reflect the actual patient days provided.

An increased level of funding of \$356,900 for F.Y. 1984 and \$296,600 for F.Y. 1985 is requested to restore the expense and salary appropriation and complement of 13.5 positions reduced by 3rd Special Session 1982, Chapter 1.

PROGRAM: FERGUS FALLS STATE HOSPITAL
(Continuation)
Agency: MENTAL HEALTH
PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

GORVERNOR'S RECOMMENDATION

The Governor does not recommend the change level request for 5 positions and \$114,100 each year for the transferred MI positions. The Governor further does not recommend the restoration of \$26,000 each year of transferred salary funds.

The Governor concurs in the hospital's other change requests. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

Furthermore, the Governor recommends that the activity be funded using dedicated receipts rather than direct appropriations.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: STATE HOSPITALS

MANAGEMENT ACTIVITY: FERGUS FALLS STATE HOSPITAL

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	10,437.0	11,533.3	13,130.6	13,336.6	516.9	13,853.5	13,336.6	516.9	13,853.5	13,713.4	13,713.4
-REGULAR UNCLASSIFIED	173.0	258.5	228.6	232.7		232.7	232.7		232.7	232.7	232.7
-PART-TIME/SEAS./OTHER	174.5	159.6	143.7	146.4		146.4	146.4		146.4	146.4	146.4
-PREMIUM PAY	102.8	149.1	147.3	147.3		147.3	147.3		147.3	147.3	147.3
-OVERTIME PAY	100.5	258.2	267.0	271.8		271.8	271.8		271.8	271.8	271.8
-MISCELLANEOUS PAYROLL	160.7	176.7	180.0	180.0		180.0	180.0		180.0	180.0	180.0
-OTHER BENEFITS	30.4	47.4	54.1	59.4		59.4	59.4		59.4	59.4	59.4
TOTAL PERSONAL SERVICES	11,178.9	12,582.8	14,151.3	14,374.2	516.9	14,891.1	14,374.2	516.9	14,891.1	14,751.0	14,751.0
EXPENSES & CONTRACTUAL SERVICES	336.7	424.0	392.3	478.0		478.0	510.3		510.3	469.4	491.5
SUPPLIES & MATERIALS	1,182.6	1,328.3	1,390.5	1,624.9	209.5	1,834.4	1,533.6	10.0	1,543.6	1,812.3	1,511.3
EQUIPMENT	62.0	132.0	35.2	76.5	11.9	88.4	13.8		13.8	87.0	13.6
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	12,760.2	14,467.1	15,969.3	16,553.6	738.3	17,291.9	16,431.9	526.9	16,958.8	17,119.7	16,767.4
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	12,577.7	14,192.1	15,872.2	16,450.7	738.3	17,189.0	16,323.0	526.9	16,849.9	3,879.8	3,345.5
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	.9		.6	.6		.6	.7		.7	13,137.6	13,313.7
AGENCY	122.3	130.9	72.0	77.1		77.1	82.4		82.4	77.1	82.4
FEDERAL	59.3	144.1	24.5	25.2		25.2	25.8		25.8	25.2	25.8
TOTAL FINANCING	12,760.2	14,467.1	15,969.3	16,553.6	738.3	17,291.9	16,431.9	526.9	16,958.8	17,119.7	16,767.4
POSITIONS BY FUND											
GENERAL	584.1	590.9	609.4	609.4	18.5	627.9	609.4	18.5	627.9	622.9	622.9
FEDERAL	3.0	3.5	2.5	2.5		2.5	2.5		2.5	2.5	2.5
TOTAL POSITIONS	587.1	594.4	611.9	611.9	18.5	630.4	611.9	18.5	630.4	625.4	625.4

4-01179

ACTIVITY: MOOSE LAKE STATE HOSPITAL
 Program: MENTAL HEALTH
 Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY DESCRIPTION:

Moose Lake State Hospital (MLSH) provides inpatient treatment and evaluation for persons who are mentally ill, mentally retarded or chemically dependent. The MLSH catchment area covers 11 counties in Northeastern Minnesota and includes Ramsey and Washington Counties for chemical dependency only. The area served for the mentally retarded is 4 counties in Northeastern Minnesota. Total population in the catchment area is approximately 1 million. (Some counties are served by more than 1 hospital.)

This hospital carries out the functions described for all state hospitals in the state hospital summary. An additional function of this hospital is a specialized program for the geriatric mentally ill person who, because of the aging process and emotional or behavioral problems, cannot be treated in a private or state nursing home. This program is available to persons statewide.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Average Daily Population - Total	471	468 ₁	498 ₁	492	486
Mentally Ill	145	162	190	190	190
Mentally Retarded	129	122	118	112	106
Chemically Dependent	197	184	190	190	190
Admissions - Total	1,889	1,785	1,908	1,908	1,908
Informal Admissions ² - Total	1,578	1,520	1,600	1,600	1,600
Mentally Ill	119	149	150	150	150
Mentally Retarded	0	0	0	0	0
Chemically Dependent	1,459	1,371	1,450	1,450	1,450
Court Committed Admissions - Total	311	265	308	308	308
Mentally Ill	164	182	200	200	200
Mentally Retarded	8	8	8	8	8
Chemically Dependent	139	75	100	100	100
Licensed Bed Capacity ³ - Total	705	705	705	670	670
Mentally Ill	293	293	293	270	270
Mentally Retarded	143	143	143	143	143
Chemically Dependent	269	269	269	257	257
Utilized Bed Capacity ⁴ - Total	635	635	635	635	635
Mentally Ill	250	250	250	250	250
Mentally Retarded	143	143	143	143	143
Chemically Dependent	242	242	242	242	242

ACCOMPLISHMENTS AND STATISTICS: (contd.)

¹Estimated increase in population is due to absorption of geriatric mentally ill persons from the Rochester State Hospital catchment area.

²Under the Minnesota Commitment Act of 1982, all admissions are either informal or committed. Informal admissions for chemically dependent persons were previously termed "voluntary".

³Licensed bed capacity is the maximum number of beds the facility may operate based on the annual Minnesota Department of Health license.

⁴Utilized beds are beds which are set up and staffed for immediate patient use.

EXPLANATION OF BUDGET REQUEST:

An increase of \$1,140,800 is requested for the biennium; \$688,100 for F.Y. 1984 and \$452,700 for F.Y. 1985. These funds are requested for the following purposes:

An increase of \$137,000 is requested for each year of the biennium to restore 6 staff positions for the care of mentally ill persons. These positions were transferred to the Minnesota Security Hospital to make certain that facility would have adequate staff when this hospital needed to transfer patients to the Security Hospital.

An increase of \$53,600 is requested for each year of the biennium to restore salary funds for staff positions for the care of mentally ill and chemically dependent persons that were transferred within this facility to fully fund mental retardation and general support positions as required by the Welsch v. Noot consent decree.

An increase of \$222,700 for F.Y. 1984 and \$8,500 for F.Y. 1985 is requested for dietary allowances, and repairs, replacement and betterment. The specific request is for \$9,000 in F.Y. 1984 and \$8,500 in F.Y. 1985 for dietary allowances; and \$213,700 in F.Y. 1984 for repairs, replacement and betterment.

The daily food allowance increase is requested to partially offset the costs of double portion diets, dietary supplements, edible reinforcers, and snacks.

An increased level of funding of \$274,800 for F.Y. 1984 and \$253,600 for F.Y. 1985 is requested to restore the expense and salary appropriation and complement of 10.0 positions reduced by 3rd Special Session 1982, Chapter 1.

ACTIVITY: MOOSE LAKE STATE HOSPITAL

1983-85 Biennial Budget

(Continuation)

Program: MENTAL HEALTH

Agency: PUBLIC WELFARE, DEPARTMENT OF

GOVERNOR'S RECOMMENDATION:

The Governor does not recommend the change level request for 6 positions and \$137,000 each year for the transferred MI positions. The Governor further does not recommend restoration of the \$53,600 each year of transferred salary funds.

The Governor concurs in the hospitals' other change level requests. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

Furthermore, the Governor recommends that the activity be funded using dedicated receipts rather than direct appropriations.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: STATE HOSPITALS

MANAGEMENT ACTIVITY: MOOSE LAKE STATE HOSPITAL

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	8,413.7	8,898.7	10,447.9	10,737.8	427.7	11,165.5	10,737.8	427.7	11,165.5	10,974.9	10,974.9
-REGULAR UNCLASSIFIED	99.0	111.2	119.0	121.2		121.2	121.2		121.2	121.2	121.2
-PART-TIME/SEAS./OTHER	175.6	79.7	60.1	61.2		61.2	61.2		61.2	61.2	61.2
-PREMIUM PAY	82.6	114.7	114.2	114.2		114.2	114.2		114.2	114.2	114.2
-OVERTIME PAY	110.8	118.7	227.6	231.8		231.8	231.8		231.8	231.8	231.8
-MISCELLANEOUS PAYROLL	154.6	151.8	173.2	173.2		173.2	173.2		173.2	173.2	173.2
-OTHER BENEFITS	132.4	86.5	116.7	128.2		128.2	128.2		128.2	128.2	128.2
TOTAL PERSONAL SERVICES	9,168.7	9,561.3	11,250.7	11,567.6	427.7	11,995.3	11,567.6	427.7	11,995.3	11,804.7	11,804.7
EXPENSES & CONTRACTUAL SERVICES	378.0	422.8	404.2	487.1		487.1	513.9		513.9	478.6	495.1
SUPPLIES & MATERIALS	1,054.1	1,121.1	1,346.6	1,523.1	238.0	1,761.1	1,428.6	25.0	1,453.6	1,738.9	1,420.5
EQUIPMENT	72.0	5.2	36.2	50.9	22.4	73.3	.3		.3	72.0	.3
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	10,672.8	11,110.4	13,045.7	13,628.7	688.1	14,316.8	13,510.4	452.7	13,963.1	14,094.2	13,720.6
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	10,554.8	11,026.5	12,961.3	13,538.3	688.1	14,226.4	13,413.9	452.7	13,866.6	5,090.1	4,591.1
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMENT										8,913.7	9,033.0
AGENCY	117.7	83.9	84.4	90.4		90.4	96.5		96.5	90.4	96.5
GIFTS AND DEPOSITS	.3										
TOTAL FINANCING	10,672.8	11,110.4	13,045.7	13,628.7	688.1	14,316.8	13,510.4	452.7	13,963.1	14,094.2	13,720.6
POSITIONS BY FUND											
GENERAL	486.9	499.8	502.3	502.3	16.0	518.3	502.3	16.0	518.3	512.3	512.3
TOTAL POSITIONS	486.9	499.8	502.3	502.3	16.0	518.3	502.3	16.0	518.3	512.3	512.3

4-01182

ACTIVITY: ST. PETER STATE HOSPITAL
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: St. Peter State Hospital provides inpatient evaluation and treatment for mentally ill and chemically dependent persons in the 19 county catchment area (approximately 600,000 population) of southeastern and south central Minnesota. (Some counties are served by more than 1 hospital.)

In addition, residential, developmental, evaluation and respite care services are provided to mentally retarded citizens in 11 counties of south central Minnesota.

This hospital carries out the functions described for all state hospitals in the preceding state hospital summary.

ACCOMPLISHMENTS AND STATISTICS:	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
Average Daily Population - Total	368	387	403 ¹	398	390
Mentally Ill	143	159	174	176	176
Mentally Retarded	180	182	173	164	156
Chemically Dependent	45	46	56	58	58
Admissions - Total	701	807	923	929	928
Informal Admissions ² - Total	563	566	612	613	613
Mentally Ill	68	55	62	62	62
Mentally Retarded	17	7	7	7	7
Chemically Dependent	478	504	543	544	544
Court Committed Admissions - Total	138	241	311	316	315
Mentally Ill	96	165	232	238	238
Mentally Retarded	4	24	23	22	21
Chemically Dependent	38	52	56	56	56
Licensed Bed Capacity ³ - Total	438	438	438	438	438
Mentally Ill	176	176	176	176	176
Mentally Retarded	204	204	204	204	204
Chemically Dependent	58	58	58	58	58
Utilized Bed Capacity ⁴ - Total	429	429	419	409	399
Mentally Ill	176	176	176	176	176
Mentally Retarded	195	195	185	175	165
Chemically Dependent	58	58	58	58	58

¹ Estimated increase in population is due to absorption of MI and CD resident population from the Rochester State Hospital catchment area.

² Under the Minnesota Commitment Act of 1982, all admissions are either informal or committed. Informal admissions for chemically dependent persons were previously termed "voluntary".

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACCOMPLISHMENTS AND STATISTICS: (contd.)

³

Licensed bed capacity is the maximum number of beds the facility may operate based on the annual Minnesota Department of Health license.

Utilized beds are beds which are set up and staffed for immediate patient use.

EXPLANATION OF BUDGET REQUEST: An increase of \$1,081,200 is requested for the biennium; \$565,600 for F.Y. 1984 and \$405,600 for F.Y. 1985. These funds are requested for the following purposes:

An increase of \$114,100 is requested for each year of the biennium to restore 5 staff positions for the care of mentally ill persons. These positions were transferred from this hospital to the Minnesota Security Hospital to make certain that facility would have adequate staff when this hospital needed to transfer behaviorally difficult or dangerous patients to the Security Hospital.

An increase of \$22,500 is requested for each year of the biennium to restore salary funds for staff positions for the care of mentally ill and chemically dependent persons that were transferred within this facility to fully fund mental retardation and general support positions as required by the Welsch v Noot consent decree.

An increase of \$2,000 in F.Y. 1984 is requested for the regional laundry in order to maintain the equipment required to sustain this operation.

An increase of \$237,700 for F.Y. 1984 and \$11,400 for F.Y. 1985 is requested for dietary allowances, and repairs, replacement and betterment. The specific request is for \$11,400 in F.Y. 1984 and \$11,400 in F.Y. 1985 for dietary allowances, and \$226,300 in F.Y. 1984 for repairs, replacements and betterment.

The daily food allowance increase is requested to partially offset the costs of double portion diets, dietary supplements, edible reinforcers, and snacks.

An increase level of funding of \$299,300 for F.Y. 1984 and \$257,600 for F.Y. 1985 is requested to restore the expense and salary appropriation and complement of 10.0 positions reduced by 3rd Special Session 1982, Chapter 1.

GOVERNOR'S RECOMMENDATION: The Governor does not recommend the change level request for 5 positions and \$114,100 each year for the transferred MI positions. The Governor further does not recommend restoration of the \$22,500 each year of transferred salary funds.

The Governor concurs in the hospitals' other change level requests. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

Furthermore, the Governor recommends that the activity be funded using dedicated receipts rather than direct appropriations.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: STATE HOSPITALS

MANAGEMENT ACTIVITY: ST. PETER STATE HOSPITAL

AGENCY: PUBLIC WELFARE,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	8,553.7	9,216.4	10,829.4	11,142.2	382.1	11,524.3	11,142.2	382.1	11,524.3	11,387.7	11,387.7
-REGULAR UNCLASSIFIED	76.9	96.8	100.0	101.8		101.8	101.8		101.8	101.8	101.8
-PART-TIME/SEAS./OTHER	186.5	105.9	89.3	91.0		91.0	91.0		91.0	91.0	91.0
-PREMIUM PAY	80.4	102.3	102.6	114.6		114.6	114.6		114.6	114.6	114.6
-OVERTIME PAY	165.9	253.9	226.3	237.6		237.6	237.6		237.6	237.6	237.6
-MISCELLANEOUS PAYROLL	209.3	244.1	258.5	253.5		253.5	253.5		253.5	253.5	253.5
-OTHER BENEFITS	179.1	173.2	231.1	253.7		253.7	253.7		253.7	253.7	253.7
TOTAL PERSONAL SERVICES	9,451.8	10,192.6	11,837.2	12,199.4	382.1	12,581.5	12,199.4	382.1	12,581.5	12,444.9	12,444.9
EXPENSES & CONTRACTUAL SERVICES	542.6	639.2	654.8	816.6		816.6	873.2		873.2	801.9	841.1
SUPPLIES & MATERIALS	1,193.9	1,370.4	1,628.5	1,981.4	237.7	2,219.1	1,873.1	23.5	1,896.6	2,189.8	1,850.8
EQUIPMENT	14.6	46.4	55.5	41.2	55.8	97.0	17.2		17.2	95.6	17.2
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS		4.0									
TOTAL EXPENDITURES	11,202.9	12,252.6	14,176.0	15,038.6	675.6	15,714.2	14,962.9	405.6	15,368.5	15,532.2	15,154.0
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	11,174.4	12,228.2	14,135.0	14,994.6	675.6	15,670.2	14,916.0	405.6	15,321.6	5,681.6	5,169.6
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT										9,806.6	9,937.5
AGENCY	7.0	6.1	11.0	11.8		11.8	12.6		12.6	11.8	12.6
FEDERAL	21.5	18.3	30.0	32.2		32.2	34.3		34.3	32.2	34.3
TOTAL FINANCING	11,202.9	12,252.6	14,176.0	15,038.6	675.6	15,714.2	14,962.9	405.6	15,368.5	15,532.2	15,154.0
POSITIONS BY FUND											
GENERAL	479.7	501.8	502.7	502.7	15.0	517.7	502.7	15.0	517.7	512.7	512.7
TOTAL POSITIONS	479.7	501.8	502.7	502.7	15.0	517.7	502.7	15.0	517.7	512.7	512.7

4-01184

ACTIVITY: MINNESOTA SECURITY HOSPITAL
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: Minnesota Security Hospital provides treatment and evaluation within a secure residential facility for persons who have been committed by the courts, or determined by the courts or the commissioner, to present such a danger to others as to prevent evaluation and treatment for mental illness in an "open" residential facility. Patients are admitted from the courts, other state hospitals, and the Department of Corrections on a statewide basis.

In F.Y. 1982, it began serving the male population in a new facility on the campus of St. Peter State Hospital. It will begin providing services within this secure setting for up to 12 females in F.Y. 1983. This hospital carries out the functions described for all state hospitals in the state hospital summary. Additional functions of this hospital are:

- 1. To evaluate and treat within a secure residential setting those individuals identified as dangerous.
- 2. To prepare forensic evaluation reports for the courts and the Commissioner to assist them in making appropriate dispositions.
- 3. To operate a sex offender treatment program.
- 4. To reduce incidents of aggressive actions towards staff and other residents.
- 5. To serve as a backup treatment resource to the open state hospitals for those behaviorally difficult or dangerous patients that cannot be treated or maintained in an open setting.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Average Daily Population (Mentally ill)					
Male	192	189	214	225	236
Female	0	0	12	15	18
Total Admissions (Court committed)	222	243	276	306	338
Number of Forensic Evaluation	79	103	124	144	163
Number of Psychiatric Treatment	65	73	80	87	95
Number for Sex Offender Evaluation/Treatment	78	67	72	75	80
Licensed Bed Capacity ¹	184	184	236	236	236
Utilized Bed Capacity ²	192	200	236	236	236

¹Licensed bed capacity is the maximum number of beds the facility may operate based on the annual Minnesota Department of Health license.
²Utilized beds are beds which are set up and staffed for immediate patient use.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

EXPLANATION OF BUDGET REQUEST:

An increase of \$120,600 is requested for the biennium; \$60,300 each fiscal year, to restore salary funds that were allocated to other state hospitals to fully fund mental retardation and general support staff positions as required by the Welsch v. Noot Consent Decree per Federal District Court Memorandum of Understanding of 6-30-82.

An increased level of funding of \$106,300 for F.Y. 1984 and \$106,300 for F.Y. 1985 is requested to restore the expense and salary appropriation and complement of 4.5 positions reduced by 3rd Special Session 1982, Chapter 1.

GOVERNOR'S RECOMMENDATION:

The Governor does not recommend the change level request for restoration of the \$60,300 each year of transferred salary funds.

The Governor concurs in the hospitals' change level request for restoration of cuts made by 3rd Special Session 1982, Chapter 1. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: STATE HOSPITALS

MANAGEMENT ACTIVITY: SECURITY HOSPITAL-ST. PETER

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	3,344.6	3,697.2	4,491.3	4,857.6	166.6	5,024.2	4,857.6	166.6	5,024.2	4,963.9	4,963.9
-REGULAR UNCLASSIFIED	.4										
-PART-TIME/SEAS./OTHER	.1										
-PREMIUM PAY	24.8	39.3	37.0	37.0		37.0	37.0		37.0	37.0	37.0
-OVERTIME PAY	76.2	54.0	90.2	91.8		91.8	91.8		91.8	91.8	91.8
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	1.7										
TOTAL PERSONAL SERVICES	3,447.8	3,790.5	4,618.5	4,986.4	166.6	5,153.0	4,986.4	166.6	5,153.0	5,092.7	5,092.7
EXPENSES & CONTRACTUAL SERVICES	1.9										
SUPPLIES & MATERIALS	16.4										
EQUIPMENT	52.2										
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	3,518.3	3,790.5	4,618.5	4,986.4	166.6	5,153.0	4,986.4	166.6	5,153.0	5,092.7	5,092.7
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	3,476.0	3,790.5	4,618.5	4,986.4	166.6	5,153.0	4,986.4	166.6	5,153.0	5,092.7	5,092.7
DEDICATED APPROPRIATIONS:											
FEDERAL	42.3										
TOTAL FINANCING	3,518.3	3,790.5	4,618.5	4,986.4	166.6	5,153.0	4,986.4	166.6	5,153.0	5,092.7	5,092.7
POSITIONS BY FUND											
GENERAL	160.3	200.0	195.5	195.5	4.5	200.0	195.5	4.5	200.0	200.0	200.0
FEDERAL	2.0		2.0	2.0		2.0	2.0		2.0	2.0	2.0
TOTAL POSITIONS	162.3	200.0	197.5	197.5	4.5	202.0	197.5	4.5	202.0	202.0	202.0

4-01186

ACTIVITY: WILLMAR STATE HOSPITAL
 Program: MENTAL HEALTH
 Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: Willmar State Hospital provides in-patient evaluation, care and treatment for the chemically dependent, the adult mentally ill, the adolescent mentally ill, and the severe and profoundly retarded citizens. The catchment area includes 23 southwestern counties with a population of about 600,000.

This hospital carries out the functions described for all state hospitals in the state hospital summary. Additional functions of this hospital are:

1. To provide treatment to the adolescent mentally ill through the Protective Environment Treatment Section.
2. To provide a methadone withdrawal service to chemically dependent patients.
3. To operate the only statewide treatment program serving mentally ill adolescents in the state hospital system.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Avg. Daily Population - Total	557	562	590	600	605
Mentally Ill	311	305	320	328	331
Mentally Retarded	158	161	170	170	170
Chemically Dependent	88	96	100	102	104
Admissions - Total	1,325	1,221	1,233	1,260	1,266
¹ Informal Admissions - Total	905	824	848	886	904
Mentally Ill	202	202	215	225	235
Mentally Retarded	25	19	18	21	24
Chemically Dependent	678	603	615	640	645
Court Committed Admissions - Total	420	397	385	374	362
Mentally Ill	291	271	260	250	240
Mentally Retarded	13	8	10	11	12
Chemically Dependent	116	118	115	113	110
² Licensed Bed Capacity - Total	644	644	645	645	645
Mentally Ill	354	354	350	350	350
Mentally Retarded	177	177	177	177	177
Chemically Dependent	113	113	118	118	118
³ Utilized Bed Capacity - Total	623	628	624	624	624
Mentally Ill	333	333	329	329	329
Mentally Retarded	177	177	177	177	177
Chemically Dependent	113	118	118	118	118

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

- 1 Under the Minnesota Commitment Act of 1982, all admissions are either informal or committed. Informal admissions for chemically dependent persons were previously termed "voluntary".
- 2 Licensed bed capacity is the maximum number of beds the facility may operate based on the annual Minnesota Department of Health license.
- 3 Utilized beds are beds which are set up and staffed for immediate patient use.

EXPLANATION OF BUDGET REQUEST:

An increase of \$1,398,200 is requested for the biennium; \$802,800 for F.Y. 1984 and \$595,400 for F.Y. 1985. These funds are requested for the following purposes:

An increase of \$251,000 is requested for each year of the biennium to restore 11 staff positions for the care of mentally ill persons. These positions were transferred from this hospital to the Minnesota Security Hospital to make certain that facility would have adequate staff when Willmar State Hospital needed to transfer behaviorally difficult or dangerous patients to the Security Hospital.

An increase of \$36,200 is requested for each year of the biennium to restore salary funds for staff positions for the care of mentally ill and chemically dependent persons that were transferred within this facility (and other state hospitals) to fully fund mental retardation and general support positions as required by the Welsch v Noot Consent Decree per Federal District Court Memorandum of Understanding of 6-30-82.

An increase of \$156,000 for F.Y. 1984 and \$11,000 for F.Y. 1985 is requested for dietary allowances, repairs, replacement and betterment. This request meets the criteria established in the Department of Finance budget guidelines. The specific request is for \$11,000 in F.Y. 1984 and \$11,000 in F.Y. 1985 for dietary allowances, and \$145,000 in F.Y. 1984 for repairs, replacement and betterment.

The daily food allowance increase is requested to partially offset the costs of double portion diets, dietary supplements, edible reinforcers, and snacks.

An increase of \$2,000 in F.Y. 1984 is requested for the regional laundry to maintain the equipment required to sustain this operation.

An increase level of funding of \$357,600 for F.Y. 1984 and \$297,200 for F.Y. 1985 is requested to restore the expense and salary appropriation and complement of 13.0 positions reduced by 3rd Special Session 1982, Chapter 1.

ACTIVITY: WILLMAR STATE HOSPITAL
(Continuation)
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

GOVERNOR'S RECOMMENDATION:

The Governor does not recommend the change level request for 11 positions and \$251,000 each year for the transferred MI positions. The Governor further does not recommend restoration of the \$36,200 each year of transferred salary funds.

The Governor concurs in the hospitals' other change level requests. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

Furthermore, the Governor recommends that the activity be funded using dedicated receipts rather than direct appropriations.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: STATE HOSPITALS

MANAGEMENT ACTIVITY: WILLMAR STATE HOSPITAL

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	10,864.2	11,397.3	12,899.2	13,472.0	584.4	14,056.4	13,472.0	584.4	14,056.4	13,769.2	13,769.2
-REGULAR UNCLASSIFIED	96.7	107.4	125.0	127.3		127.3	127.3		127.3	127.3	127.3
-PART-TIME/SEAS./OTHER	141.7	126.6	112.0	114.1		114.1	114.1		114.1	114.1	114.1
-PREMIUM PAY	111.0	133.9	134.1	134.1		134.1	134.1		134.1	134.1	134.1
-OVERTIME PAY	158.9	408.4	289.5	294.8		294.8	294.8		294.8	294.8	294.8
-MISCELLANEOUS PAYROLL	171.1	182.9	183.0	183.0		183.0	183.0		183.0	183.0	183.0
-OTHER BENEFITS	166.8	76.2	94.4	103.6		103.6	103.6		103.6	103.6	103.6
TOTAL PERSONAL SERVICES	11,710.4	12,432.7	13,837.2	14,428.9	584.4	15,013.3	14,428.9	584.4	15,013.3	14,726.1	14,726.1
EXPENSES & CONTRACTUAL SERVICES	328.1	377.4	346.6	403.8		403.8	420.4		420.4	396.9	405.7
SUPPLIES & MATERIALS	1,202.9	1,331.2	1,473.2	1,821.8	156.0	1,977.8	1,802.1	11.0	1,813.1	1,955.1	1,775.1
EQUIPMENT	30.4	56.8	84.7	82.2	62.4	144.6	69.7		69.7	143.0	69.3
REAL PROPERTY		29.7									
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	13,271.8	14,227.8	15,741.7	16,736.7	802.8	17,539.5	16,721.1	595.4	17,316.5	17,221.1	16,976.2
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	13,081.7	14,029.6	15,517.0	16,496.3	802.8	17,299.1	16,463.9	595.4	17,059.3	5,436.1	5,020.7
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMENT										11,544.6	11,698.3
AGENCY	158.9	165.3	174.7	187.0		187.0	199.9		199.9	187.0	199.9
FEDERAL	31.2	32.9	50.0	53.4		53.4	57.3		57.3	53.4	57.3
TOTAL FINANCING	13,271.8	14,227.8	15,741.7	16,736.7	802.8	17,539.5	16,721.1	595.4	17,316.5	17,221.1	16,976.2
POSITIONS BY FUND											
GENERAL	628.9	641.6	630.6	630.6	24.0	654.6	630.6	24.0	654.6	643.6	643.6
FEDERAL	5.0										
TOTAL POSITIONS	633.9	641.6	630.6	630.6	24.0	654.6	630.6	24.0	654.6	643.6	643.6

4-01189

ACTIVITY: ROCHESTER STATE HOSPITAL
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY DESCRIPTION:

Rochester State Hospital (RSH) provided inpatient treatment and evaluation for persons who are mentally ill, mentally retarded or chemically dependent. The RSH catchment area covered 12 counties in Southeastern Minnesota. Total population in the catchment area is approximately 424,000.

This hospital carried out the functions described for all state hospitals in the state hospital summary. An additional function of this facility was to provide medical and surgical services to residents of the other state hospitals and state nursing homes.

The Rochester State Hospital was closed on 7-1-82.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Average Daily Population - Total	389	134	-0-	-0-	-0-
Mentally Ill	214	104	-0-	-0-	-0-
Mentally Retarded	120	30	-0-	-0-	-0-
Chemically Dependent	36	-0-	-0-	-0-	-0-
Med./Surg. Unit	19	-0-	-0-	-0-	-0-
Admissions - Total	1,292	829	-0-	-0-	-0-

EXPLANATION OF BUDGET REQUEST:

No funds are requested for the Rochester State Hospital.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: STATE HOSPITALS

MANAGEMENT ACTIVITY: ROCHESTER STATE HOSPITAL

AGENCY: PUBLIC WELFARE, DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	9,600.7	6,707.5	336.3								
-REGULAR UNCLASSIFIED	144.3	116.1									
-PART-TIME/SEAS./OTHER	91.6	36.2									
-PREMIUM PAY	96.8	40.4	12.0								
-OVERTIME PAY	95.9	79.7	7.0								
-MISCELLANEOUS PAYROLL	155.8	126.7									
-OTHER BENEFITS	109.0	425.6	225.0								
TOTAL PERSONAL SERVICES	10,294.1	7,532.2	500.3								
EXPENSES & CONTRACTUAL SERVICES	517.4	486.0	87.4								
SUPPLIES & MATERIALS	991.1	519.1	89.1								
EQUIPMENT	31.6	4.4									
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS		.1									
TOTAL EXPENDITURES	11,834.2	8,541.8	756.8								
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	11,737.7	8,486.2	756.8								
DEDICATED APPROPRIATIONS:											
AGENCY	95.0	36.8									
GIFTS AND DEPOSITS	.2	3.0									
FEDERAL	1.3	15.8									
TOTAL FINANCING	11,834.2	8,541.8	756.8								
POSITIONS BY FUND											
GENERAL	518.9	323.2	16.0								
TOTAL POSITIONS	518.9	323.2	16.0								

4-01191

ACTIVITY: STATE NURSING HOMES
 Program: MENTAL HEALTH
 Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This activity includes 2 state nursing homes which are each described as separate activities in the following pages.

The 2 state nursing homes provide inpatient treatment to an elderly population and to other persons whose needs cannot be met in community nursing homes. Many of these persons are former patients of state hospitals. They are referred to the state nursing homes because of behaviors that make treatment in community nursing homes unacceptable. Referrals come also from county social services, and through a formal contract with the Veterans' Administration. The nursing homes are licensed by the Minnesota Department of Health and are certified as Medicare, Medicaid and V.A. providers.

The functions common to both nursing homes are:

1. To provide nursing care at the skilled and intermediate levels.
2. To accomplish ongoing assessments of each individual's total needs and do ongoing evaluations of the appropriateness of continued placement in a state nursing facility.
3. To maintain the most homelike atmosphere possible for all residents.
4. To meet all appropriate standards for medical, psychological, social, recreational and spiritual programs to enhance the life of the residents.

ACCOMPLISHMENTS AND STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Average Daily Population	664	655	664	668	670
Average Age	71	71	71	71	70
Number of Persons Under Age 65	208	193	188	195	198
Number of Admissions	87	85	110	114	116
Nursing Hours Per Day Per Person	2.5	2.46	2.45	2.35	2.35
Staff-Patient Ratio Average	1:1.08	1:1.06	1:1.08	1:1.11	1:1.13

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	11,139.7	11,346.3	13,378.5	14,846.9	16,071.9

ACCOMPLISHMENTS AND STATISTICS (Contd.):	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Licensed ¹ and Certified ² Bed Capacity - Total	693	693	693	693	693
ICF ⁴	529	529	529	529	529
SNF	164	164	164	164	164
Utilized ⁵ Beds	682	682	682	682	682

¹ Licensed bed capacity is the maximum number of beds the facility may operate based on the annual Minnesota Department of Health license.

² Certified Beds are beds certified by the Minnesota Department of Health (under contract with the federal government) as beds meeting federal standards that allow Medicare and Medicaid reimbursements.

³ ICF means the section of the nursing home certified to provide intermediate care as defined by the federal Medicare and Medicaid standards.

⁴ SNF means the section of the nursing home certified to provide skilled nursing care as defined by the federal Medicare and Medicaid standards.

⁵ Utilized Beds are beds which are set up and staffed for immediate patient use.

EXPLANATION OF BUDGET REQUEST:

An increase of \$278,800 is requested for the biennium. The request includes \$25,400 for food, \$198,400 for repairs, replacement and betterment and \$55,000 for 1 shared services agreement.

An additional increase level of funding of \$320,500 for F.Y. 1984 and \$278,300 for F.Y. 1985 is requested to restore the expense and salary appropriation and complement of 12.5 positions reduced by 3rd Special Session 1982, Chapter 1.

Details concerning the budget request for the state nursing homes are contained on the individual state nursing home narratives that follow.

ACTIVITY: STATE NURSING HOMES
(Continuation)
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the nursing homes' requests to achieve their F.Y. 1983-85 objective. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

The Governor, however, further recommends that the state nursing homes be appropriated only \$1,494.7 in F.Y. 1984 and \$409.7 in F.Y. 1985. The difference (\$14,846.9 in F.Y. 1984 and \$15,624.7 in F.Y. 1985) to be provided by allowing each nursing home to use the receipts from its accounts receivable billing system, i.e., change its receipts from non-dedicated to dedicated.

The majority of these receipts result from billings to the Medical Assistance program. In the past the state has fully appropriated both the Medical Assistance program and the nursing homes. This results in double appropriating that amount which the state nursing homes bill the Medical Assistance program.

The affect of this proposal will be to reduce state hospitals and nursing homes appropriations by \$246,371.0 for the biennium. However, since this was previously treated as revenue this also results in a decrease in revenues to the General Fund by a like amount. The amounts are offsetting and no savings or costs to the state result from this change in policy.

The Governor feels however that there are other tangible benefits of this change.

First of all the nursing homes will be required to ensure that their billing and receivable systems are functioning efficiently and are well managed.

In addition it will encourage an emphasis on cost consciousness by administrators in managing day to day operations.

It will further allow nursing homes to make use of new program initiatives via the recently expanded Shared Services Act (Chapter 246.57).

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: STATE NURSING HOMES

PROGRAM: MENTAL HEALTH

AGENCY: PUBLIC WELFARE,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	10,093.9	10,398.5	12,257.7	12,485.7	271.8	12,757.5	12,485.7	271.8	12,757.5	12,757.5	12,757.5
-REGULAR UNCLASSIFIED	104.6	125.5	115.0	117.1		117.1	117.1		117.1	117.1	117.1
-PART-TIME/SEAS./OTHER	146.7	77.5	103.0	104.8		104.8	104.8		104.8	104.8	104.8
-PREMIUM PAY	86.1	127.6	137.0	137.0		137.0	137.0		137.0	137.0	137.0
-OVERTIME PAY	285.2	492.9	476.0	484.7		484.7	484.7		484.7	484.7	484.7
-MISCELLANEOUS PAYROLL	13.9	11.1	9.0	9.0		9.0	9.0		9.0	9.0	9.0
-OTHER BENEFITS	149.5	248.8	180.1	180.1		180.1	180.1		180.1	180.1	180.1
TOTAL PERSONAL SERVICES	10,879.9	11,481.9	13,277.8	13,518.4	271.8	13,790.2	13,518.4	271.8	13,790.2	13,790.2	13,790.2
EXPENSES & CONTRACTUAL SERVICES	334.8	392.4	406.1	430.0	16.5	446.5	455.2	16.2	471.4	438.7	454.3
SUPPLIES & MATERIALS	1,337.8	1,479.6	1,559.6	1,815.4	240.6	2,056.0	1,801.8	23.6	1,825.4	2,030.1	1,783.8
EQUIPMENT	20.2	28.5	29.1	53.0	31.1	84.1	.3	6.0	6.3	82.6	6.1
REAL PROPERTY		13.2									
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS	3.0	1.2									
TOTAL EXPENDITURES	12,575.7	13,396.8	15,272.6	15,816.8	560.0	16,376.8	15,775.7	317.6	16,093.3	16,341.6	16,034.4
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	12,572.0	13,395.8	15,272.6	15,816.8	560.0	16,376.8	15,775.7	317.6	16,093.3	1,494.7	409.7
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT										14,846.9	15,624.7
AGENCY	3.7	1.0									
TOTAL FINANCING	12,575.7	13,396.8	15,272.6	15,816.8	560.0	16,376.8	15,775.7	317.6	16,093.3	16,341.6	16,034.4
POSITIONS BY FUND											
GENERAL	617.1	618.1	605.5	605.5	12.5	618.0	605.5	12.5	618.0	618.0	618.0
TOTAL POSITIONS	617.1	618.1	605.5	605.5	12.5	618.0	605.5	12.5	618.0	618.0	618.0

4-01194

ACTIVITY: AH-GWAH-CHING NURSING HOME
Program: MENTAL HEALTH
Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: Ah-Gwah-Ching Nursing Home provides nursing care at the skilled and intermediate levels to elderly persons and other persons who have special needs which cannot be met in community nursing homes. Most of the persons served are former patients of state hospitals and are no longer in need of the hospital level treatment program. Persons are admitted from throughout the state through referrals from state hospitals, county social service agencies, the Veteran's Administration and others.

Ah-Gwah-Ching is currently working to meet Joint Commission on Accreditation Standards, and Minnesota Department of Health Standards for an increase in skilled nursing home beds.

This nursing home carries out the functions described for both state nursing homes in the nursing home summary. Additional functions of this nursing home are:

1. To provide holistic care to a geriatric population by implementation of individualized multi-disciplinary care plans.
2. To provide community service through senior citizen meals at cost, sponsorship of Retired Senior Volunteer Program and Senior Companion programs, educational offerings to health care personnel on-site and in the area or internship participation with surrounding educational facilities.

ACCOMPLISHMENTS AND STATISTICS:	Actual	Actual	Estimated	Obj./Est.	Obj./Est.
	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
Average Daily Population	331	325	330	330	330
Average Age	73	73	72	72	71
Number of Persons Under Age 65	83	81	82	87	90
Number of Admissions	38	46	66	66	66
Nursing Hours Per Day Per Person	2.6	2.5	2.5	2.3	2.3
Licensed and Certified Bed Capacity	343	343	343	343	343
Utilized ¹ Bed Capacity	336	336	336	336	336

¹Utilized beds are beds which are set up and staffed for immediate patient use.

EXPLANATION OF BUDGET REQUEST:

An increase of \$142,500 is requested for the biennium; \$6,400 in F.Y. 1984 and \$6,600 in F.Y. 1985, for dietary allowances and \$129,500 in F.Y. 1984 for repairs, replacement and betterment. This request meets the criteria established in the Department of Finance budget guidelines.

The daily food allowance increase is requested to partially offset the costs of dietary supplements and snacks.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

An increased level of funding of \$157,000 for F.Y. 1984 and \$138,600 for F.Y. 1985 is requested to restore the expense and salary appropriation and complement of 6.0 positions reduced by 3rd Special Session 1982, Chapter 1.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

Furthermore, the Governor recommends that the activity be funded using dedicated receipts rather than direct appropriations.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: STATE NURSING HOMES

MANAGEMENT ACTIVITY: AH-GMAH-CHING NURSING HOME

AGENCY: PUBLIC WELFARE,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	5,015.0	5,195.9	6,201.1	6,248.7	135.4	6,384.1	6,248.7	135.4	6,384.1	6,384.1	6,384.1
-REGULAR UNCLASSIFIED	62.0	76.7	65.0	66.2		66.2	66.2		66.2	66.2	66.2
-PART-TIME/SEAS./OTHER	63.2	19.5	31.0	31.5		31.5	31.5		31.5	31.5	31.5
-PREMIUM PAY	44.6	65.8	67.0	67.0		67.0	67.0		67.0	67.0	67.0
-OVERTIME PAY	98.4	206.7	136.0	138.5		138.5	138.5		138.5	138.5	138.5
-MISCELLANEOUS PAYROLL	9.9	7.2	3.5	3.5		3.5	3.5		3.5	3.5	3.5
-OTHER BENEFITS	101.5	195.8	128.6	128.6		128.6	128.6		128.6	128.6	128.6
TOTAL PERSONAL SERVICES	5,394.6	5,767.6	6,632.2	6,684.0	135.4	6,819.4	6,684.0	135.4	6,819.4	6,819.4	6,819.4
EXPENSES & CONTRACTUAL SERVICES	192.5	237.0	228.5	236.0	3.5	239.5	247.8	3.2	251.0	235.3	241.8
SUPPLIES & MATERIALS	578.5	645.2	626.0	731.9	146.8	878.7	740.5	6.6	747.1	868.6	732.7
EQUIPMENT	5.8	2.1	24.4	30.7	7.2	37.9				37.2	
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS	3.0	.2									
TOTAL EXPENDITURES	6,174.4	6,652.1	7,511.1	7,682.6	292.9	7,975.5	7,672.3	145.2	7,817.5	7,960.5	7,793.9
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	6,170.7	6,652.1	7,511.1	7,682.6	292.9	7,975.5	7,672.3	145.2	7,817.5	1,236.7	409.7
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT										6,723.8	7,384.2
AGENCY	3.7										
TOTAL FINANCING	6,174.4	6,652.1	7,511.1	7,682.6	292.9	7,975.5	7,672.3	145.2	7,817.5	7,960.5	7,793.9
POSITIONS BY FUND											
GENERAL	311.0	312.0	306.0	306.0	6.0	312.0	306.0	6.0	312.0	312.0	312.0
TOTAL POSITIONS	311.0	312.0	306.0	306.0	6.0	312.0	306.0	6.0	312.0	312.0	312.0

4-01196

ACTIVITY: OAK TERRACE NURSING HOME
 Program: MENTAL HEALTH
 Agency: PUBLIC WELFARE, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

Oak Terrace Nursing Home provides skilled and intermediate nursing care to elderly persons and to other persons who have special needs which cannot be met in community nursing homes. Most of the persons served are former patients of state hospitals and are no longer in need of the hospital level treatment program. Persons are admitted from throughout the state through referrals from state hospitals, county social service agencies, the Veteran's Administration and others.

Oak Terrace Nursing Home carries out the functions described for both state nursing homes in the nursing home summary. Additional functions of this nursing home are:

1. To provide holistic care to a geriatric population by implementation of individualized multidisciplinary care plans.
2. To provide a medical and film library for use by other state facilities, schools and other organizations.
3. To maintain the existing Joint Commission accreditation.
4. To expand the teaching nursing home concept and to be a resource to the community in all aspects of nursing home operation such as all-day workshops and student affiliations.

ACCOMPLISHMENTS AND STATISTICS:	Actual	Actual	Estimated	Obj./Est.	Obj./Est.
	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
Average Daily Population	333	330	334	338	340
Average Age	69	69	70	70	70
Number of Persons Under 65	125	112	106	108	108
Number of Admissions	49	39	44	48	50
Nursing Hours Per Day Per Person	2.40	2.42	2.40	2.40	2.40
Licensed and Certified Bed Capacity	350	350	350	350	350
Utilized ¹ Beds	346	346	346	346	346

¹Utilized beds are beds which are set up and staffed for immediate patient use.

ACTIVITY GENERATES NON-DEDICATED REVENUE <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
	-0-	-0-	-0-	28.5	28.5

EXPLANATION OF BUDGET REQUEST:

An increase of \$439,500 is requested for the biennium; \$267,100 for F.Y. 1984 and \$172,400 for F.Y. 1985. These funds are requested for the following purposes:

An increase of \$75,100 for F.Y. 1984 and \$6,200 for F.Y. 1985 is requested for dietary allowances, and repairs, replacement and betterment. This request meets the criteria established in the Department of Finance budget guidelines. The specific request is for \$6,200 in F.Y. 1984 and \$6,200 for F.Y. 1985 for dietary allowances, and \$68,900 in F.Y. 1984 for repairs, replacement and betterment.

The daily food allowance increase is requested to partially offset the costs of dietary supplements, and snacks.

In order to comply with M.S. 246.57, an increase of \$28,500 in F.Y. 1984 and \$26,500 in F.Y. 1985 is requested to enable the Oak Terrace Nursing Home to provide films from their medical library to other public and private organizations and agencies. This shared services agreement will allow the facility to identify and charge a fee to recover the costs identified above.

An increased level of funding of \$163,500 for F.Y. 1984 and \$139,700 for F.Y. 1985 is requested to restore the expense and salary appropriation and complement of 6.5 positions reduced by 3rd Special Session 1982, Chapter 1.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

Furthermore, the Governor recommends that the activity be funded using dedicated receipts rather than direct appropriations.

MANAGEMENT ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: STATE NURSING HOMES

MANAGEMENT ACTIVITY: OAK TERRACE NURSING HOME

AGENCY: PUBLIC WELFARE, DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	5,078.9	5,202.6	6,056.6	6,237.0	136.4	6,373.4	6,237.0	136.4	6,373.4	6,373.4	6,373.4
-REGULAR UNCLASSIFIED	42.6	48.8	50.0	50.9		50.9	50.9		50.9	50.9	50.9
-PART-TIME/SEAS./OTHER	83.5	58.0	72.0	73.3		73.3	73.3		73.3	73.3	73.3
-PREMIUM PAY	41.5	61.8	70.0	70.0		70.0	70.0		70.0	70.0	70.0
-OVERTIME PAY	106.8	286.2	340.0	346.2		346.2	346.2		346.2	346.2	346.2
-MISCELLANEOUS PAYROLL	4.0	3.9	5.5	5.5		5.5	5.5		5.5	5.5	5.5
-OTHER BENEFITS	40.0	53.0	51.5	51.5		51.5	51.5		51.5	51.5	51.5
TOTAL PERSONAL SERVICES	5,485.3	5,714.3	6,645.6	6,834.4	136.4	6,970.8	6,834.4	136.4	6,970.8	6,970.8	6,970.8
EXPENSES & CONTRACTUAL SERVICES	142.3	155.4	177.6	194.0	13.0	207.0	207.4	13.0	220.4	203.4	212.5
SUPPLIES & MATERIALS	759.3	834.4	933.6	1,083.5	93.8	1,177.3	1,061.3	17.0	1,078.3	1,161.5	1,051.1
EQUIPMENT	14.4	26.4	4.7	22.3	23.9	46.2	.3	6.0	6.3	45.4	6.1
REAL PROPERTY		13.2									
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS		1.0									
TOTAL EXPENDITURES	6,401.3	6,744.7	7,761.5	8,134.2	267.1	8,401.3	8,103.4	172.4	8,275.8	8,381.1	8,240.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	6,401.3	6,743.7	7,761.5	8,134.2	267.1	8,401.3	8,103.4	172.4	8,275.8	258.0	
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMENT										8,123.1	8,240.5
AGENCY		1.0									
TOTAL FINANCING	6,401.3	6,744.7	7,761.5	8,134.2	267.1	8,401.3	8,103.4	172.4	8,275.8	8,381.1	8,240.5
POSITIONS BY FUND											
GENERAL	306.1	306.1	299.5	299.5	6.5	306.0	299.5	6.5	306.0	306.0	306.0
TOTAL POSITIONS	306.1	306.1	299.5	299.5	6.5	306.0	299.5	6.5	306.0	306.0	306.0

4-01198

1983-85 BIENNIAL BUDGET
PROGRAM STRUCTURE

AGENCY: ECONOMIC SECURITY, DEPARTMENT OF

		AGENCY REQUEST ALL FUNDS (Dollars in Thousands)		
PROGRAMS	ACTIVITIES	F.Y. 1984	F.Y. 1985	Page
JOB SERVICE	Job Service	\$ 22,170.0	\$ 22,481.9	4-0510
	Work Incentive	4,164.6	4,188.0	4-0513
	Youth Programs	4,079.3	4,079.3	4-0517
	PROGRAM TOTAL	\$ 30,413.9	\$ 30,749.2	
UNEMPLOYMENT INSURANCE	Unemployment Insurance - Administration	\$ 15,186.7	\$ 15,327.8	4-0520
	Unemployment Insurance - Benefits	500,000.0*	500,000.0*	
	PROGRAM TOTAL	\$515,186.7*	\$515,327.8*	
VOCATIONAL REHABILITATION	Basic Client Rehabilitation Services	\$ 18,084.8	\$ 18,576.0	4-0526
	Rehabilitation Services for Social Security Recipients	1,161.5	1,368.1	4-0532
	Rehabilitation Services for Workers' Compensation	783.7	792.8	4-0537
	Special Projects in the Delivery of Rehabilitation Services	12.7	-0-	4-0539
	Long Term Sheltered Employment and Work Activity	7,602.9	8,491.1	4-0542
	Disability Determination Services	9,950.0	10,335.5	4-0546
	Client Advocacy and Consumer Services	62.5	62.7	4-0549
	Comprehensive Services for Independent Living	256.8	274.8	4-0552
	Regional Service Centers for the Hearing Impaired	743.6	750.0	4-0556
	Administration	-0-	-0-	4-0559
	PROGRAM TOTAL	\$ 38,658.5	\$ 40,651.0	
TRAINING & COMMUNITY SERVICES	Greater Minnesota Job Training Program	\$ 12,953.1	\$ 12,444.7	4-0564
	Economic Opportunity	7,323.7	7,397.0	4-0567
	Energy Assistance	74,318.7	74,349.9	4-0571
	Weatherization	24,041.5	16,845.1	4-0574
	PROGRAM TOTAL	\$118,637.0	\$111,036.7	
PROGRAM & MANAGEMENT SUPPORT	Governor's Job Training Programs	\$ 4,851.8	\$ 4,883.1	4-0580
	Program and Management Support	9,844.7	10,112.1	4-0586
	Information Services	3,614.4	3,681.2	4-0589
	PROGRAM TOTAL	\$ 18,310.9	\$ 18,676.4	
	AGENCY TOTAL (Biennial Budget System)	\$221,207.0	\$216,441.1	
	AGENCY TOTAL (Including Unemployment Insurance Benefits)	\$721,207.0	\$716,441.1	

*Includes \$500,000.0 in Unemployment Insurance benefit payments not reported in the Statewide Accounting or Biennial Budget systems.

POSITION RECONCILIATION

AUTHORITY	CURRENT F.Y. 1983	REQUESTED FOR 6/30/85
LEGISLATIVE COMPLEMENT GENERAL FUND	-0-	-0-
LEGISLATIVE AUTHORIZED GENERAL FUND	36.0	64.0
FEDERAL FUND	2,512.5	2,485.5
BUDGETARY AUTHORIZED FEDERAL	9.0	-0-
LAC AUTHORIZED FEDERAL	1.0	-0-
TOTAL PERMANENT POSITIONS	2,558.5	2,549.5
OTHER COMPLEMENT (FTE)	-0-	-0-
TOTAL AUTHORIZED POSITIONS	2,558.5	2,549.5
EMPLOYEES ON 6/30/82	3,124.0*	

*Includes 385 CETA Work Experience Enrollees and 572 Summer Youth participants

DEPARTMENT OF ECONOMIC SECURITY

Organization Chart
Current as of 10-22-82

GOVERNOR'S JOB TRNG. OFF	
CURRENT POSITIONS	30.0
NEW POSITIONS	1.0
TOTAL	31.0

DEPARTMENT OF ECONOMIC SECURITY POSITION SUMMARY
CURRENT POSITIONS 2,558.5

LABOR RELATIONS
CURRENT POSITIONS 7.0

OFFICE OF THE COMMISSIONER
CURRENT POSITIONS 5.0

OFFICE OF POLICY AND PLANNING
CURRENT POSITIONS 1.0

ASSISTANT COMMISSIONER JOB SERVICE
CURRENT POSITIONS 7.0

FIELD OPERATIONS
CURRENT POSITIONS 755.0

STAFF SERVICES
CURRENT POSITIONS 29.0
NEW POSITIONS 1.0
TOTAL 30.0

PUBLIC INFO. & EDUC.
CURRENT POSITIONS 9.0
REDUCTION (2.0)
TOTAL 7.0

INTERNAL AUDIT
CURRENT POSITIONS 8.0
REDUCTION (3.0)
TOTAL 5.0

ASSISTANT COMMISSIONER PROGRAM & MGMT. SUPPORT
CURRENT POSITIONS 7.0

FINANCIAL SERVICES
CURRENT POSITIONS 56.0
REDUCTION (5.0)
TOTAL 51.0

ADMINISTRATIVE SERVICES
CURRENT POSITIONS 69.0
REDUCTION (8.0)
TOTAL 61.0

INFORMATION SERVICES
CURRENT POSITIONS 127.5
REDUCTION (12.5)
TOTAL 115.0

RESEARCH & STATISTICAL
CURRENT POSITIONS 50.0
REDUCTION (10.0)
TOTAL 40.0

PERSONNEL SERVICES
CURRENT POSITIONS 24.0
REDUCTION (3.0)
TOTAL 21.0

ASSISTANT COMMISSIONER UNEMPLOYMENT INSURANCE
CURRENT POSITIONS 2.0

TAX ACCOUNTING
CURRENT POSITIONS 145.0

BENEFITS
CURRENT POSITIONS 330.0

COMMISSIONER APPEALS
CURRENT POSITIONS 20.0

APPEALS TRIBUNAL
CURRENT POSITIONS 40.0

PROGRAM DEVELOPMENT
CURRENT POSITIONS 18.0

ASSISTANT COMMISSIONER TRAINING AND COMMUNITY SERVICES
CURRENT POSITIONS 2.0

ECONOMIC OPPORTUNITY
CURRENT POSITIONS 14.0
NEW POSITIONS 1.0
TOTAL 15.0

ENERGY ASSISTANCE
CURRENT POSITIONS 23.0

WEATHERIZATION
CURRENT POSITIONS 12.0
NEW POSITIONS 3.0
TOTAL 15.0

JOB TRAINING PROGRAMS
CURRENT POSITIONS 193.0

PROGRAM AND MANAGEMENT SUPPORT
CURRENT POSITIONS 25.0

ASSISTANT COMMISSIONER VOCATIONAL REHABILITATION
CURRENT POSITIONS 2.0

CLIENT SERVICES
CURRENT POSITIONS 367.0
REDUCTION (2.0)
TOTAL 365.5

REHABILITATION RESOURCES
CURRENT POSITIONS 4.0

DISABILITY DETERMINATION
CURRENT POSITIONS 144.0
NEW POSITIONS 30.5
TOTAL 174.5

PROGRAM AND MANAGEMENT SUPPORT
CURRENT POSITIONS 29.5

EXTERNAL RELATIONS
CURRENT POSITIONS 3.0

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.


Agency Head


Date

AGENCY PURPOSE: The purpose of the Department of Economic Security is to develop, implement, and coordinate employment and income policies and programs for the State of Minnesota. It is the state's principal agency for employment and job training programs, vocational rehabilitation programs, and the unemployment insurance program. The department also administers the state's weatherization and fuel assistance programs, grants to community action agencies, and displaced homemaker programs.

The department comprises 4 operating divisions - Job Service, Unemployment Insurance, Vocational Rehabilitation, Training and Community Services - and 1 support division - Program and Management Support. The department's functions are diverse: it collects taxes, pays benefits and provides an appellate forum for unemployment compensation. It is an employment agency, an employment and training program operator, a direct service provider for handicapped persons, an advocacy agency for poor people, an administrator of energy programs, and a technical assistance provider for Community Action Agencies and Comprehensive Employment and Training Act (CETA) Prime Sponsors.

The department assists people in need of employment and training, vocational rehabilitation, and job placement assistance so they can find meaningful work and become self supporting. It disburses unemployment insurance payments, fuel assistance payments, and makes eligibility determinations for Social Security Disability applicants. Specialized services and programs are developed to meet the employment, training, and rehabilitation needs of American Indians, displaced homemakers, welfare recipients, veterans, migrants, older job-seekers, youth, disabled, and institutionalized persons who are about to be released.

For those whose physical, mental, or emotional disabilities are a handicap to employment, the department provides an array of services including training and placement in competitive or sheltered work. The department serves low-income people within the state by operating programs which help the poor obtain emergency energy support, weatherize their homes, and become more involved in decisions that affect their lives.

The department has 1 prime objective which serves both job seekers and employers - self-sufficiency for Minnesotans.

OPERATION AND CLIENTELE: The Commissioner's Office provides the overall direction for the department. In addition to the Commissioner and Deputy Commissioner, the Commissioner's Office includes Policy and Planning, Labor Relations and Statewide Employment and Training Coordination.

The Statewide Employment and Training Coordination function is mandated by federal law to

promote coordination between the CETA delivery system and other employment and training programs. Labor Relations is responsible for the development of personnel and labor relations policy. Other responsibilities include training, management development, affirmative action, contract negotiation, classification and employee assistance. Policy and Planning has responsibility for the overall coordination of department policy.

Each of the department's five divisions is the responsibility of an Assistant Commissioner. The four operating divisions provide direct client service through more than 100 full-time offices in communities throughout the state.

The Job Service Division operates in 81 locations across the state. Clients of the Job Service Division can be any Minnesotan seeking employment or any employer seeking workers. Anyone, regardless of income, may use Job Service resources to match his or her skills with a job opening. The primary function of Job Service is labor exchange - finding jobs for workers and workers for jobs. Job Service also provides counseling and placement services to special applicant groups such as older workers, school dropouts (Job Corps), and welfare recipients (Work Incentive Program). In addition, the Job Service Division has operational responsibility for unemployment insurance claims services through 32 outstate Job Service offices.

The Unemployment Insurance Division has direct supervision of the 6 metropolitan unemployment offices. It pays benefits to people who are unemployed through no fault of their own. It conducts a 2-tiered level of appeals for both employers and claimants who feel that decisions with respect to unemployment insurance claims are unfair; it disburses training allowances for Comprehensive Employment and Training Act (CETA) and Work Incentive (WIN) participants. It also collects unemployment insurance taxes from employers in Minnesota.

The Vocational Rehabilitation Division provides client services through 40 statewide offices. The primary objective of the Vocational Rehabilitation Division is to prepare physically, mentally, and emotionally handicapped persons to engage in gainful employment to the extent of their abilities. Each client is assigned to a counselor and receives counseling and guidance based on a jointly developed individualized written rehabilitation plan. The division has cooperative arrangements with public schools, state hospitals for the mentally ill and mentally retarded, and the state correctional institutions to help provide broader and more timely vocational rehabilitation services. Its employment dimension has 2 aspects: facilitating the transition into the competitive job market for those with potential for gainful employment and providing employment opportunities in sheltered workshops for clients who are too severely disabled to function competitively in the work force.

The Vocational Rehabilitation Division has a second objective of training severely handicapped individuals to live independently. These persons may not be able to become employable but through special training and modification of a living site, they can gain a measure of independence and become less of a financial burden on the state.

The Training and Community Services Division provides job training and employment services through 13 centers in 51 rural Minnesota counties - Economic Development Regions 1, and 6-10. The Greater Minnesota Job Training program provides individual training, counseling, job development, and manpower planning coordination in the 51 county area. The division has administrative responsibility for grants from the Department of Labor and the

OPERATION AND CLIENTELE: (Contd.) Community Service Block Grants. The division also administers the Energy Assistance and Weatherization Programs, both of which are delivered by local service providers.

The Program and Management Support Division provides administrative support for the department. These support functions include financial services, research and statistics, audit coordination, public information and education, information services, personnel, administrative services, management analysis and procedures development.

Significant Department and Labor Force Statistics	F.Y. 1982
Number of Employer Accounts	86,865
Civilian Labor Force (June 1982)	2,213,900
Employed	2,053,600
Non-agricultural	1,742,300
Agricultural	311,300
Unemployed (7.2%)	160,300
Number of UI Claims	371,549
Dollars in Benefits Paid	\$359,000,000
New Applications and Renewals	262,226
Job Openings Received	138,800
Individuals Placed	67,617
CETA Participants	9,777
CETA Participants Entered Employment	2,100
Households Weatherized	14,836
Fuel Assistance to Households	104,000
New Rehabilitation Plans Initiated	5,126
Percent Severely Handicapped	48.6
Number Rehabilitated	4,586
Social Security Disability Claims	32,643

Current directions and emphases which will affect the department include the following:

1. Financing the Unemployment Insurance Program. During the 1982 Legislative Session a UI bill was passed which put the state law in conformity with the federal law. The new law also made changes in three major areas: benefit eligibility, benefit payments, and tax practices.

The problems affecting Minnesota's UI program come from a number of sources including the state and national recession, inflation, more frequent and longer periods of unemployment. In spite of the legislative changes of the last session, the Unemployment Insurance Program continues to operate with a deficit.

The state UI program focus must be directed toward repaying the FUTA loans and the

passage of legislation which makes the necessary adjustments in the areas of eligibility, benefit payments and taxing policy.

2. Administrative cost control. Since the creation of this department, much attention has been given to the development of a system to control administrative costs. As a result, the department has developed the definitions and format which provide much of the information needed to assist in the management of the department's resources.

Because of the limited resources at both the state and federal levels, the department faces severe limitations on administrative expenditures. The control and management of administrative costs are crucial to the success of the department. The continuing effort in this area will be directed toward refining and improving our operations and administrative cost control system.

3. DES service delivery system. Passage of the Job Training Partnership Act will require significant changes in the present employment and training system. The roles of the Governor, private sector and prime sponsors will change. Population requirements for service delivery areas could result in a significant realignment of the boundaries of the service delivery areas.

These changes make imperative the development of administrative systems and service delivery alternatives that will meet the emerging needs of the 1980's. The appropriate roles of the various levels of government, as well as that of other service providers, must be determined.

4. Cost/Benefit Analysis. Sound management principles require that the department examine its administration and operations practices to find ways by which improvement in program performance and fiscal management may be achieved. While the availability of resources for public agencies to deliver programs is decreasing, the demand to account for the usage of those resources is increasing.

In justifying expenditures for programs, public agencies should submit to the rationale of performance based assessment of program outcomes. What are the costs of the resources that go into the program? What is the value to society of the program outcomes? The department has developed a model for use in a performance based cost/benefit analysis of certain programs. The rationale for this kind of analysis will be implemented on a department-wide basis.

5. New Federalism. In his 1982 State of the Union and Budget messages, President Reagan called for significant changes in the relations between federal, state and local governments. New Federalism is the name given to the President's proposals to realign the fiscal and service-providing relationships between the various levels of government. Under New Federalism, states would assume full responsibility for administering and funding Food Stamps and Aid to Families with Dependent Children while the federal government would take over the Medicaid program. In addition, the states would assume responsibility for more than 40 categorical and block grant programs currently funded by the federal government.

The New Federalism will not be adopted by Congress without change. The potential impact of New Federalism on Minnesota will receive careful study by the department.

OPERATION AND CLIENTELE: (Contd.)

6. Service team expansion. During the past three years, area management and local service teams have been established throughout the state. Area management teams now exist in each DES district; local service teams are based on an existing community of service providers and an existing labor market.

The service teams have been a positive force for communication at both the local and district level. The teams have carried out various activities, some of which were assigned from the central office and some have been initiated locally.

The membership of the service teams currently includes only DES staff. The issues addressed have focused mainly on DES concerns - defining DES administrative boundaries, co-location, sharing equipment and facilities to reduce costs, sharing subscriptions, books and other information. During the biennium the service teams will be expanded to include representation from other human service agencies, both private and public.

7. Comprehensive rehabilitation services. Reductions in federal funding, the need for inflationary adjustments, changes in state and federal law, and the increasing number of persons requiring rehabilitative services will have a significant impact on the quality and nature of rehabilitation services available to Minnesota citizens. Under the Welsch vs. Noot court settlement 300 additional work stations will be required during the biennium. In addition another 300 stations will be required to provide accommodations for qualified persons now awaiting services. Other rehabilitation activities including Services to Workers' Compensation Recipients, Independent Living, Social Security Recipients and Basic Client Services will require significant state funding.

EXPLANATION OF BUDGET REQUEST: The Department of Economic Security is requesting change level increases of \$3,917.4 in F.Y. 1984 and \$4,819.5 in F.Y. 1985. The following is an explanation of each change request.

1. Because of reductions in federal funds, the department is requesting \$194.4 per year for the Governor's Youth Program. This request will provide administrative costs amounting to 5% of the program. Included in these costs are expenditures for 1 state position, 27 summer youth specialists positions, subgrantee administration, transportation, telephone, auditing, supplies, etc.
2. The department is requesting \$342.8 in F.Y. 1984, and \$710.1 in F.Y. 1985 for inflationary adjustments in Basic Client Rehabilitation Services.
3. Changes in the Social Security Administration's method of reimbursing states for the cost of serving Social Security recipients delays payment until after clients have been placed into employment. As a result of these actions, change levels of \$891.5 and \$985.1 are requested for F.Y. 1984 and F.Y. 1985 respectively.
4. A change level request of \$783.7 in F.Y. 1984 and \$792.8 in F.Y. 1985 will provide

funding for 22 positions to provide rehabilitation services for worker's compensation recipients. The fees generated by this activity will offset a major portion of its expense.*

5. An additional 600 long-term sheltered employment/work activity stations will be required to provide sheltered employment for severely disabled persons. Three hundred of these activity stations are required pursuant to the Welsch vs. Noot settlement. Change levels of \$339.4 and \$695.6 to cover inflation are requested for F.Y. 1984 and F.Y. 1985. Change levels of \$297.9 and \$828.8 for the establishment of work stations are requested for F.Y. 1984 and F.Y. 1985.
6. Change level increases of \$184.8 and \$202.8 for inflationary adjustments are requested for F.Y. 1984 and F.Y. 1985 for comprehensive services for Independent Living.
7. The provision of emergency interpreter services and meeting higher than anticipated requests for non-emergency hearing impaired services will require a change level request of \$8.5 each year.
8. The Office of Economic Opportunity will require change level increases of \$279.8 and \$346.8 for F.Y. 1984 and F.Y. 1985, respectively. These funds will partially offset reductions in federal funds.
9. Change levels of \$33.0 in F.Y. 1984 and \$35.1 in F.Y. 1985 are requested for 1 position for training and evaluation in the Weatherization program.
10. The department is requesting \$19.5 per year for 1 position in the Displaced Homemaker program. This position was formerly funded by federal funds which are no longer available.
11. The department is requesting the restoration of \$542.1 in reductions made by the 1982 Special Session III in each year of the biennium. These restorations are: Vocational Rehabilitation Basic Client Rehabilitation Services - \$100.0; Regional Service Centers For the Hearing Impaired - \$130.0; Office of Economic Opportunity - \$37.3; Weatherization - \$264.3; and Displaced Homemaker Program - \$10.5.

* It is anticipated that the Worker's Compensation activity will result in reimbursements of \$638.6 in F.Y. 1984 and \$9.9.9 in F.Y. 1985.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the agency's request with the following exceptions:

- 1) The inflation rates allowed have been adjusted for all directly appropriated accounts.
- 2) The Governor does not recommend the request for administrative costs for the Governor's Youth Program.
- 3) The Governor does not recommend the request for \$8.5 per year for hearing impaired services.
- 4) The Governor recommends that the request for increased funding and restoration of previous budget cuts for Economic Opportunity Offices be reduced by \$237.6 and \$247.9 for F.Y. 1984 and 1985 respectfully; and does not recommend the addition of 1 administrative position and funds of \$27.5 for F.Y. 1984 and \$29.6 for F.Y. 1985.
- 5) The Governor does not recommend the restoration of the Weatherization reduction of \$264.3 per year.

AGENCY FISCAL SUMMARY - BIENNIAL BUDGET

AGENCY: ECONOMIC SECURITY, DEPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY PROGRAM:											
JOB SERVICE	27,667.0	27,334.4	29,838.0	30,219.5	194.4	30,413.9	30,554.8	194.4	30,749.2	30,219.5	30,554.8
UNEMPLOYMENT INSURANCE	10,125.3	11,694.5	14,550.8	15,186.7		15,186.7	15,327.8		15,327.8	15,186.7	15,327.8
VOCATIONAL REHABILITATION	28,834.4	30,551.9	34,539.0	36,363.6	2,294.9	38,658.5	36,990.1	3,660.9	40,651.0	38,647.2	40,635.9
TRAINING & COMMUNITY PROGRA	117,809.4	106,697.4	120,885.7	118,022.6	614.4	118,637.0	110,353.2	683.5	111,036.7	118,107.1	110,493.7
PROGRAM & MGMT SUPPORT	13,435.9	14,195.3	18,510.6	18,280.9	30.0	18,310.9	18,646.4	30.0	18,676.4	18,310.9	18,676.4
TOTAL	197,872.0	190,473.5	218,324.1	218,073.3	3,133.7	221,207.0	211,872.3	4,568.8	216,441.1	220,471.4	215,688.6
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	53,105.8	52,947.2	67,853.9	66,057.8	313.5	66,371.3	66,046.6	316.1	66,362.7	66,225.2	66,215.4
EXPENSES & CONTRACTUAL SERVICES	10,801.4	12,228.1	14,078.9	15,252.3	19.6	15,271.9	16,313.3	20.2	16,333.5	15,255.0	16,311.9
SUPPLIES & MATERIALS	831.6	920.9	1,718.9	1,640.3	4.2	1,644.5	1,755.1	4.7	1,759.8	1,641.2	1,756.1
EQUIPMENT	1,208.3	1,076.9	1,098.7	1,100.5	1.2	1,101.7	1,151.2	1.7	1,152.9	1,101.5	1,152.4
REAL PROPERTY	36.3	9.5	59.2	59.2		59.2	59.2		59.2	59.2	59.2
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	131,768.4	123,286.1	133,487.7	134,321.0	2,788.0	137,109.0	126,904.7	4,218.9	131,123.6	136,539.9	130,544.2
OTHER EXP ITEMS	120.2	4.8	26.8	27.4	7.2	34.6	27.4	7.2	34.6	34.6	34.6
INTERAGENCY TRANSFERS				385.2-		385.2-	385.2-		385.2-	385.2-	385.2-
TOTAL EXPENDITURES	197,872.0	190,473.5	218,324.1	218,073.3	3,133.7	221,207.0	211,872.3	4,568.8	216,441.1	220,471.4	215,688.6
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	28,587.1	27,629.8	14,720.6	21,724.8	3,917.4	25,642.2	23,731.3	5,361.6	29,092.9	24,906.6	28,340.4
NE MN ECONOMIC PROT			2,000.0								
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	314.4		2,250.0								
IRON RANGE R & R			199,353.5								
FEDERAL	168,970.5	162,843.7		196,348.5	783.7-	195,564.8	188,141.0	792.8-	187,348.2	195,564.8	187,348.2
TOTAL FINANCING	197,872.0	190,473.5	218,324.1	218,073.3	3,133.7	221,207.0	211,872.3	4,568.8	216,441.1	220,471.4	215,688.6
POSITIONS BY FUND:											
GENERAL	171.0	29.0	36.0	38.0	26.0	64.0	38.0	26.0	64.0	62.0	62.0
FEDERAL	2,804.0	2,794.9	2,522.5	2,509.5	22.0-	2,487.5	2,507.5	22.0-	2,485.5	2,487.5	2,485.5
TOTAL POSITIONS	2,975.0	2,823.9	2,558.5	2,547.5	4.0	2,551.5	2,545.5	4.0	2,549.5	2,549.5	2,547.5

4-0507

PROGRAM: JOB SERVICE
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM PURPOSE: Job Service programs exist to provide a variety of employment related assistance services to individuals and employers. The primary purpose of Job Service is a labor exchange--finding jobs for workers and workers for jobs. The Job Service Division has multiple goals including job referral and placement for job-ready individuals; selection of qualified individuals for employers; providing vocational counseling, referral to training, or other services for non-job-ready individuals to prepare them for employment; and taking and processing unemployment insurance claims for qualified unemployed workers.

The Job Service Activity includes a variety of employment services such as recruitment, selection, referral and placement, job development, testing, and counseling.

The Work Incentive Program Activity is a work and training program designed to assist the movement of individuals from welfare to self-sufficiency through employment.

The Governor's Youth Program provided for under M.S. 268.31-268.36 is administered by the Job Service to provide special summer youth employment assistance for Minnesota youth.

CURRENT OPERATIONS: The administration of the Job Service Division is the responsibility of an Assistant Commissioner.

Job Service covers the entire state and is affiliated with the nationwide State/Federal Job Service system. The Job Service operates 81 full service and satellite offices and establishes approximately 130 additional summer youth mini-offices during the summer months in Minnesota. The Work Incentive Program services 26 Minnesota counties at 18 Job Service office locations. In addition, the Job Service administers the Governor's Youth Employment Program. This operation involves negotiating contracts with prime sponsor political sub-divisions as well as monitoring the prime sponsors activities.

CLIENTELE: The clients served by the Job Service Division include individuals who are: a) employed but seeking new jobs or different employers; b) underemployed and seeking higher level skill jobs; and c) unemployed and seeking jobs or training to qualify for jobs.

Other clients are employers who utilize the Job Service services for filling job openings and training slots. These services include recruitment, selection and referral of applicants; testing; and labor market information.

EXPLANATION OF BUDGET REQUEST: To maintain the Governor's Youth Program at its historic level of providing employment to 5,000 youth per summer will require \$4,079.3 in each year of the FY83-85 biennium. This amount reflects a total requested increase of \$194.4 and one additional position per fiscal year. The increase is requested to partially reimburse the Department of Economic Security and program operators for administrative costs associated with the program. Since the 1983 summer program begins prior to 7-1-83, it is requested that the appropriation be made available upon enactment of the appropriation bill. If the appropriation for either year is insufficient, the appropriation from the other year should be made available for it. It is also requested that the De-

partment of Economic Security be granted authority to move funds between grants and personal services so that as program needs change among program operators some of whom are state agencies, including DES, funds may be shifted to reflect these changes.

The Work Incentive Program, which is jointly administered with the Department of Public Welfare, requires a 10% state match of federal funding. The Department of Public Welfare is responsible for this budget request. Funds are transferred to the Department of Economic Security as an inter-agency transfer. Currently the future of the Work Incentive Program is uncertain. Congress has not yet determined whether the program will be continued beyond 12-30-82.

The balance of the funds for the Job Service Program is currently obtained from the U.S. Department of Labor.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: JOB SERVICE

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
JOB SERVICE	20,738.8	18,667.6	25,107.3	22,170.0		22,170.0	22,481.9		22,481.9	22,170.0	22,481.9
WORK INCENTIVE PROGRAM	3,378.8	4,401.3	4,474.9	4,164.6		4,164.6	4,188.0		4,188.0	4,164.6	4,188.0
YOUTH PROGRAMS	3,549.4	4,265.5	255.8	3,884.9	194.4	4,079.3	3,884.9	194.4	4,079.3	3,884.9	3,884.9
TOTAL	27,667.0	27,334.4	29,838.0	30,219.5	194.4	30,413.9	30,554.8	194.4	30,749.2	30,219.5	30,554.8
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	19,120.7	18,054.2	23,654.0	20,714.8	123.7	20,838.5	20,714.8	123.7	20,838.5	20,714.8	20,714.8
EXPENSES & CONTRACTUAL SERVICES	3,735.9	3,540.7	4,158.9	4,528.5	9.0	4,537.5	4,846.2	9.0	4,855.2	4,528.5	4,846.2
SUPPLIES & MATERIALS	129.8	142.6	202.9	202.1	3.0	205.1	216.3	3.0	219.3	202.1	216.3
EQUIPMENT	362.4	12.6	88.3	47.7		47.7	51.1		51.1	47.7	51.1
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	4,318.2	5,584.3	1,733.9	5,111.6	58.7	5,170.3	5,111.6	58.7	5,170.3	5,111.6	5,111.6
OTHER EXP ITEMS											
INTERAGENCY TRANSFERS				385.2-		385.2-	385.2-		385.2-	385.2-	385.2-
TOTAL EXPENDITURES	27,667.0	27,334.4	29,838.0	30,219.5	194.4	30,413.9	30,554.8	194.4	30,749.2	30,219.5	30,554.8
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	4,049.4	4,710.0	641.0	3,884.9	194.4	4,079.3	3,884.9	194.4	4,079.3	3,884.9	3,884.9
NE IN ECONOMIC PROT			2,000.0								
DEDICATED APPROPRIATIONS:											
IRON RANGE R & R			2,250.0								
FEDERAL	23,617.6	22,624.4	24,947.0	26,334.6		26,334.6	26,669.9		26,669.9	26,334.6	26,669.9
TOTAL FINANCING	27,667.0	27,334.4	29,838.0	30,219.5	194.4	30,413.9	30,554.8	194.4	30,749.2	30,219.5	30,554.8
POSITIONS BY FUND:											
GENERAL					1.0	1.0		1.0	1.0		
FEDERAL	1,104.0	1,047.8	791.0	791.0		791.0	791.0		791.0	791.0	791.0
TOTAL POSITIONS	1,104.0	1,047.8	791.0	791.0	1.0	792.0	791.0	1.0	792.0	791.0	791.0

4-0509

ACTIVITY: JOB SERVICE
Program: JOB SERVICE
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: The Job Service is part of a nationwide network devoted to matching workers and jobs. Through its 81 locations across Minnesota the Job Service serves both employers and persons seeking employment providing a wide array of specialized programs and services. Financed primarily by federal payroll tax no fee is charged either applicants or employers. While placement in a meaningful job is a key objective this is supplemented by vocational counseling, aptitude and performance testing and a host of special emphases and services to groups who experience barriers to employment.

Services to applicants and employers alike are enhanced by a statewide on-line computer system and a complete listing of all job openings updated daily. Incentive programs offering tax credits for employers, training and relocation assistance for displaced workers and special recruiting efforts are useful tools in promoting employment and productivity. Labor market information and the state's largest pool of qualified applicants assist local communities in maintaining, expanding, or attracting business and industry.

An example of community assistance and impact is that in the summer of 1982 the Job Service was selected to administer the employment portion of the special program to provide job assistance to the Iron Range. As a result of special legislation, the Job Service identifies job sites, initiates contracts for jobs, and selects and refers workers based upon established selection criteria. As of September 30, 1982, 4,511 people had been placed in the program.

The Job Service was established by the Wagner-Peyser Act of 1933, but is directed by numerous state and federal laws, regulations, executive orders and agreements.

ACTIVITY OBJECTIVES:

1. Match qualified workers with existing job openings at the earliest possible time.
2. Maintain statewide network of offices to assist those seeking employment.
3. Establish and maintain a community presence including an employer relations program that will yield an optimum number and mix of job openings.
4. Manage resources to provide maximum assistance and support to clientele within prescriptive laws, regulations and guidelines.
5. Promote full employment in Minnesota.
6. Deliver unemployment insurance program in all areas of the state outside the metropolitan area.
7. Seek resources and develop programs to assist those served who experience special barriers to employment.

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Obj/Est F.Y. 1983	Obj/Est F.Y. 1984	Obj/Est F.Y. 1985
New Applications and Renewals	273,066	262,226	250,000	255,000	260,000
Number of Job Openings Received	147,150	138,800	120,000	130,000	135,000
Placement Transactions	105,421	99,055	86,000	88,000	90,000
Individuals Placed	73,046	67,617	60,000	61,000	62,000
Individuals Counseled	6,589	5,273	4,000	3,800	3,800
Initial Claims (outstate)	177,171	207,244	190,000	198,000	206,000
Continued Claims (outstate)	839,242	890,072	842,000	867,000	892,000

BUDGET ISSUES: Federal budget cuts have required staffing reductions in Job Service placement functions of over 18% in federal fiscal year 1982. An additional reduction of 10.7% may be required in federal fiscal year 1983 with possible further cuts projected for fiscal year 1984 and 1985. These reductions have and will continue to seriously affect the quantitative and qualitative levels of service provided to the public.

EXPLANATION OF BUDGET REQUEST: The U.S. Department of Labor funds the entire Job Service Activity. No state appropriation is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: JOB SERVICE

PROGRAM: JOB SERVICE

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	15,539.9	14,202.1	16,003.3	16,960.6		16,960.6	16,960.6		16,960.6	16,960.6	16,960.6
-REGULAR UNCLASSIFIED	139.1	68.8	70.3	71.1		71.1	71.1		71.1	71.1	71.1
-PART-TIME/SEAS./OTHER	851.7	630.6	4,611.1	520.4		520.4	520.4		520.4	520.4	520.4
-PREMIUM PAY	1.3	.5	5.6	5.6		5.6	5.6		5.6	5.6	5.6
-OVERTIME PAY	20.9	12.0	51.7	52.8		52.8	52.8		52.8	52.8	52.8
-MISCELLANEOUS PAYROLL			4.5	4.5		4.5	4.5		4.5	4.5	4.5
-OTHER BENEFITS			106.9	106.9		106.9	106.9		106.9	106.9	106.9
TOTAL PERSONAL SERVICES	16,552.9	14,914.0	20,853.4	17,721.9		17,721.9	17,721.9		17,721.9	17,721.9	17,721.9
EXPENSES & CONTRACTUAL SERVICES	3,450.0	3,179.3	3,874.9	4,224.7		4,224.7	4,520.9		4,520.9	4,224.7	4,520.9
SUPPLIES & MATERIALS	95.8	111.7	178.2	175.7		175.7	188.0		188.0	175.7	188.0
EQUIPMENT	362.4	12.6	88.3	47.7		47.7	51.1		51.1	47.7	51.1
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	277.7	450.0	112.5								
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	20,738.8	18,667.6	25,107.3	22,170.0		22,170.0	22,481.9		22,481.9	22,170.0	22,481.9
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
NE MN ECONOMIC PROT			2,000.0								
DEDICATED APPROPRIATIONS:											
IRON RANGE R & R			2,250.0								
FEDERAL	20,738.8	18,667.6	20,857.3	22,170.0		22,170.0	22,481.9		22,481.9	22,170.0	22,481.9
TOTAL FINANCING	20,738.8	18,667.6	25,107.3	22,170.0		22,170.0	22,481.9		22,481.9	22,170.0	22,481.9
POSITIONS BY FUND											
FEDERAL	975.0	901.8	674.0	674.0		674.0	674.0		674.0	674.0	674.0
TOTAL POSITIONS	975.0	901.8	674.0	674.0		674.0	674.0		674.0	674.0	674.0

4-0511

GRANTS AND AIDS ANALYSIS FOR: CETA Prime Sponsor Sub-Grants 1983-85 Biennial Budget

Activity: JOB SERVICE
Program: JOB SERVICE
Agency : ECONOMIC SECURITY, DEPARTMENT OF
Statutory References:

PURPOSE: The Job Service utilizes federal funds received through subgrants to (1) reimburse CETA clients for costs associated with their enrollment in classroom training and to provide them with a stipend for living costs incurred during training and (2) to reimburse employers for costs associated with the provisions of on-the-job training to CETA participants.

The Department of Economic Security receives these funds from CETA Prime Sponsors who use the Job Service to select and refer CETA clients to training.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Final recipients of the grants are unemployed or underemployed low income individuals who are participants in CETA classroom training programs and employers who provide on-the-job training to CETA clients.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENTS: The amount of payment to individuals enrolled in classroom training is based upon the cost of their training (tuition, books, etc.) plus a living allowance of \$3.35 an hour for each hour spent in the classroom.

Employers providing on-the-job training to CETA clients are reimbursed for the cost of training based upon the skill level of the job and the wages paid.

SIGNIFICANT STATISTICS: The following statistics are reported by federal fiscal year, the period used by CETA Prime Sponsors for reporting purposes.

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
No. of Classroom Trainee Enrollees	271	317	0	0	0
No. of OJT Contracts	82	137	0	0	0

The average payment to an individual enrolled in classroom training was \$982 in FY82.
The average payment to an employer for each OJT contract was \$1190.

EXPLANATION OF AGENCY ESTIMATES: The Department of Economic Security does not anticipate receiving any CETA subgrants for payment of classroom and on-the-job training costs to recipients after September 30, 1982.

EXPLANATION OF BUDGET REQUEST: No state funds requested.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:405-20-22-J00-01	
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *			
				AGENCY ESTIMATES	RECOMMENDATIONS		
				FY1984	FY1985	FY1984	FY1985
OTHER AIDS TO INDIVIDUALS							
MANPOWER SVS ADMIN	136.4	345.6	76.0				
SUBTOTAL	136.4	345.6	76.0				
G & A TO SCHOOL DISTRICTS							
FEDERAL	1.6						
SUBTOTAL	1.6						
G & A TO NONGOVT ORGNZTNS							
FEDERAL	14.1						
MANPOWER SVS ADMIN	125.6	104.4	36.5				
SUSTOTAL	139.7	104.4	36.5				

ALL RECIPIENTS BY FUND							
FEDERAL	15.7						
MANPOWER SVS ADMIN	262.0	450.0	112.5				
TOTAL	277.7	450.0	112.5				

ACTIVITY: WORK INCENTIVE PROGRAM
Program: JOB SERVICE
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: The Work Incentive Program (WIN) is administered jointly by the Department of Economic Security and Public Welfare. The WIN program is funded 10% from state funds, requested by the Department of Public Welfare, and 90% through a grant from the Department of Labor. The enabling legislation for the WIN program is contained in Title IV of the Social Security Act.

Many applicants for and recipients of Aid to Families with Dependent Children (AFDC) must register with WIN as a condition of eligibility for AFDC benefits. Exempt AFDC applicants and recipients may also volunteer to participate in the WIN program. The primary function of WIN is to assist these persons to obtain employment in the shortest possible time. If the individual cannot be immediately placed in employment, activities such as intensive employment services, on-the-job training, public service employment or classroom training may be considered, if such assistance will lead to job placement in the shortest period of time consistent with supportive service needs, project resources and job market opportunities.

The WIN program currently operates in 26 of the state's 87 counties. Approximately 78% of the AFDC caseload lives in these counties. The delivery system for WIN is the joint responsibility of 18 Job Service area offices and 26 county welfare agencies.

ACTIVITY OBJECTIVES:

1. Register all AFDC applicants and recipients who are mandatory and those who wish to volunteer for participation in the WIN program.
2. Maximize the number of WIN registrants entering employment.
3. The number of WIN registrants retaining employment 30 days or more will be at least 85% of those entering employment.

BUDGET ISSUES: The future of the WIN program is extremely uncertain, as Congress has not yet determined whether WIN will be continued beyond 12-30-82. If WIN is not continued, operations will cease 12-30-82, and closeout will be completed by 6-30-83. If WIN is continued, Congress may maintain it as a separate program or combine it with other programs.

EXPLANATION OF BUDGET REQUEST: As in past biennia, the Department of Public Welfare is responsible for requesting the 10% state match contribution for the WIN program. This amount will be transferred to the Department of Economic Security via inter-agency transfers during F.Y. 1984-85. The expenditures will be reflected in this budget activity as they already are for F.Y. 1981-82-83. No state appropriation is requested by the Department of Economic Security.

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: WORK INCENTIVE PROGRAM

PROGRAM: JOB SERVICE

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	2,329.5	2,748.5	2,602.7	2,656.1		2,656.1	2,656.1		2,656.1	2,656.1	2,656.1
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	2,329.5	2,748.5	2,602.7	2,656.1		2,656.1	2,656.1		2,656.1	2,656.1	2,656.1
EXPENSES & CONTRACTUAL SERVICES	285.9	353.5	284.0	303.8		303.8	325.3		325.3	303.8	325.3
SUPPLIES & MATERIALS	34.0	30.9	24.7	26.4		26.4	28.3		28.3	26.4	28.3
EQUIPMENT											
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	729.4	1,268.4	1,563.5	1,563.5		1,563.5	1,563.5		1,563.5	1,563.5	1,563.5
OTHER EXPENSE ITEMS											
INTERAGENCY TRANSFERS				385.2-		385.2-	385.2-		385.2-	385.2-	385.2-
TOTAL EXPENDITURES	3,378.8	4,401.3	4,474.9	4,164.6		4,164.6	4,188.0		4,188.0	4,164.6	4,188.0
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	500.0	444.5	385.2								
DEDICATED APPROPRIATIONS:											
FEDERAL	2,878.8	3,956.8	4,089.7	4,164.6		4,164.6	4,188.0		4,188.0	4,164.6	4,188.0
TOTAL FINANCING	3,378.8	4,401.3	4,474.9	4,164.6		4,164.6	4,188.0		4,188.0	4,164.6	4,188.0
POSITIONS BY FUND											
FEDERAL	129.0	146.0	117.0	117.0		117.0	117.0		117.0	117.0	117.0
TOTAL POSITIONS	129.0	146.0	117.0	117.0		117.0	117.0		117.0	117.0	117.0

GRANTS AND AIDS ANALYSIS FOR: WORK INCENTIVE GRANTS 1983-85 Biennial Budget

Activity: WORK INCENTIVE PROGRAM
Program: JOB SERVICE
Agency : ECONOMIC SECURITY, DEPARTMENT OF
Statutory References: Title IV, Parts A and C, of the Social Security Act; M.S. 256.736

PURPOSE: The primary function of the Work Incentive Program (WIN) is to assist recipients of Aid to Families with Dependent Children to obtain employment in the shortest possible time. The employability services provided by WIN frequently involve payments to registrants, schools and employers.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: An employability plan (EP) is prepared for each registrant, setting forth a planned series of actions leading toward employment. Many of these actions involve payment of grants or aids.

1. Payments to Clients

Registrants are paid an incentive allowance and/or training-related expenses if their EP calls for participation in intensive employability search, institutional training or work experience. They may also be reimbursed for expenditures for auto repairs and insurance, uniforms, tools or relocation, when such expenditures were necessary to obtain employment.

2. PSE Contracts

A Public Service Employment (PSE) contract may be written with a city, town, county, school district, or private non-profit employer to obtain full-time subsidized employment for a WIN registrant. A PSE contractor must provide the registrant with appropriate work and make a commitment to retain the registrant in an unsubsidized job at the end of the contract period.

3. OJT Contracts

Under an On the Job Training (OJT) contract, a registrant is hired and given training by an employer. Reimbursement to an OJT contractor is limited to costs incurred in training the registrant and bringing his/her skills to a competitive level. OJT contractors must also make a commitment to retain the registrant in a permanent job following successful completion of the training program.

4. Institutional Training Contracts

Some registrants may require further employability development to become job-ready. If other resources cannot be located, WIN may pay a school district or a private training vendor to provide vocational or other classroom training.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:405-20-23-000-01
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
OTHER AIDS TO INDIVIDUALS							
GENERAL	10.5	132.1	192.9	192.9	192.9	192.9	192.9
MANPOWER SVS ADMIN	15.1	413.4	590.2	590.2	590.2	590.2	590.2
SUBTOTAL	25.6	545.5	783.1	783.1	783.1	783.1	783.1
G & A TO CITIES & TOWNS							
GENERAL	9.2	2.9	3.0	3.0	3.0	3.0	3.0
MANPOWER SVS ADMIN	15.9	16.1	9.2	9.2	9.2	9.2	9.2
SUBTOTAL	25.1	19.0	12.2	12.2	12.2	12.2	12.2
G & A TO COUNTIES							
GENERAL	44.5	15.4	3.0	3.0	3.0	3.0	3.0
MANPOWER SVS ADMIN	40.9	26.8	9.2	9.2	9.2	9.2	9.2
SUBTOTAL	85.4	42.2	12.2	12.2	12.2	12.2	12.2
G & A TO SCHOOL DISTRICTS							
GENERAL	101.3	50.0	62.4	62.4	62.4	62.4	62.4
MANPOWER SVS ADMIN	128.7	161.6	190.8	190.8	190.8	190.8	190.8
SUBTOTAL	230.0	211.6	253.2	253.2	253.2	253.2	253.2
G & A TO NONGOV'T ORGNZTNS							
GENERAL	334.5	244.1	123.9	123.9	123.9	123.9	123.9
MANPOWER SVS ADMIN	28.8	206.0	378.9	378.9	378.9	378.9	378.9
SUBTOTAL	363.3	450.1	502.8	502.8	502.8	502.8	502.8
ALL RECIPIENTS BY FUND							
GENERAL	500.0	444.5	385.2	385.2	385.2	385.2	385.2
MANPOWER SVS ADMIN	229.4	823.9	1,178.3	1,178.3	1,178.3	1,178.3	1,178.3
TOTAL	729.4	1,268.4	1,563.5	1,563.5	1,563.5	1,563.5	1,563.5

GRANTS AND AIDS ANALYSIS FOR: WORK INCENTIVE GRANTS
(Continuation)

1983-85 Biennial Budget

Activity: WORK INCENTIVE PROGRAM
Program: JOB SERVICE
Agency: ECONOMIC SECURITY, DEPARTMENT OF

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT OF RECIPIENT:

1. Payments to Clients

Incentive allowances are paid at the rate of \$1.50 for each day of attendance, the basic training related expense allowance is \$3 per day. Reimbursements for other client expenditures are limited to maximums set by federal regulation.

2. PSE Contracts

Any state or local government, private non-profit organization or Indian tribe is eligible for a PSE contract. The contract, written for varying lengths of time, covers the employee's salary and fringe benefits, not to exceed \$12,000.

3. OJT Contracts

Eligible contractors for OJT include private and public agencies, employers, trade associations and labor organizations. The OJT contract represents reimbursement of the employer for hiring and training an unqualified employee; its dollar amount is dependent on wage rate and duration of training.

4. Institutional Training Contracts

Any public or private training vendor providing vocational training, general education or employment-related education in a classroom setting is eligible for WIN institutional training contracts, as long as the training is related to jobs available in the area. Contracts are normally limited to one year in duration, but there is no maximum limit to the contract amount.

SIGNIFICANT STATISTICS:
(\$ in thousands)

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984*	Estimated F.Y. 1985*
1. Payments to Clients					
Number of individuals	6,390	5,860	5,325	5,325	5,325
Total amount	939.6	861.4	783.1	783.1	783.1
State contribution	231.5	212.2	192.9	192.9	192.9
Federal contribution	708.1	649.2	590.2	590.2	590.2
2. PSE Contracts					
Number of cities	3	2	2	2	2
Number of towns	2	2	1	1	1
Number of counties	5	4	3	3	3
Number of school districts	22	18	14	14	14
Number of non-profit agencies	63	50	40	40	40
Total amount	383.7	313.6	243.5	243.5	243.5
State contribution	94.4	77.2	59.9	59.9	59.9
Federal contribution	289.3	236.4	183.6	183.6	183.6
3. OJT Contracts					
Number of private employers	179	162	145	145	145
Total amount	395.8	358.0	320.1	320.1	320.1
State contribution	97.6	88.3	78.9	78.9	78.9
Federal contribution	298.2	269.7	241.2	241.2	241.2
4. Institutional Training Contracts					
Number of school districts	647	654	660	660	660
Number of private training vendors	74	74	75	75	75
Total amount	212.6	214.7	216.8	216.8	216.8
State contribution	52.5	53.0	53.5	53.5	53.5
Federal contribution	160.1	161.7	163.3	163.3	163.3

*Expenditures in F.Y. 1984 and 1985 are expected to be at the same level as those projected for F.Y. 1983.

EXPLANATION OF AGENCY ESTIMATES: The agency estimates that federal funding of the WIN program will remain at a constant level until the end of the biennium. By law, the state must contribute at least 10% of the total expenditures; this amount is expected to be about \$600.0 for each year of the biennium.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

ACTIVITY: YOUTH PROGRAMS
Program: JOB SERVICE
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: The Governor's Youth Program provided for under M.S. 268.31 through 268.36 is administered by the DES, Job Service Division, to provide special summer employment assistance to Minnesota youth. The program makes funds available to political subdivisions for the summer employment of youth. The method of utilizing the funds is by grants to CETA Prime Sponsors or program operators designated by CETA Prime Sponsors. Since DES is both a state agency charged with administering the program and is itself a prime sponsor, part of the funds expended each summer are in the form of grants and part in the form of direct payroll to eligible youth.

All Minnesota youth between the ages of 14 and 21 inclusive are eligible except that 50% of the youth employed under this program must be from economically disadvantaged families and further that one third must be youth who are high school graduates or 18 or over and who intend to go to a post secondary educational institution. Under certain circumstances a waiver to the economically disadvantaged and post secondary requirements may be granted by Economic Security.

ACTIVITY STATISTICS: Since this is a summer program the statistics listed below are for the summers of the years indicated rather than for the fiscal year.

	Actual 1980	Actual 1981	Estimated 1982	Estimated 1983	Estimated 1984
No. of Youth Employed	4741	5056	5000	5000	5000
No. of Economically Disadvantaged	2109	2377	2400	2600	2600

EXPLANATION OF BUDGET REQUEST: A state appropriation is requested to fund the Governor's Youth Program for two summers at the same level of 5,000 participants each year. Included in the request is an increase of \$194.4 and one additional position for each year of the biennium. This increase is requested to partially reimburse the Job Service and program operators for administrative costs associated with the program. In previous years DES and the other local agencies have operated the program without administrative cost to the state. Current budget reductions make it difficult, if not impossible, for most of these agencies to continue subsidizing program operating costs from other funding sources. Operating costs include staff time devoted to monitoring contracts, payment of invoices and client payrolls, and supervision of student participants in Summer Job Services offices as well as related non-personal service costs and subgrantee administration.

Since the 1983 summer program begins prior to 7-1-83, it is requested that the appropriation be made available upon enactment of the appropriation bill. If the appropriation for either year is insufficient, the appropriation from the other year should be made available for it. It is also requested that the Department of Economic Security be granted authority to move funds between grants and personal services so that as program needs change among program operators some of whom are state agencies, including DES, funds may be shifted to reflect these changes.

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding rather than the agency's change level for this activity.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: YOUTH PROGRAMS

PROGRAM: JOB SERVICE

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED					30.0	30.0		30.0	30.0		
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	224.5	391.5	197.9	336.8	93.7	430.5	336.8	93.7	430.5	336.8	336.8
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL	13.8	.2									
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	238.3	391.7	197.9	336.8	123.7	460.5	336.8	123.7	460.5	336.8	336.8
EXPENSES & CONTRACTUAL SERVICES		7.9			9.0	9.0		9.0	9.0		
SUPPLIES & MATERIALS					3.0	3.0		3.0	3.0		
EQUIPMENT											
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	3,311.1	3,865.9	57.9	3,548.1	58.7	3,606.8	3,548.1	58.7	3,606.8	3,548.1	3,548.1
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	3,549.4	4,265.5	255.8	3,884.9	194.4	4,079.3	3,884.9	194.4	4,079.3	3,884.9	3,884.9
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	3,549.4	4,265.5	255.8	3,884.9	194.4	4,079.3	3,884.9	194.4	4,079.3	3,884.9	3,884.9
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	3,549.4	4,265.5	255.8	3,884.9	194.4	4,079.3	3,884.9	194.4	4,079.3	3,884.9	3,884.9
POSITIONS BY FUND											
GENERAL					1.0	1.0		1.0	1.0		
TOTAL POSITIONS					1.0	1.0		1.0	1.0		

4-0518

GRANTS AND AIDS ANALYSIS FOR: YOUTH PROGRAMS

1983-85 Biennial Budget

Activity: YOUTH PROGRAMS
Program: JOB SERVICE
Agency: ECONOMIC SECURITY, DEPARTMENT OF
Statutory References: M.S. 268.31 through 268-36

PURPOSE: The Governors Youth Program authorizes the Commissioner of Economic Security to contract with political subdivisions of the state to provide a summer work program for youth.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: All Minnesota youth between the ages of 14 and 21 inclusive are eligible except that 50% of the youth employed under this program must be from economically disadvantaged families and further that one-third (33 1/3%) must be youth who are high school graduates or 18 or over and who intend to go to a post-secondary educational institution. Under certain circumstances a waiver to the economically disadvantaged and one-third postsecondary requirements may be granted by Economic Security.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENTS: The formula for determining the amount of funds allocated to the political subdivision is contained in the rules (8MCAR section 4.0010) promulgated pursuant to 268.31 - 268.36. The rules provide for an allocation of funds to counties and cities of over 2,500 population based upon population, unemployment rate, poverty index and an adjustment factor for census over-counting due to nonresident postsecondary students.

SIGNIFICANT STATISTICS: Since this is a summer program the statistics listed below are for the summer of the years indicated rather than the fiscal year.

	<u>Actual</u> <u>1980</u>	<u>Actual</u> <u>1981</u>	<u>Estimated</u> <u>1982</u>	<u>Estimated</u> <u>1983</u>	<u>Estimated</u> <u>1984</u>
No. of Youth Employed	4340	4625	4567	4567	4567

EXPLANATION OF AGENCY ESTIMATES: The Department of Economic Security requests a funding level of \$3,606.8 in each year of the biennium to maintain the current level of an estimated 4567 youth employed for an average of 7.248 weeks at 32 hours per week. This request includes an increase of \$58.3 per fiscal year to partially reimburse program operators for administrative costs associated with the Program.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding rather than the agency's change level for this activity.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:405-20-24-000-01	
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO CITIES & TOWNS GENERAL	522.7	530.3	9.5	702.0	702.0	702.0	702.0
SUBTOTAL	522.7	530.3	9.5	702.0	702.0	702.0	702.0
G & A TO COUNTIES GENERAL	1,268.1	1,282.7	16.8	1,296.3	1,296.3	1,238.0	1,238.0
SUBTOTAL	1,268.1	1,282.7	16.8	1,296.3	1,296.3	1,238.0	1,238.0
G & A TO SCHOOL DISTRICTS GENERAL		203.1					
SUBTOTAL		203.1					
G & A TO SPECIAL DISTRICTS GENERAL		22.4					
SUBTOTAL		22.4					
G & A TO NONGOVT ORGNZTNS GENERAL	1,520.3	1,827.4	31.6	1,608.5	1,608.5	1,608.1	1,608.1
SUBTOTAL	1,520.3	1,827.4	31.6	1,608.5	1,608.5	1,608.1	1,608.1
ALL RECIPIENTS BY FUND GENERAL	3,311.1	3,865.9	57.9	3,606.8	3,606.8	3,548.1	3,548.1
TOTAL	3,311.1	3,865.9	57.9	3,606.8	3,606.8	3,548.1	3,548.1

PROGRAM: UNEMPLOYMENT INSURANCE
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM PURPOSE: The Unemployment Insurance program assists families and the Minnesota public in minimizing the economic and social costs of unemployment.

Specifically, employers contribute to a trust fund designed to build a financial reserve during periods of sound economic conditions to finance benefit payments to those people involuntarily unemployed during bad times. Payment of benefits help the unemployed meet nondeferrable expenses. This minimizes the effect of loss of wages on the commercial activity. It also allows the employer to maintain a trained workforce during temporary periods of downturn.

The Unemployment Insurance program operates under a combination of federal and state laws. The federal law requires tax coverage of most employers and benefit coverage for most workers. The state decides the amount and method of tax collection and the level and conditions of benefit payments.

Tax rates for private employers range from a minimum of 0.1% to a maximum of 7.5%, depending upon the fund balance and their recent employment history. Because the fund is low, the current minimum rate is 1.0%. Private employers also pay a federal unemployment tax of 0.7%. Most public employers directly reimburse the amount of benefits paid to persons who filed against them.

The amount and duration of weekly unemployment benefits depend on the claimant's length of covered employment and the amount of wages paid by those employers in the immediate past 52 weeks. The maximum benefit amount is \$184 per week. A person who worked 37 or more weeks is eligible for 26 weeks of benefits. Both employers and claimants have 2 levels of administrative appeal from all benefit and tax decisions.

The Unemployment Insurance program, in cooperation with the Job Service and other programs, also is responsible for assisting the unemployed to return to work as soon as possible.

OPERATION: The Assistant Commissioner for Unemployment Insurance is responsible for revenue collections, payment administration, and appeals activity. The Unemployment Insurance Division directly administers the appeals, tax, and metropolitan claims activity. Outstate the Job Service Division offices accept claims for unemployment insurance benefits.

The goal of the program is to determine and pay benefits promptly, determine and collect taxes, and decide appeals fairly and in a timely fashion. Claims records and employer accounts and records are audited to prevent and detect errors and fraud. Continuing analyses, evaluations, and research are conducted to improve the program.

CLIENTELE: The Unemployment Insurance program in Minnesota covers 97% of waged and salaried employment, representing more than 86,000 private and public employers

in nearly 93,000 different locations and about 1.8 million workers. The number of claimants in any single year varies with the economy. The number of individuals paid benefits depend on their determined eligibility. Major activity counts for 1981 and 1982 federal fiscal years were:

	F.Y. 1981	F.Y. 1982
Number of Claims	304,283	371,549
Dollars paid in Benefits (all programs)	274,964.0	359,000.0
Number of Employer Accounts	86,041	86,865
Number of Appeals (higher and lower)	19,911	20,462
Dollars in State Taxes (including reimbursements)	205,086.8	214,500.0
Dollars in Federal Taxes (estimate: collected by IRS)	55,000.0	56,000.0

State taxes are used solely for payment of benefits. Federal taxes support the administration costs of the Unemployment Insurance and Job Service programs at both the federal and state levels.

PROGRAM OBJECTIVE:

1. Determine and register newly liable employers within 180 days.
2. Obtain full or partial payments of taxes within 150 days of the end of quarter.
3. Audit 4% of liable employers.
4. Conduct internal audits of area offices to prevent and detect employee fraud.
5. Review area office operations to ensure procedures are followed and determinations are properly made.
6. Issue initial benefit payments within 14 days from the first compensable week.
7. Make proper determinations of benefit entitlement and allocate charges to appropriate employers.
8. Conduct fair hearings in which both parties receive due process; issue proper decisions which are understandable to both parties within the time frames established by federal regulation.

PROGRAM STATISTICS: The United States Department of Labor has established criteria to measure promptness and quality in all areas of Unemployment Insurance. The percentages indicated reflect those standards.

Objective No.	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
1 Newly liable employers determined and registered within 180 days (80%)	80.6	82.6	80.0	80.0	80.0
2 Employers delinquent in submitting quarterly reports (less than 5%)	2.2	1.4	1.5	1.5	1.5
3 Contributions received within 150 days of the end of the quarter (75%)	37.8	49.8	75.0	75.0	75.0

PROGRAM: UNEMPLOYMENT INSURANCE

1983-85 Biennial Budget

(Continuation)

Agency: ECONOMIC SECURITY, DEPARTMENT OF

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

Objective No.	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
3 Audit liable employer (standard 4%)	3.5	3.7	4.5	4.5	4.5
4 Conduct Internal audits of area offices (none)	8	8	10	10	12
5 Conduct performance ap- praisal to determine quality of work (seven) offices a year)	7	7	7	7	7
6 Make benefit payments within 14 days from first compensable week payable (87%)	91.4	92.9	87.0	87.0	87.0
6 Make benefit payment with- in 35 days from first com- pensable week (93%)	98.8	99.0	93.0	93.0	93.0
7 Detect eligibility issues at time of initial claim (97%)	99.7	95.4	97.0	97.0	97.0
8 Hearings and decisions that meet federal criteria (80%)	INA	98.0	80.0	80.0	80.0
8 Appeal decisions issued within 30 days of appeal (60%)	35.4	17.5	60.0	60.0	60.0
8 Appeal decisions issued within 45 days of appeal (80%)	59.4	37.9	80.0	80.0	80.0

ALTERNATIVE/MAJOR ISSUES: The increase in revenues and limitation of benefit increases legislated in 1982 are not sufficient to solve the financing of the unemployment insurance system in the near future. As a result, interest charges will grow to staggering amounts if proper solvency is not restored through legislative action. A secondary issue to this deficiency is the need to pass legislation which will provide for the payment of this interest.

EXPLANATION OF BUDGET REQUEST: State appropriations are not requested. The administration of the Unemployment Insurance program is financed on a workload basis by the U.S. Department of Labor from funds collected through a federal unemployment payroll tax on Minnesota private employers. Benefits are financed by a state unemployment insurance tax on private employers and the reimbursements from public and non-profit employers.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: UNEMPLOYMENT INSURANCE

PROGRAM: UNEMPLOYMENT INSURANCE

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	7,947.5	8,901.3	11,960.3	12,528.3		12,528.3	12,528.3		12,528.3	12,528.3	12,528.3
-REGULAR UNCLASSIFIED	43.2	49.2	96.1	99.1		99.1	99.1		99.1	99.1	99.1
-PART-TIME/SEAS./OTHER	605.3	823.8	428.2	437.0		437.0	437.0		437.0	437.0	437.0
-PREMIUM PAY	.3		4.1	4.1		4.1	4.1		4.1	4.1	4.1
-OVERTIME PAY	124.3	170.8	106.0	108.2		108.2	108.2		108.2	108.2	108.2
-MISCELLANEOUS PAYROLL			3.1	3.1		3.1	3.1		3.1	3.1	3.1
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	8,720.6	9,945.1	12,597.8	13,179.8		13,179.8	13,179.8		13,179.8	13,179.8	13,179.8
EXPENSES & CONTRACTUAL SERVICES	1,245.8	1,327.9	1,622.5	1,723.5		1,723.5	1,844.7		1,844.7	1,723.5	1,844.7
SUPPLIES & MATERIALS	124.4	145.0	282.5	232.0		232.0	248.3		248.3	232.0	248.3
EQUIPMENT	34.5	276.5	48.0	51.4		51.4	55.0		55.0	51.4	55.0
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	10,125.3	11,694.5	14,550.8	15,186.7		15,186.7	15,327.8		15,327.8	15,186.7	15,327.8
SOURCES OF FINANCING											
DEFECT APPROPRIATIONS:											
DEDICATED APPROPRIATIONS:											
FEDERAL	10,125.3	11,694.5	14,550.8	15,186.7		15,186.7	15,327.8		15,327.8	15,186.7	15,327.8
TOTAL FINANCING	10,125.3	11,694.5	14,550.8	15,186.7		15,186.7	15,327.8		15,327.8	15,186.7	15,327.8
POSITIONS BY FUND											
FEDERAL	586.0	517.1	555.0	555.0		555.0	555.0		555.0	555.0	555.0
TOTAL POSITIONS	586.0	517.1	555.0	555.0		555.0	555.0		555.0	555.0	555.0

4-0522

PROGRAM: VOCATIONAL REHABILITATION
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM PURPOSE:

The purpose of the vocational rehabilitation program is: 1) to enable physically and mentally disabled Minnesotans to become as financially independent as possible through preparation for and placement in competitive employment, 2) to train and place in sheltered employment or work activity those persons too severely disabled for competitive employment, 3) to determine eligibility for Social Security disability benefits, 4) to assist severely disabled persons to live more independently through providing financial and administrative support for Independent Living Centers and services, and 5) to coordinate human services for hearing impaired persons.

As a result of the services provided, the persons served realize gains in personal earnings, ability to live independently and/or greater economic security. Society gains through reduced expenditures for welfare and other assistance, increased tax revenue, and increased productivity.

OPERATION:

This program is administered by the Assistant Commissioner for Vocational Rehabilitation through five organizational units: the Office of Client Services, Rehabilitation Resources, Program and Management Support, Disability Determination Services and External Relations. The program emphasizes consumer involvement for policy decisions and priorities. Current operation has concentrated on 1) planning and development, in response to a changing environment; 2) reducing and controlling administrative costs; and 3) the development of cooperative relationships with other agencies and organizations.

The subject areas listed below will receive priority attention during the 1983-85 biennium:

1. Administrative Cost Control: Central administrative staff has been reduced and organizational restructuring has emphasized program planning and development. Analysis and planning will focus on further reducing administrative costs.
2. Cooperative Agreements: The current economy requires maximum use of resources from other public and private organizations.
3. Workers' Compensation: The program intends to develop a discrete Workers' Compensation Program serving work-injured persons under M.S. 176.102. The program is concerned that the costs to employers be reasonable and that the injured worker obtain competent help in returning to appropriate employment.

The service priority is for persons with the most severe disabilities, as defined within the Rehabilitation Act of 1973, as amended. Based on the study, The Assessment of Disability in Minnesota - A Household Survey (1978), and data obtained from the 1980 Census, there are approximately 600,000 disabled Minnesotans unable to perform one or more activities of daily living. Any one of these individuals is potentially eligible for services provided by DVR. Of the total, approximately 81,000 are severely disabled.

In state fiscal year 1982, 4,586 persons were successfully rehabilitated; 6,067 were served in sheltered work facilities; 32,643 claims for Social Security benefits were processed; 1,436 assistance and information services were provided through the Regional Service Centers; and 1,003 persons received independent living services.

CLIENTELE:

This program serves persons with physical and mental disabilities who need special assistance in order to function at an appropriate level of independence in our economic society. The program's major efforts are directed toward: 1) those persons who can be competitively employed; 2) those who cannot attain competitive employment but can be productive in sheltered employment; and 3) those who need assistance in living independently, whether they are employed or not. The program emphasizes serving severely disabled persons in all disability groups. Many of these clients may require multiple services over an extended period of time and a portion may only achieve sheltered employment or work activity.

ECONOMIC IMPACT:

The funds expended in this program, which assists disabled persons to become gainfully employed or increase their level of independence, have resulted in a significant economic benefit to the state. The study, Minnesota DVR FY 1981 Economic Analysis - A Modified Cost/Benefit Procedure (March, 1982) which used a conservative method, revealed that for every dollar invested in the DVR program taxpayers recovered \$3.32 and disabled clients increased their pre-service earnings by \$11.44. Taxpayers' benefits include additional tax revenue paid by rehabilitants and a reduction in the amount of public assistance needed as a result of vocational rehabilitation. Listed below are the program's overall cost/benefit data which include the following activities: Basic Client Rehabilitation Services, Rehabilitation Services for Social Security Recipients, Rehabilitation Services for Workers' Compensation Recipients, Special Projects in the Delivery of Rehabilitation Services, and Administration.

Average Cost Per Client Rehabilitated	Clients' Earnings Increase Per \$1 Spent By DVR	Taxpayers Benefit Per \$1 Spent By DVR	Years Required to Repay Cost
\$3,348.07	\$11.44	\$3.32	2.87

EXPLANATION OF BUDGET REQUEST:

Assessments of client needs have revealed that increases in state appropriations are needed for the following activities:

1. Basic Client Rehabilitation Services: An increase in the biennial appropriation of \$1,252.9 is being requested for the restoration of funds reduced by the 1982 Special Session III and an inflationary increase to maintain the same level of services as in the previous biennium.
2. Rehabilitation Services for Social Security Recipients: A biennial appropriation of \$1,876.6 is being requested to fund a portion of the costs associated with serving the recipients who could not be served as a result of changes in Federal Social Security legislation.
3. Rehabilitation Services for Workers' Compensation Recipients: An appropriation of \$1,576.5 is being requested for the biennium to convert this state regulated activ-

PROGRAM: VOCATIONAL REHABILITATION

1983-85 Biennial Budget

(Continuation)

Agency: ECONOMIC SECURITY, DEPARTMENT OF

EXPLANATION OF BUDGET REQUEST: (Contd.)

- ity (M.S. 176.102) to state funding. Reimbursements from insurance carriers will be returned to the State General Fund as non-dedicated receipts.
4. Regional Service Centers for the Hearing Impaired: An additional biennial appropriation of \$277.0 is being requested to restore funds reduced by the 1982 Special Session III and to cover the increased demand for the interpreter referral services.
 5. Long-Term Sheltered Employment and Work Activity: An additional appropriation of \$2,161.7 is being requested for the biennium to meet the need for additional long-term sheltered work stations and to cover inflation.
 6. Comprehensive Services for Independent Living: An additional biennial appropriation of \$387.6 is being requested to maintain the same level of service for the Independent Living Centers. This appropriation will supplement the Centers' fundraising efforts.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the agency's request with the following exceptions:

- 1) Adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.
- 2) An additional biennial appropriation of \$17.0 for interpreter referral services is not recommended. It is suggested that funds be made available from other areas of the activity for this purpose.

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: VOCATIONAL REHABILITATION

AGENCY: ECONOMIC SECURITY, DEPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
BASIC CLIENT REHAB SERVICES	15,908.1	16,093.2	17,458.0	17,642.0	442.8	18,084.8	17,765.9	810.1	18,576.0	18,083.9	18,574.1
REHAB SVCS FOR SS RECIPIENT	1,928.8	526.9	165.0	270.0	891.5	1,161.5	383.0	985.1	1,368.1	1,161.5	1,368.1
REHAB SVCS - WORKERS COMP		340.7	763.6	783.7		783.7	792.8		792.8	781.9	788.8
SPEC PROJ-DELIV REHAB SVCS	341.7	85.1	64.6	12.7		12.7				12.7	
LONG-TERM SHEL EMP-WORK ACT	5,967.2	6,531.8	6,961.8	6,965.6	637.3	7,602.9	6,966.7	1,524.4	8,491.1	7,602.8	8,490.5
DISABILITY DETERMINATION SV	4,075.8	6,322.1	8,127.6	9,950.0		9,950.0	10,335.5		10,335.5	9,950.0	10,335.5
CLNT ADVCY & CONSUMER SVCS	202.7	43.0	62.4	62.5		62.5	62.7		62.7	62.5	62.6
COMP SVCS FOR INDEPT LIVING	263.6	319.0	304.1	72.0	184.8	256.8	72.0	202.8	274.8	256.8	274.8
REG SVC CTRS HEARING IMPAIR	146.5	290.1	631.9	605.1	138.5	743.6	611.5	138.5	750.0	735.1	741.5
TOTAL	28,834.4	30,551.9	34,539.0	36,363.6	2,294.9	38,658.5	36,990.1	3,660.9	40,651.0	38,647.2	40,635.9
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	9,799.8	11,029.7	13,600.8	14,290.2	122.8	14,413.0	14,279.0	122.8	14,401.8	14,413.0	14,401.8
EXPENSES & CONTRACTUAL SERVICES	2,719.8	3,114.5	3,700.7	4,084.9		4,084.9	4,363.1		4,363.1	4,082.2	4,356.6
SUPPLIES & MATERIALS	107.2	135.7	83.4	87.9		87.9	93.9		93.9	87.8	93.8
EQUIPMENT	107.4	138.4	150.0	133.3		133.3	116.3		116.3	133.3	116.3
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	16,068.5	16,133.6	16,989.3	17,752.5	2,164.9	19,917.4	18,123.0	3,530.9	21,653.9	19,908.9	21,645.4
OTHER EXP ITEMS	31.7		14.8	14.8	7.2	22.0	14.8	7.2	22.0	22.0	22.0
TOTAL EXPENDITURES	28,834.4	30,551.9	34,539.0	36,363.6	2,294.9	38,658.5	36,990.1	3,660.9	40,651.0	38,647.2	40,635.9
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	11,617.6	11,201.4	12,359.3	12,377.8	3,078.6	15,456.4	12,382.8	4,453.7	16,836.5	15,445.1	16,821.4
DEDICATED APPROPRIATIONS:											
FEDERAL	17,216.8	19,350.5	22,179.7	23,985.8	783.7	23,202.1	24,607.3	792.8	23,814.5	23,202.1	23,814.5
TOTAL FINANCING	28,834.4	30,551.9	34,539.0	36,363.6	2,294.9	38,658.5	36,990.1	3,660.9	40,651.0	38,647.2	40,635.9
POSITIONS BY FUND:											
GENERAL	158.0	20.0	29.0	29.0	22.0	51.0	29.0	22.0	51.0	51.0	51.0
FEDERAL	370.0	509.0	521.0	551.5	22.0	529.5	549.5	22.0	527.5	529.5	527.5
TOTAL POSITIONS	528.0	529.0	550.0	580.5		580.5	578.5		578.5	580.5	578.5

ACTIVITY: BASIC CLIENT REHABILITATION SERVICES
 Program: VOCATIONAL REHABILITATION
 Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: This activity provides direct rehabilitation services to disabled persons with vocational handicaps eligible for services from the Division of Vocational Rehabilitation (DVR) under provisions of the Rehabilitation Act of 1973, as amended. Potential clients participate in separate and individual assessments of their abilities and limitations. Utilizing this assessment information, the DVR counselor bases individual client eligibility determinations on a) the presence of a physical or mental disability which, for the individual client, results in a substantial handicap to employment and b) a reasonable expectation that vocational rehabilitation services will result in gainful employment for the client. Following determination of eligibility for DVR services, joint counselor/client planning is required to detail the goals and objectives of the client's rehabilitation process, the activities necessary to attain those objectives, and financial considerations. The DVR counselor then determines how to fund the client's assessed need by giving full consideration to any resources available to handicapped individuals from agencies and/or the client's own resources. DVR financial services are provided only when other resources, including funding to which clients are legally entitled, are insufficient to meet individual client's needs. Services delivered to eligible clients by vocational rehabilitation counselors at 50 office locations throughout Minnesota may include: vocational planning and counseling, training, physical restoration services, telecommunications, sensory and other aids for the deaf, placement and post-employment services, occupational tools and equipment, and other goods and services. Services are provided exclusively for the purpose of assisting disabled persons to become employable and to obtain long-term gainful employment appropriate to their capabilities. Vocational Rehabilitation services are also provided to clients utilizing cooperative agreements with other state or local public agencies. DVR has agreements with the state Departments of Public Welfare, Corrections, and Education, as well as with local school districts to provide vocational rehabilitation services to mutual clientele.

ECONOMIC IMPACT: The study, Minnesota DVR F.Y. 1981 Economic Analysis - A Modified Cost/Benefit Procedure (DVR, 1982), establishes that rehabilitating disabled persons is a good investment of public funds. The benefits not only accrue to clients but also extend to the rest of society as well. For every dollar DVR invests, the typical client will have increased earnings of \$11.31 and the taxpayers will recover \$3.30.

Average Cost Per Client Rehabilitated	Clients' Earnings Increase Per \$1 Spent By DVR	Taxpayers' Benefit Per \$1 Spent By DVR	Years Required to Repay Cost
\$3,381	\$11.31	\$3.30	2.9

Taxpayers' benefits include additional state, federal and Social Security tax revenues paid by rehabilitants as well as a reduction in the amount of public assistance cash payments paid to rehabilitants as a result of vocational rehabilitation. Projected lifetime increases in taxes paid by those rehabilitated in F.Y. 1981 are \$8,940.37 per client. The estimated lifetime savings in public assistance payments for each person rehabilitated in F.Y. 1981 are \$3,263.64.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

Tax Gain
Per Client Rehabilitated
\$8,940.37

Public Assistance Savings
Per Client Rehabilitated
\$3,263.64

ACTIVITY OBJECTIVES:

- To enter 10,000 disabled persons into vocational rehabilitation (VR) programs by the end of the F.Y. 1985.
- To place into competitive employment 7,036 clients, earning an average of \$233 per week at an average case service expenditure of \$1,215 per client.
- To place into sheltered work or other noncompetitive employment 878 clients, earning an average of \$62 per week at an average case expenditure of \$2,800 per client.
- To provide vocational evaluation and work adjustment training during the biennium for 300 deinstitutionalized mentally retarded persons pursuant to the Welsch/Noot settlement at an average cost of \$2,800 per person.

ACTIVITY STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
New VR plans initiated	5,892	5,126	5,200	5,000	5,000
Percent severely handicapped	48.3%	48.6%	55%	55%	55%
Number of clients rehabilitated					
into employment:	4,322	4,166	4,200	4,100	4,100
competitive employment	3,777	3,576	3,604	3,518	3,518
sheltered employment	422	445	449	439	439
other	123	145	147	143	143
Average weekly earnings					
of clients rehabilitated into:					
competitive employment	\$198	\$201	\$210	\$225	\$241
sheltered employment	\$42	\$53	\$56	\$60	\$64
Percentage of case service					
funds used to purchase					
rehabilitation facility ser-					
vices	46%	47.8%	45%	45%	45%
Average cost of purchased					
services per client rehabilitated					
into:					
competitive employment	\$938	\$956	\$1,052	\$1,157	\$1,273
sheltered employment	\$2,640	\$2,985	\$2,800	\$2,800	\$2,800

ALTERNATIVE/MAJOR ISSUES: The status of the economy and its effect on the labor market have a significant impact on this activity. Low technology, (e.g., manufacturing and production) jobs are decreasing in their proportion to the total job market. This results in a demand for more highly trained workers and therefore, costs associated with preparing DVR clients for high technology employment have increased. In addition, the cost of purchased services for clients will be increasing by 9% per year for medical

ACTIVITY: BASIC CLIENT REHABILITATION SERVICES

1983-85 Biennial Budget

(Continuation)
Program: VOCATIONAL REHABILITATION
Agency: ECONOMIC SECURITY, DEPARTMENT OF

ALTERNATIVE/MAJOR ISSUES: (Contd.) services and 10% per year for tuition during the biennium. Without the 1983-85 inflationary adjustments, 292 fewer clients will be rehabilitated. Based on information from DVR's 1981 Cost/Benefit Analysis, not rehabilitating these 292 clients could result in annual tax revenue losses of \$326,300 and potential annual welfare costs of \$132,600. The percentage of severely disabled clients who will be served during the F.Y. 1983-85 biennium is expected to increase due to the continued priority to serve this population and to the reduction in the overall number of new VR plans that will be initiated. Cooperative funding efforts with other human services agencies will be re-emphasized to maximize resources for this activity.

Increases in federal monies for this activity are unlikely. The best projection at this point indicates DVR can expect federal funding to remain at the F.F.Y. 1982 same level for both years of the biennium.

The 1982 Special Session III reduced this activity by \$100,000 for S.F.Y. 1983. If these funds are not restored, 59 fewer clients will be rehabilitated, resulting in annual tax revenue losses of \$49,742 and potential annual welfare costs of \$20,213.

EXPLANATION OF BUDGET REQUEST: State funds are requested at the change level of \$1,252.9 for 1983-85 to approximate the 1983 level of service to clients and to restore funds reduced by the 1982 Special Session III. This change level request reflects a 7% increase in state appropriations and the restoration of funds reduced by the 1982 Special Session III for both F.Y. 1984 and 1985.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts. It is also recommended that the Division of Vocational Rehabilitation report quarterly to the Department of Finance on procurement purchases for equipment, home modifications and other items purchased for their clients.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: BASIC CLIENT REHAB SERVICES

PROGRAM: VOCATIONAL REHABILITATION

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	5,918.1	6,659.4	7,975.0	8,140.5		8,140.5	8,140.5		8,140.5	8,140.5	8,140.5
-REGULAR UNCLASSIFIED	.1	1.5									
-PART-TIME/SEAS./OTHER	3.0	5.9									
-PREMIUM PAY											
-OVERTIME PAY	1.6	1.0									
-MISCELLANEOUS PAYROLL	3.0	7.1									
-OTHER BENEFITS	16.4	96.4									
TOTAL PERSONAL SERVICES	5,942.2	6,771.3	7,975.0	8,140.5		8,140.5	8,140.5		8,140.5	8,140.5	8,140.5
EXPENSES & CONTRACTUAL SERVICES	1,340.3	1,553.6	1,537.0	1,644.4		1,644.4	1,759.8		1,759.8	1,643.5	1,757.9
SUPPLIES & MATERIALS	63.9	89.8	47.4	50.8		50.8	54.3		54.3	50.8	54.3
EQUIPMENT	43.7	18.5	25.8	27.6		27.6	29.5		29.5	27.6	29.5
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	7,529.1	6,699.3	6,817.6	6,817.6	442.8	7,260.4	6,817.6	810.1	7,627.7	7,260.4	7,627.7
OTHER EXPENSE ITEMS	938.9	960.7	1,055.2	961.1		961.1	964.2		964.2	961.1	964.2
TOTAL EXPENDITURES	15,908.1	16,093.2	17,458.0	17,642.0	442.8	18,084.8	17,765.9	810.1	18,576.0	18,083.9	18,574.1
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	5,368.0	4,377.6	4,847.4	4,851.0	442.8	5,293.8	4,854.7	810.1	5,664.8	5,292.9	5,662.9
DEDICATED APPROPRIATIONS:											
FEDERAL	10,540.1	11,715.6	12,610.6	12,791.0		12,791.0	12,911.2		12,911.2	12,791.0	12,911.2
TOTAL FINANCING	15,908.1	16,093.2	17,458.0	17,642.0	442.8	18,084.8	17,765.9	810.1	18,576.0	18,083.9	18,574.1
POSITIONS BY FUND											
GENERAL	144.0										
FEDERAL	162.3	324.0	318.5	318.5		318.5	318.5		318.5	318.5	318.5
TOTAL POSITIONS	306.3	324.0	318.5	318.5		318.5	318.5		318.5	318.5	318.5

4-0528

GRANTS AND AIDS ANALYSIS FOR: BASIC CLIENT REHABILITATION SERVICES
1983-85 Biennial Budget

Activity: BASIC CLIENT REHABILITATION SERVICES
Program: VOCATIONAL REHABILITATION
Agency: ECONOMIC SECURITY, DEPARTMENT OF
Statutory References: M.S. CHAPTER 129A.03

I. PURCHASED SERVICES FOR CLIENTS

PURPOSE: These funds are used to provide direct rehabilitation services to disabled persons with vocational handicaps who are eligible for services from the Division of Vocational Rehabilitation (DVR) under Section 110 of the Rehabilitation Act of 1973, as amended. Services delivered to eligible clients by vocational rehabilitation counselors at 50 office locations throughout Minnesota may include: vocational planning and counseling, training, physical restoration services, telecommunications, sensory and other aids for the deaf, placement and post-employment services, occupational tools and equipment, and other goods and services. Services are provided exclusively for the purpose of assisting disabled persons to become employable and to obtain long-term gainful employment appropriate to their capabilities.

RECIPIENT ELIGIBILITY: Potential clients participate in separate and individual assessments of their abilities and limitations. Utilizing this assessment information, the DVR counselor bases individual client eligibility determination on a) the presence of a physical or mental disability which, for the individual client, results in a substantial handicap to employment, and b) a reasonable expectation that vocational rehabilitation services will result in gainful employment for the individual.

CRITERIA DETERMINING AMOUNT OF PAYMENT TO RECIPIENTS: Following determination of eligibility for DVR services, joint counselor/client planning is required. Each individual client participates in the joint planning of his/her Individualized Written Rehabilitation Plan which details the goals and objectives of the rehabilitation process, the particular activities necessary to achieve those objectives, and financial considerations. The DVR counselor then determines how to fund the client's assessed need by giving full consideration to any resources available to handicapped individuals from agencies and/or the client's own resources. DVR provides financial services only when other resources, including funding to which clients are legally entitled, are insufficient to meet individual clients' needs.

ECONOMIC IMPACT: The study, Minnesota DVR F.Y. 1981 Economic Analysis - A Modified Cost/Benefit Procedure (DVR, 1982) establishes that rehabilitating disabled persons is a good investment of public funds. The benefits not only accrue to clients but also extend to the rest of society as well. For every dollar DVR invests, the typical client will have increased earnings of \$11.31 and the taxpayers will recover \$3.30.

Average Cost Per Client Rehabilitated	Clients' Earnings Increase Per \$1 Spent By DVR	Taxpayers' Benefit Per \$1 Spent By DVR	Years Required to Repay Cost
\$3,381	\$11.31	\$3.30	2.9

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:405-60-61-000-01	
	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
CARE OF PERSONS							
GENERAL	1,795.0	4,001.5	4,598.2	4,899.2	5,221.5	4,899.2	5,221.5
FEDERAL	5,283.9	2,376.6	2,001.8	2,001.8	2,001.8	2,001.8	2,001.8
SUBTOTAL	7,078.9	6,378.1	6,600.0	6,901.0	7,223.3	6,901.0	7,223.3
6 & A OTHER GOVT ORGNZTNS							
FEDERAL	32.9	19.0	18.6	18.6	18.6	18.6	18.6
SUBTOTAL	32.9	19.0	18.6	18.6	18.6	18.6	18.6

ALL RECIPIENTS BY FUND							
GENERAL	1,795.0	4,001.5	4,598.2	4,899.2	5,221.5	4,899.2	5,221.5
FEDERAL	5,316.8	2,395.6	2,020.4	2,020.4	2,020.4	2,020.4	2,020.4
TOTAL	7,111.8	6,397.1	6,618.6	6,919.6	7,241.9	6,919.6	7,241.9

ECONOMIC IMPACT: (Contd.) Taxpayers' benefits include additional state, federal and Social Security tax revenues paid by rehabilitants as well as a reduction in the amount of public assistance cash payments paid to rehabilitants as a result of vocational rehabilitation. Projected lifetime increases in taxes paid by those rehabilitated in F.Y. 1981 are \$8,940.37 per client. The estimated lifetime savings in public assistance payments for each person rehabilitated in F.Y. 1981 are \$3,263.64.

GRANTS AND AIDS ANALYSIS FOR: BASIC CLIENT REHABILITATION SERVICES
 (Continuation) 1983-85 Biennial Budget
 Activity: BASIC CLIENT REHABILITATION SERVICES
 Program: VOCATIONAL REHABILITATION
 Agency: ECONOMIC SECURITY, DEPARTMENT OF

Tax Gain
 Per Client Rehabilitated
 \$8,940.37

Public Assistance Savings
 Per Client Rehabilitated
 \$3,263.64

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Number new VR plans initiated	5,892	5,126	5,200	5,000	5,000
Percent severely handicapped	48.3%	48.6%	55%	55%	55%
Number of clients rehabilitated into employment:					
competitive employment	4,322	4,166	4,200	4,100	4,100
sheltered employment	3,777	3,576	3,604	3,518	3,518
other	422	445	449	439	439
Average weekly earnings of clients rehabilitated into:					
competitive employment	123	145	147	143	143
sheltered employment	\$198	\$201	\$210	\$225	\$241
Percentage of case services funds used to purchase rehabilitation facility services	\$42	\$53	\$56	\$60	\$64
Average cost of purchased services per client rehabilitated into:					
competitive employment	46%	47.8%	45%	45%	45%
sheltered employment					
Cost of services purchased:					
Cost of medical, other diagnostic/evaluation and restoration services purchased	\$938	\$956	\$1,052	\$1,157	\$1,273
Cost of rehabilitation facilities services purchased	\$2,640	\$2,985	\$2,800	\$2,800	\$2,800
Cost of training services purchased	\$655,506	\$630,794	\$652,740	\$684,576	\$718,677
Cost of training services purchased	\$2,761,479	\$2,470,876	\$2,556,840	\$2,681,544	\$2,815,120
Cost of training services purchased	\$2,997,206	\$2,784,041	\$2,880,900	\$3,021,409	\$3,171,914

SIGNIFICANT STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Cost of other support services	\$664,709	\$492,389	\$509,520	\$534,371	\$560,989
Total	\$7,078,900	\$6,378,100	\$6,600,000	\$6,921,900	\$7,266,700

EXPLANATION OF BUDGET REQUEST: State funds are requested at the change level of \$988.6 for 1983-85 to approximate the 1983 level of service to clients. This change level request reflects a 7% increase in state appropriations for both F.Y. 1984 and 1985. The demand for highly trained workers and the costs associated with preparing DVR clients for high technology employment have increased. Increases in federal funding for this activity are unlikely. Without the 1983-85 inflationary adjustments, 292 fewer clients will be rehabilitated. Based on information from DVR's 1981 Cost/Benefit Analysis, not rehabilitating these 292 clients could result in annual tax revenue losses of \$326,300, and potential annual welfare costs of \$132,600. The percentage of severely disabled clients served during this 1983-85 biennium is expected to increase.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: BASIC CLIENT REHABILITATION SERVICES
1983-85 Biennial Budget

Activity: BASIC CLIENT REHABILITATION SERVICES
Program: VOCATIONAL REHABILITATION
Agency : ECONOMIC SECURITY, DEPARTMENT OF
Statutory References: M.S. CHAPTER 129A.03

II. SCHOOL REHABILITATION SERVICES

PURPOSE: The purpose of this activity is to make available unique administrative and funding options which facilitate optimal use of resources by both the DVR and the local educational agencies (LEAs) and make possible a more responsive client service program for disabled secondary students planning to enter the world of work.

RECIPIENT IDENTIFICATION AND ELIGIBILTY CRITERIA: DVR has historically entered into formal interagency agreements with LEAs or groups of LEAs where such agreements enhance services to disabled students. DVR presently has two options under which services to clients are provided in a school setting:

Option I: Under this agreement the LEA employs and assigns to DVR supervision a school rehabilitation counselor (SRC) who provides VR services to eligible students. The counselor's salary under this arrangement is funded through a combination of resources of DVR and the LEA. The agreement also calls for a minimum half-time clerical position to be provided by the LEA which will be under the supervision of the local DVR counseling supervisor.

Option II: Under this arrangement the counselor is an employee of DVR and provides services to school district referrals and to community referrals as well. The LEA assigns at least a one-half time clerical position to assist the DVR counselor. This option is not funded through inter-agency agreements as is Option I and is not included within grant and aids analysis fiscal data. Instead, DVR may purchase the services of the school secretary assigned to the DVR counselor through a purchase-of-service contract.

Under either option the type of service provided is the same that would be provided by a counselor at the local DVR office. The main difference is that the Option I counselors work primarily with school referrals, while the Option II counselors work with community and school referrals.

CRITERIA FOR DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

The amount of Option I grants awarded under this authority are comprised of the following components:

- The maximum Career Counselor salary amount,
- Reimbursement for Social Security and TRA up to a maximum of 12.7 percent of the maximum career counselor salary,
- Insurance costs up to \$1,500, and
- The actual travel expenses necessary to fulfill job responsibilities.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:405-60-61-000-02	
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO SCHOOL DISTRICTS							
GENERAL	417.3	302.2	199.0	340.8	385.8	340.8	385.8
SUBTOTAL	417.3	302.2	199.0	340.8	385.8	340.8	385.8

ALL RECIPIENTS BY FUND							
GENERAL	417.3	302.2	199.0	340.8	385.8	340.8	385.8
TOTAL	417.3	302.2	199.0	340.8	385.8	340.8	385.8

SIGNIFICANT STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Option I					
Number of counselors	13	9.65	6	6	5
School districts served	56	52	35	35	21
Average DVR cost per counselor	\$27,749	\$31,233	\$33,770	\$36,134	\$38,663
Option II					
Number of counselors	9	9	6	6	6
School districts served	76	76	44	44	44
LEAs Contributions to Option I and II SRC Program	\$245,265	\$209,062	\$130,662	\$139,809	\$149,596

MAJOR ISSUES: The 1982 Special Session III reduced this activity by \$100,000 for S.F.Y. 1983. Without restoring these funds, an additional 59 fewer clients will not be rehabilitated resulting in additional annual tax revenue losses of \$49,742 and potential annual welfare costs of \$20,213.

EXPLANATION OF BUDGET REQUEST: State funds are requested at the change level of \$264.3 for 1983-85 to approximate the 1983 level of service to clients and to restore funds reduced by the 1982 Special Session III. This change level request reflects a 7% increase in state appropriations and the restoration of funds reduced by the 1982 Special Session III for both F.Y. 1984 and F.Y. 1985. This cooperative funding efforts maximize the availability and use of resources for this client population.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

ACTIVITY: REHABILITATION SERVICES FOR SOCIAL SECURITY RECIPIENTS 1983-85 Biennial Budget
Program: VOCATIONAL REHABILITATION
Agency: ECONOMIC SECURITY, DEPARTMENT OF

ACTIVITY DESCRIPTION: This activity provides direct vocational rehabilitation services to Social Security disability payment recipients on a statewide basis. Services provided are identical to Basic Client Services, but are limited to severely disabled persons receiving or recently terminated from Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) payments. It is important to serve this target population since the provision of DVR services will lead to employment and the termination of dependence upon disability payments or other forms of public assistance for many of these persons.

RECENT BUDGET HISTORY: From 1968 through 1981 DVR services to this population were financed primarily by funds from the Social Security Administration (SSA). In 1981 Congress passed legislation which substantially reduced SSA funding and most service costs have had to be absorbed by the Basic Client Rehabilitation Services activity. The extra financial demand on these resources by SSA clients who require more expensive services had the effect of reducing the number of clients receiving services under both activities. In 1981, SSA implemented legislation mandating periodic disability reviews of persons receiving disability payments. This led to the abrupt termination of payments for many persons unprepared for employment. There were no provisions for special rehabilitation services for these persons, and since most are unable to work without receiving substantial DVR services, many become dependent upon state and local assistance programs.

SSA funding is restricted to a portion of the cost of serving those recipients who are rehabilitated into gainful employment. The level of federal support is expected to increase through F.Y. 1987 as the portion of client service costs funded by SSA will increase. But there will be a continuing need for additional resources to fund this activity.

ECONOMIC IMPACT: The study, Minnesota DVR F.Y. 1981 Economic Analysis - A Modified Cost/Benefit Procedure (DVR, 1982), indicates that rehabilitating SSDI and SSI recipients is a good investment of government money. The benefits not only accrue to recipients, but also extend to the rest of society as well. For every dollar DVR invests the typical recipient will have increased earnings of \$5.53 and the taxpayer will recover \$1.91.

	Average Cost Per Client Rehabilitated	Clients' Earnings Increase Per \$1 Spent By DVR	Taxpayers' Benefit Per \$1 Spent By DVR	Years Required to Repay Cost
SSI	\$4,227.59	\$4.02	\$1.47	6.47
SSDI	\$3,415.31	\$6.84	\$2.30	4.15
Combined	\$3,792.99	\$5.53	\$1.91	5.23

Taxpayers benefits include additional state, federal and Social Security tax revenues paid by rehabilitants as well as a reduction in the amount of public assistance cash payments paid to rehabilitants as a result of vocational rehabilitation. Projected

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ECONOMIC IMPACT: (Contd.) lifetime increases in taxes paid by those rehabilitated in F.Y. 1981 are \$5,245.22 per recipient. The estimated lifetime savings in public assistance payments for each person rehabilitated in F.Y. 1981 are \$1,846.97.

	Tax Gain Per Client Rehabilitated	Public Assistance Savings Per Client Rehabilitated
SSI	\$4,529.12	\$1,697.48
SSDI	\$5,867.61	\$1,976.95
Combined	\$5,245.22	\$1,846.97

ACTIVITY OBJECTIVES:

1. To start 950 new clients in individualized vocational rehabilitation programs by the end of F.Y. 1985.
2. To rehabilitate 525 persons at an average, overall cost of \$4,818.00 per recipient.

ACTIVITY STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Federal income	\$1,900,000	\$525,000	\$165,000	\$270,000	\$383,000
Number of new DVR plans initiated	632	425	300	425	525
Number of clients rehabili- tated	550	420	300	250	275
Average cost per client rehabilitated, inflation adjusted (7%)	\$3,793	\$4,058	\$4,324	\$4,646	\$4,975

ALTERNATIVES/MAJOR ISSUES: Recent legislation has reduced SSA's funding of DVR services for current or former SSA recipients, necessitating the use of Basic Client Rehabilitation Services activity funds to serve this population. This caused a severe strain on that activity's resources and reduced the number of Basic and SSA clients receiving services during F.Y. 1982 and F.Y. 1983. All recipients have been determined disabled under SSA criteria (the nation's most restrictive disability definition) and in most instances can only become employable by receiving rehabilitation services. However, these clients require more costly services and have lower success rates than non-SSA clients. In order to maintain this population as a priority for services and to reduce the drain on the Basic Client Rehabilitation Services activity, additional funding is necessary.

EXPLANATION OF BUDGET REQUEST: State funds are requested at the change level of \$1,876.6 for 1983-1985 so that the agency can continue serving this population at approximately 75% of the F.Y. 1981 level. The 75% service level is based on our plan to concentrate services on recipients with higher employment potential, which will maximize federal support. The request is derived by multiplying the projected number of rehabilitants by the average cost per rehabilitant, minus anticipated federal funds.

ACTIVITY: REHABILITATION SERVICES FOR SOCIAL SECURITY RECIPIENTS 1983-85 Biennial Budget

(Continuation)

Program: VOCATIONAL REHABILITATION

Agency: ECONOMIC SECURITY, DEPARTMENT OF

EXPLANATION OF BUDGET REQUEST: (Contd.) No request for additional complement positions is being made. Counselors from the Basic Client Rehabilitation Services activity provide counseling and other non-purchased services for this population.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: REHAB SVCS FOR SS RECIPIENT

PROGRAM: VOCATIONAL REHABILITATION

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL	ACTUAL	ESTIMATED	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
	F.Y. 1981	F.Y. 1982	F.Y. 1983	SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	741.5	210.0									
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	741.5	210.0									
EXPENSES & CONTRACTUAL SERVICES	167.1	48.0									
SUPPLIES & MATERIALS	8.0										
EQUIPMENT	5.5										
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	883.5	238.9	165.0	270.0	891.5	1,161.5	383.0	985.1	1,368.1	1,161.5	1,368.1
OTHER EXPENSE ITEMS	123.2	30.0									
TOTAL EXPENDITURES	1,928.8	526.9	165.0	270.0	891.5	1,161.5	383.0	985.1	1,368.1	1,161.5	1,368.1
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL					891.5	891.5		985.1	985.1	891.5	985.1
DEDICATED APPROPRIATIONS:											
FEDERAL	1,928.8	526.9	165.0	270.0		270.0	383.0		383.0	270.0	383.0
TOTAL FINANCING	1,928.8	526.9	165.0	270.0	891.5	1,161.5	383.0	985.1	1,368.1	1,161.5	1,368.1
POSITIONS BY FUND											
FEDERAL	38.2										
TOTAL POSITIONS	38.2										

GRANTS AND AIDS ANALYSIS FOR: REHABILITATION SERVICES FOR SOCIAL SECURITY RECIPIENTS 1983-85 Biennial Budget

Activity: REHABILITATION SERVICES FOR SOCIAL SECURITY RECIPIENTS
Program: VOCATIONAL REHABILITATION
Agency : ECONOMIC SECURITY, DEPARTMENT OF
Statutory References:

PURPOSE: These funds are used to provide direct rehabilitation services to current and former Social Security disability payment recipients who are eligible under Section 110 of the Rehabilitation Act of 1973. The Division of Vocational Rehabilitation (DVR) provides services such as vocational planning and counseling, training, physical restoration, telecommunications and sensory aids for the deaf, placement and post-employment services, and occupational tools and equipment to meet the needs of these severely handicapped individuals so that they may prepare for and engage in gainful employment to the extent of their capabilities.

RECIPIENT ELIGIBILITY: There are two types of persons served by this activity: 1) those who receive monthly disability payments under Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI), and 2) those who have been recently terminated from disability payments as a result of 1980 legislation requiring periodic eligibility reviews of beneficiaries.

Potential clients participate in separate and individual assessments of their abilities and limitations. Utilizing this assessment information, the DVR counselor bases individual client eligibility determinations on (a) the presence of a physical or mental disability which, for the individual client, results in a substantial handicap to employment, and (b) a reasonable expectation that vocational rehabilitation services will result in gainful employment for the individual.

CRITERIA DETERMINING AMOUNT OF PAYMENT TO RECIPIENTS: Following determination of eligibility for DVR services, joint counselor/client planning is required. Each individual participates in the development of his/her Individualized Written Rehabilitation Program which details the goals and objectives of the rehabilitation process, the particular activities necessary to achieve those objectives, and financial considerations. The DVR counselor then determines how to fund the client's assessed need by giving full consideration to any resources available to handicapped individuals from agencies and/or the client's own resources. DVR provides financial services only when other resources, including funding to which clients are legally entitled, are insufficient to meet individual clients' needs.

ECONOMIC IMPACT: The study, Minnesota DVR F.Y. 1981 Economic Analysis - A Modified Cost/Benefit Procedure (DVR, 1982), indicates that rehabilitating SSDI and SSI recipients is a good investment of government money. The benefits not only accrue to recipients, but also extend to the rest of society as well. For every dollar DVR invests the typical recipient will have increased earnings of \$5.53 and the taxpayer will recover \$1.91.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:405-60-63-000-01
*** DOLLARS IN THOUSANDS (137,522=137.5) ***							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES FY1984	AGENCY ESTIMATES FY1985	RECOMMENDATIONS FY1984	RECOMMENDATIONS FY1985
CARE OF PERSONS							
GENERAL				891.5	985.1	891.5	985.1
FEDERAL	883.5	238.9	165.0	270.0	383.0	270.0	383.0
SUBTOTAL	883.5	238.9	165.0	1,161.5	1,368.1	1,161.5	1,368.1

ALL RECIPIENTS BY FUND							
GENERAL				891.5	985.1	891.5	985.1
FEDERAL	883.5	238.9	165.0	270.0	383.0	270.0	383.0
TOTAL	883.5	238.9	165.0	1,161.5	1,368.1	1,161.5	1,368.1

	Average Cost Per Client Rehabilitated	Clients' Earnings Increase Per \$1 Spent By DVR	Taxpayers' Benefit Per \$1 Spent By DVR	Years Required to Repay Cost
SSI	\$4,227.59	\$4.02	\$1.47	6.47
SSDI	\$3,415.31	\$6.84	\$2.30	4.15
Combined	\$3,792.99	\$5.53	\$1.91	5.23

Taxpayers benefits include additional state, federal and Social Security tax revenues paid by rehabilitants as well as a reduction in the amount of public assistance cash payments paid to rehabilitants as a result of vocational rehabilitation. Projected lifetime increases in taxes paid by those rehabilitated in F.Y. 1981 are \$5,245.22 per recipient. The estimated lifetime savings in public assistance for each person rehabilitated in F.Y. 1981 are \$1,846.97.

	Tax Gain Per Client Rehabilitated	Public Assistance Savings Per Client Rehabilitated
SSI	\$4,529.12	\$1,697.48
SSDI	\$5,867.61	\$1,976.95
Combined	\$5,245.22	\$1,846.97

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Number of new DVR plans initiated	632	425	355	425	525
Number of clients rehabilitated	550	420	300	250	275
Average cost of purchased services per rehabilitant:					
competitive	\$1,641	\$1,710	\$1,750	\$1,830	\$1,925
sheltered	\$2,524	\$2,584	\$2,600	\$2,600	\$2,600

GRANTS AND AIDS ANALYSIS FOR: REHABILITATION SERVICES FOR
(Continuation) SOCIAL SECURITY RECIPIENTS 1983-85 Biennial Budget
Activity: REHABILITATION SERVICES FOR SOCIAL SECURITY RECIPIENTS
Program: VOCATIONAL REHABILITATION
Agency: ECONOMIC SECURITY, DEPARTMENT OF

EXPLANATION OF AGENCY ESTIMATES: State funds are requested at the change level of \$1,876.6 for 1983-85 so that the agency can continue serving this population at approximately 75% of the F.Y. 1981 level. The 75% service level is based on our plan to concentrate services on recipients with higher employment potential, which will maximize federal support. The request amount is derived by multiplying the projected number of rehabilitants by the average cost per rehabilitant, minus anticipated federal funds. No request for additional complement positions is being made. Counselors from the Basic Client Rehabilitation Services activity provide counseling and other non-purchased services for this population.

GOVERNOR'S RECOMMENDATION: The Governor concurs with the agency's request to achieve the 1983-85 objectives.

ACTIVITY: REHABILITATION SERVICES FOR WORKERS' COMPENSATION RECIPIENTS 1983-85 Biennial Budget
 Program: VOCATIONAL REHABILITATION
 Agency: ECONOMIC SECURITY, DEPARTMENT OF

ACTIVITY DESCRIPTION: This activity assists work injured persons in returning to employment related to their former work or to other employment producing an economic status as close as possible to their pre-disability level. Injured workers who qualify for services paid for by insurance carriers are known as Qualified Employees (QEs). They have the right to choose the provider of services including DVR. Under certain circumstances M.S. 176.102 requires that QE's be referred to DVR. The statute also requires that persons providing this service must be approved by the Department of Labor and Industry as Qualified Rehabilitation Consultants (QRCs). DVR administers its Workers' Compensation activity statewide through 13 QRCs. The costs of providing this service are reimbursed by insurance carriers under provision of the same statute.

ECONOMIC IMPACT: The study, Minnesota DVR F.Y.1981 Economic Analysis - A Modified Cost/Benefit Procedure (DVR, 1982) revealed that for every dollar DVR invests, the typical work injured client had increased earnings of \$19.33 and taxpayers recovered \$5.03. Compared to the agency's other clients, rehabilitation of work injured clients resulted in much greater benefits to both taxpayers and clients themselves, as shown in the following table:

	Average Cost Per Client Rehabilitated	Clients' Earnings Increase Per \$1 Spent By DVR	Taxpayers' Benefit Per \$1 Spent By DVR	Years Required to Repay Cost
Injured Workers	\$2,576.01	\$19.33	\$5.03	1.89
Other Clients	\$3,508.18	\$10.22	\$3.06	3.12

Taxpayers' benefits include additional state, federal and Social Security tax revenues paid by rehabilitants as well as a reduction in the amount of public assistance cash payments paid to rehabilitants as a result of vocational rehabilitation. Projected lifetime increases in taxes paid by those rehabilitated in F.Y. 1981 are \$8,109.97 per client. The estimated lifetime savings in public assistance payments for each person rehabilitated in F.Y. 1981 are \$5,301.05.

Tax Gain
Per Client Rehabilitated
\$8,109.97

Public Assistance Savings
Per Client Rehabilitated
\$5,301.05

ACTIVITY OBJECTIVES:

1. Number of injured workers referred
2. Number of "Qualified Employees"

Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
1,200	1,200
500	650

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	-0-	-0-	-0-	\$638,800	\$919,900

ACTIVITY OBJECTIVES:

	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
3. Number Returned to Work	165	195
4. Hourly Fee for Services	\$50	\$54
5. Anticipated Reimbursements from Insurance Carriers	\$638,800	\$919,900

ALTERNATIVES/MAJOR ISSUES: DVR's involvement in the provision of rehabilitation services pursuant to M.S. 176.102 is based upon: (1) the mandatory requirements for referral to DVR, (2) the number of injured workers who selected DVR as their preferred provider of QRC services during F.Y. 1982 and 1983, and (3) DVR's unique experience and skill in providing vocational rehabilitation services to severely and multiply handicapped persons. In order to provide this service, DVR established an activity using federal rehabilitation funds which are subsequently recovered through reimbursements paid by private insurance carriers. Use of these federal funds requires adherence to federal regulations under the Rehabilitation Act of 1973, as amended which differ from the state program regulations for rehabilitating injured workers under M.S. 176.102. Having to operate under these separate regulations results in complexities in determining eligibility for services and in the accurate reporting of program costs. The most desirable method of funding would be a direct state appropriation for the biennium to cover the costs of operating this activity. Expenditures will be reimbursed by insurance carriers and returned to the state as non-dedicated receipts. This funding method will result in more expeditious service to the injured worker and will provide cost information which can be used as a standard in measuring the effectiveness and efficiency of different methods of providing rehabilitation services to injured workers.

EXPLANATION OF BUDGET REQUEST: State funds are requested at the change level of \$1,576.5 for 1983-85 to convert this state regulated activity to state funding. All reimbursement from insurance carriers will be returned to the state General Fund as non-dedicated receipts.

GOVERNOR'S RECOMMENDATIONS:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: REHAB SVCS - WORKERS COMP

PROGRAM: VOCATIONAL REHABILITATION

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED		273.0	573.8	585.5		585.5	585.5		585.5	585.5	585.5
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES		273.0	573.8	585.5		585.5	585.5		585.5	585.5	585.5
EXPENSES & CONTRACTUAL SERVICES		20.4	88.8	95.0		95.0	101.7		101.7	93.3	97.8
SUPPLIES & MATERIALS		.8	3.4	3.6		3.6	3.9		3.9	3.5	3.8
EQUIPMENT		.4	.6	.6		.6	.7		.7	.6	.7
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS		46.1	97.0	99.0		99.0	101.0		101.0	99.0	101.0
TOTAL EXPENDITURES		340.7	763.6	783.7		783.7	792.8		792.8	781.9	788.8
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL					783.7	783.7		792.8	792.8	781.9	788.8
DEDICATED APPROPRIATIONS:											
FEDERAL		340.7	763.6	783.7	783.7-		792.8	792.8-			
TOTAL FINANCING		340.7	763.6	783.7		783.7	792.8		792.8	781.9	788.8
POSITIONS BY FUND											
GENERAL					22.0	22.0		22.0	22.0	22.0	22.0
FEDERAL		16.5	22.0	22.0	22.0-		22.0	22.0-			
TOTAL POSITIONS		16.5	22.0	22.0		22.0	22.0		22.0	22.0	22.0

4-0538

ACTIVITY: SPECIAL PROJECTS IN THE DELIVERY OF REHABILITATION 1983-85 Biennial Budget
Program: VOCATIONAL REHABILITATION SERVICES
Agency: ECONOMIC SECURITY, DEPARTMENT OF

ACTIVITY DESCRIPTION:

This activity exists to improve and expand vocational rehabilitation services for severely disabled persons by pilot testing and evaluating special service programs or special projects. These projects are conducted either by the Division of Vocational Rehabilitation (DVR) or by other agencies through grants or cooperative agreements with DVR. The priorities in this activity are: 1) to develop and initiate creative and innovative methods of serving disabled persons; 2) to improve client placement services in order to employ more disabled persons in industries where severely disabled persons have been underemployed; 3) to improve methods for reaching and serving those disability groups identified as underserved, i.e. hearing impaired, learning disabled, cardiac and orthopedic disabilities; 4) to improve, expand, and support innovative programs at rehabilitation facilities; and 5) to seek supplemental funding from private and other public sources (with a concentration on private foundations) in order to conduct innovative employment programs and to assist long term sheltered workshops in the acquisition of capital equipment.

DVR is currently engaged in a number of innovative activities on an experimental basis. This includes three major areas: 1) transitional employment, 2) career choice and work experience for the severely disabled, and 3) joint or collaborative efforts with private industry in the training and rehabilitation of severely disabled individuals.

Support is provided to two transitional employment efforts: one at the Sheltered Employment Services (SES) in Brainerd, Minnesota; and the other at RISE, Inc., a workshop in Anoka, Minnesota. The SES, working jointly with employers, trains and places severely disabled individuals (with a concentration on the mentally retarded) in private industry. The transitional employment effort at RISE, Inc. works exclusively with a mentally ill population, placing them directly in private industry after an initial, short-term evaluation in the workshop.

There are two special projects providing severely disabled students, aged 16 to 20, with assistance in making career choices and experiences in real work situations. These projects are located at the Residential School in Worthington, Minnesota and at South High School in Minneapolis, Minnesota. The Lakeview Pre-Vocational Project, our special project with the Worthington School District, involves the financial and staff participation of DVR, Special Education, Vocational Education and a private rehabilitation facility working with severely physically disabled students unable to attend regular schools. The project was designed to provide these students an opportunity to participate in work experiences, to develop a realistic understanding of the world of work, and to develop an awareness of future career opportunities which may be available to them. This project began as an experimental innovation supported with federal funds. Because of the success of this project and the value of the results, each of the agencies is continuing their involvement even though federal project funds have been discontinued.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY DESCRIPTION: (Contd.)

DVR is also working collaboratively with Control Data Corporation (CDC) on a special project where computer programming training is provided to severely disabled individuals who are unable to leave their place of residence. Under the agreement, CDC assumes the primary responsibility for locating competitive employment for the individuals upon completion of training. There is a need for further development of these specific types of projects before incorporating them as a part of the overall DVR program. DVR will seek funding for a continuation or expansion of these selected projects from private foundations, industry, and other governmental sources.

ACTIVITY OBJECTIVES:

1. To develop additional cooperative programs for severely disabled students with local education agencies which will help those nearing graduation develop appropriate career choices and work behaviors.
2. To develop and implement testing methods which will expedite the eligibility decision-making process.
3. To expand cooperative placement efforts with organized labor and the electronics and computer industries utilizing innovative techniques/methods for serving severely disabled persons.
4. To assist rehabilitation facilities to improve service to special disability populations by encouraging and assisting in the expansion of employment and training programs in private industries.
5. To initiate, encourage and support rehabilitation facilities or other public and private organizations to develop innovative employment programs for persons with severe disabilities.

ALTERNATIVES/MAJOR ISSUES:

The Rehabilitation Act of 1973, as amended authorizes grants for 1) innovation and expansion, and 2) establishment and construction. Federal funding has allowed experimentation through innovative projects without diverting agency resources from the client services programs. These grant authorities will continue but no federal funding is expected for F.Y. 1984 and F.Y. 1985.

The ability to implement and test new service approaches on a pilot basis is essential for efficient administration of the program. DVR intends to minimize the resources needed to accomplish this activity by 1) using cooperative programming with other agencies, and securing private foundation funds.

EXPLANATION OF BUDGET REQUEST:

No state appropriations are being requested for this activity.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: SPEC PROJ-DELIV REHAB SVCS

PROGRAM: VOCATIONAL REHABILITATION

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	16.5	34.0	44.1	11.2		11.2				11.2	
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	47.5	10.5									
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	64.0	44.5	44.1	11.2		11.2				11.2	
EXPENSES & CONTRACTUAL SERVICES		1.1	2.4	.6		.6				.6	
SUPPLIES & MATERIALS											
EQUIPMENT											
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	273.8	36.8	14.5								
OTHER EXPENSE ITEMS	3.9	2.7	3.6	.9		.9				.9	
TOTAL EXPENDITURES	341.7	85.1	64.6	12.7		12.7				12.7	
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	7.6										
DEDICATED APPROPRIATIONS:											
FEDERAL	334.1	85.1	64.6	12.7		12.7				12.7	
TOTAL FINANCING	341.7	85.1	64.6	12.7		12.7				12.7	
POSITIONS BY FUND											
FEDERAL	2.0	2.0	2.0	2.0		2.0				2.0	
TOTAL POSITIONS	2.0	2.0	2.0	2.0		2.0				2.0	

4-0540

GRANTS AND AIDS ANALYSIS FOR: SPECIAL PROJECTS IN THE DELIVERY OF REHABILITATION SERVICES 1983-85 Biennial Budget

Activity: SPECIAL PROJECTS IN THE DELIVERY OF REHABILITATION SERVICES

Program: VOCATIONAL REHABILITATION

Agency : ECONOMIC SECURITY, DEPARTMENT OF

Statutory References: M.S. CHAPTER 129A.03

PURPOSE: Grants for special projects encompass the categories of 1) innovation and expansion, and 2) establishment and construction. The purpose of innovation and expansion grants is to develop innovative and effective techniques for providing vocational rehabilitation services to persons with severe disabilities. Establishment and construction grants encourage and assist rehabilitation facilities and sheltered workshops to improve and expand their client service capacity, eliminate architectural barriers and meet health and safety standards set by the Department of Labor.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Funds used under this authority are discretionary and may be provided to any rehabilitation facility and to public or private agencies and organizations established to provide vocational rehabilitation services to persons with disabilities. Grantees are the final recipients of funds. DVR establishes priorities for improving and expanding services, determines available funding, obtains and reviews grant proposals and makes appropriate awards. These priorities are: 1) to develop and initiate creative and innovative methods of serving disabled persons; 2) to improve client placement services in order to employ more severely disabled persons in jobs where they have been underemployed; 3) to improve methods for reaching and serving those disability groups identified as underserved, i.e. hearing impaired, learning disabled, cardiac and orthopedic disabilities; 4) to improve, expand, and support innovative programs at rehabilitation facilities; and 5) to seek supplemental funding from private and other public sources (with a concentration on private foundations) in order to conduct innovative employment programs and to assist long term sheltered workshops in the aquisition of capital equipment.

CRITERIA DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: This activity is discretionary and there is no formula to determine awards. Project grants awarded under this activity are made based upon the degree to which they meet DVR priorities for these activities and the quality of the proposals.

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Number of actual/anticipated special projects conducted	13	4	3	2	2
DVR funded projects	12	2	1	0	0
Average project funding	\$23,800	\$18,400	\$14,500	0	0
Total funding	\$285,300	\$36,800	\$14,500	0	0
Non-DVR funded projects	1	2	1	3	3
Average project funding	\$47,500	\$22,800	\$46,500	\$30,000	\$30,000
Total Funding	\$47,500	\$45,600	\$46,500	\$90,000	\$90,000

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:405-60-65-000-01	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO SCHOOL DISTRICTS							
FEDERAL		24.3					
SUBTOTAL		24.3					
G & A TO NONSOVT ORGNZTNS							
GENERAL	3.6						
FEDERAL	270.2	12.5	14.5				
SUBTOTAL	273.8	12.5	14.5				

ALL RECIPIENTS BY FUND							
GENERAL	3.6						
FEDERAL	270.2	36.8	14.5				
TOTAL	273.8	36.8	14.5				

EXPLANATION OF BUDGET REQUEST: No state appropriations are being requested for this activity. Federal funding levels for this activity in F.Y. 1984 and F.Y. 1985 are unknown at this time.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the F.Y. 1983-85 objectives.

ACTIVITY: LONG-TERM SHELTERED EMPLOYMENT AND WORK ACTIVITY 1983-85 Biennial Budget
 Program: VOCATIONAL REHABILITATION
 Agency: ECONOMIC SECURITY, DEPARTMENT OF

ACTIVITY DESCRIPTION: This activity provides financial support to the state's network of 28 private non-profit sheltered workshops and work activity centers. Long-term sheltered workshops provide employment for persons with severe handicaps who can work but cannot meet competitive employment production demands. Work activity centers provide paid work activity and training in self-care, social, and basic educational skills for persons with such severe handicaps that their level of productivity is substantially below that required for long-term sheltered employment. Long-term sheltered employment (LTSE) and work activity (WA) take place in work stations located in the long-term sheltered workshops/work activity centers. Each work station may be filled by one or more workers during the course of a year.

This activity uses state appropriations to assist in subsidizing long-term sheltered employment/work activity programs. Such subsidies are necessary since the severely handicapped persons employed in sheltered employment/work activity generally produce at a substantially lower rate than workers in competitive business and industry. In addition, workshops must provide these severely handicapped workers with special services not needed by non-disabled workers, such as vocational and social adjustment counseling. As a result, supervisory and other costs to workshops/centers are higher. Long-term sheltered workshops/work activity centers also receive financial assistance from United Way, counties or local governments. These programs are monitored and assessed to assure compliance with standards for these programs.

ACTIVITY OBJECTIVES:

1. To increase LTSE station capacity from 2,511 in 1983 to 2,841 in 1985.
2. To increase WA station capacity from 2,063 in 1983 to 2,333 in 1985.
3. To evaluate the effectiveness of the LTSE and WA programs.
4. To continue to assist sheltered workers by investigating and resolving employment problems on a statewide basis.

ACTIVITY STATISTICS:		Actual	Actual	Estimated	Obj./Est.	Obj./Est.
Objective No.		F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
1.	LTSE stations capacity	2,346	2,456	2,511	2,676	2,841
1.	Number of individuals served at LTSE stations	2,933	3,070	3,139	3,345	3,551
2.	WA station capacity	1,928	2,018	2,063	2,198	2,333
2.	Number of individuals served at WA stations	2,410	2,523	2,579	2,748	2,916
4.	Number of sheltered worker problems investigated and resolved	65	55	50	50	50

ALTERNATIVES/MAJOR ISSUES: Increased funding is requested for this activity to 1) continue to coordinate with the state's effort to deinstitutionalize mentally retarded persons as a result of Welsch/Noot settlement and 2) begin to ease the serious bottleneck to the orderly and timely rehabilitation of over 600 other severely disabled

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -

ALTERNATIVES/MAJOR ISSUES: (Contd.) persons who are eligible and waiting to enter LTSE/WA stations when such stations become available. LTSE/WA is an essential component in Day Programming for all these severely handicapped persons. The State's 28 private non-profit sheltered workshops are currently operating at capacity, and since there has been no expansion in the LTSE/WA program since 1979, other than for Welsch/Noot, they are unable to serve additional severely handicapped persons without the added funding.

Another major limitation in the employment of handicapped persons in Long-Term Sheltered Employment (LTSE) Programs continues to be the lack of available funding for the acquisition of capital equipment. Capital equipment is needed to secure and operate production contracts which in turn are needed to provide productive employment sites for handicapped workers. As non-profit corporations, sheltered workshops find it impossible to fund the depreciation of capital expenditures and, consequently, are not able to set aside funds for future capital expenses. The agency is not requesting state funding for this purpose at this time, but will be working jointly with the Minnesota Association of Rehabilitation Facilities (MARF) in attempts to develop alternative funding options from both private and other public sources.

EXPLANATION OF BUDGET REQUEST: State funds are requested at the change level of \$2,161.7 for 1983-85. Sheltered workshop operating costs are increasing in response to inflation. This request includes the prescribed inflationary increases for 1984 and 1985 to ensure the same level of subsidization. It also includes the financial support necessary to ensure the availability of an additional 600 LTSE/WA stations by the end of 1985, 300 LTSE/WA stations for mentally retarded persons being deinstitutionalized pursuant to the Welsch/Noot Consent Decree, and 300 LTSE/WA stations for other severely disabled persons.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: LONG-TERM SHEL EMP-WORK ACT

PROGRAM: VOCATIONAL REHABILITATION

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	126.7	137.8	144.3	148.8	7.2-	141.6	148.8	7.2-	141.6	141.6	141.6
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	.4										
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	127.2	137.8	144.3	148.8	7.2-	141.6	148.8	7.2-	141.6	141.6	141.6
EXPENSES & CONTRACTUAL SERVICES	13.5	16.9	14.9	15.9		15.9	17.0		17.0	15.8	16.4
SUPPLIES & MATERIALS			.3	.3		.3	.3		.3	.3	.3
EQUIPMENT	.1		.4	.4		.4	.4		.4	.4	.4
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	5,802.8	6,360.5	6,787.1	6,785.4	637.3	7,422.7	6,785.4	1,524.4	8,309.8	7,422.7	8,309.8
OTHER EXPENSE ITEMS	23.6	16.6	14.8	14.8	7.2	22.0	14.8	7.2	22.0	22.0	22.0
TOTAL EXPENDITURES	5,967.2	6,531.8	6,961.8	6,965.6	637.3	7,602.9	6,966.7	1,524.4	8,491.1	7,602.8	8,490.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	5,967.2	6,531.8	6,961.8	6,965.6	637.3	7,602.9	6,966.7	1,524.4	8,491.1	7,602.8	8,490.5
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	5,967.2	6,531.8	6,961.8	6,965.6	637.3	7,602.9	6,966.7	1,524.4	8,491.1	7,602.8	8,490.5
POSITIONS BY FUND											
GENERAL	4.0	4.0	4.0	4.0		4.0	4.0		4.0	4.0	4.0
TOTAL POSITIONS	4.0	4.0	4.0	4.0		4.0	4.0		4.0	4.0	4.0

4-0543

GRANTS AND AIDS ANALYSIS FOR: LONG-TERM SHELTERED
EMPLOYMENT AND WORK ACTIVITY 1983-85 Biennial Budget

Activity: LONG-TERM SHELTERED EMPLOYMENT AND WORK ACTIVITY

Program: VOCATIONAL REHABILITATION

Agency: ECONOMIC SECURITY, DEPARTMENT OF

Statutory References: M.S. CHAPTER 129A.03

PURPOSE: The purpose of the grants provided under this authority is to create, develop and maintain a system of long-term sheltered employment/work activity programs that will enable severely disabled persons to better prepare for competitive work or, if this is not feasible, provide them an opportunity for engaging in meaningful employment activities. The LTSE/WA program which has been in existence since 1965 is authorized under M.S. Chapter 129A.03. It also contains authorization that allows for county support to the program.

Funds in this grant authority are used to develop the capacity for providing this program through a network of private, non-profit and governmental sheltered employment/work activity programs established and operated throughout the State of Minnesota. The primary purpose of LTSE/WA programs is to provide sheltered employment for severely disabled persons 1) as a step in the rehabilitation process for those who cannot readily be absorbed by the competitive labor market, or 2) during such time as employment opportunities for them in the competitive labor market do not exist.

RECIPIENT ELIGIBILITY: Funds appropriated pursuant to the authority contained in M.S. 129A.03 may be provided to any city, town, county, non-profit corporation or any combination thereof which operates a long-term sheltered employment or work activity program and is properly certified by the Division of Vocational Rehabilitation (DVR).

FORMULA: M.S. 129A.03 provides that funds appropriated pursuant to this authority will be allocated annually, and such allocations adjusted from time to time during the course of the year if funds are not being used by the sheltered workshops. The law also provides that the allocation be proportional and that it be based on proposed budgets and plans submitted by long-term sheltered workshops which are approved by DVR.

- a. Application and Financial Reports: Each year any sheltered workshop funded for the previous year is sent application forms, including requests for financial information representing actual expenditures for the past budget year and proposed expenditures (budget proposals) for the upcoming year. Additionally, workshops are required to submit reports of annual financial audits conducted by independent auditors.
- b. Certification Check: When the forms are received from all workshops requesting funding for the coming year, agency staff review certification records to determine that all workshops are properly certified.
- c. "Net Program Cost" Determination: Next the financial and programmatic information submitted is analyzed and for each applicant/sheltered workshop eligible for funding, a "net program cost" is determined. Net program cost is defined as the total costs of the program, minus wages paid to sheltered workers and the cost of production supplies.
- d. "Station Capacity" Determination: A determination is made by DVR concerning the approved station capacity for each eligible applicant workshop. Funds have not been

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:405-60-66-000-01
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES FY1984	FY1985	RECOMMENDATIONS FY1984	FY1985
G & A TO NONGOV'T ORGNZTNS							
GENERAL	5,802.8	6,360.5	6,787.1	7,422.7	8,309.8	7,422.7	8,309.8
SUBTOTAL	5,802.8	6,360.5	6,787.1	7,422.7	8,309.8	7,422.7	8,309.8

ALL RECIPIENTS BY FUND							
GENERAL	5,802.8	6,360.5	6,787.1	7,422.7	8,309.8	7,422.7	8,309.8
TOTAL	5,802.8	6,360.5	6,787.1	7,422.7	8,309.8	7,422.7	8,309.8

FORMULA: (Contd)

available to increase the number of stations funded since 1979, with the exception of stations added last biennium pursuant to the Welsch/Noot Consent Decree. Therefore, station capacity has not changed, except as indicated. A station capacity is assigned to each sheltered employment program.

- e. Workshop Allocation Formula: The formula for proportional allocation of funds to each sheltered workshop is as indicated below:

$$\frac{\text{Individual program cost}}{\text{Total programs cost}} \times \text{Funding Available} = \text{Individual workshop allocation}$$

- f. Tentative Allocation Determination: On the basis of the application of this formula, a tentative allocation is determined for each sheltered workshop. Adjustments are made in the allocation for each sheltered workshop to assure fair and equitable funding, and wherever possible and justified, to ensure no loss of total funds from the previous year.
- g. Notification To Workshops: When the allocation has been determined, a written notification is sent to the sheltered workshop indicating station capacity and the amount of funds allocated.
- h. Method Of Payment: Payments are made to the sheltered workshops one quarter in advance. The sheltered workshops submit quarterly reports concerning the utilization of these funds. If quarterly reports are not received according to the time schedule established by the agency, future advance checks are withheld until the receipt of these reports. Financial and statistical information is assembled from the original application reports and the quarterly reports which provide a detailed information base concerning the long-term sheltered employment program.

GRANTS AND AIDS ANALYSIS FOR: LONG-TERM SHELTERED
(Continuation) EMPLOYMENT AND WORK ACTIVITY 1983-85 Biennial Budget
Activity: LONG-TERM SHELTERED EMPLOYMENT AND WORK ACTIVITY
Program: VOCATIONAL REHABILITATION
Agency: ECONOMIC SECURITY, DEPARTMENT OF

<u>SIGNIFICANT STATISTICS:</u>	<u>Actual</u> <u>F.Y. 1981</u>	<u>Actual</u> <u>F.Y. 1982</u>	<u>Estimated</u> <u>F.Y. 1983</u>	<u>Obj./Est.</u> <u>F.Y. 1984</u>	<u>Obj./Est.</u> <u>F.Y. 1985</u>
Number of workshops with LTSE/WA programs	29	28	28	28	28
LTSE station capacity	2,346	2,456	2,511	2,676	2,841
Number of individuals served at LTSE stations	2,933	3,070	3,139	3,345	3,551
Average LTSE wage (weekly)	\$64.40	\$66.80	\$73.48	\$80.83	\$88.91
WA station capacity	1,928	2,018	2,063	2,198	2,333
Number of individuals served at WA stations	2,410	2,523	2,579	2,748	2,916
LTSE/WA station capacity - Welsch/Noot Consent Decree	0	200	300	450	600

<u>SIGNIFICANT STATISTICS:</u>	<u>Actual</u> <u>F.Y. 1981</u>	<u>Actual</u> <u>F.Y. 1982</u>	<u>Estimated</u> <u>F.Y. 1983</u>	<u>Obj./Est.</u> <u>F.Y. 1984</u>	<u>Obj./Est.</u> <u>F.Y. 1985</u>
Total LTSE/WA program cost - all workshops	\$21,735,800	\$24,786,200	\$27,267,600	\$29,992,600	\$32,993,200
Income sources for all workshops					
DVR	\$5,802,800	\$6,360,700	\$6,787,100	\$7,442,700	\$8,309,800
County funding	\$1,781,000	\$1,958,100	\$2,099,600	\$2,249,400	\$2,408,500
Production income	\$12,670,000	\$13,632,400	\$14,995,600	\$16,495,200	\$18,144,700
All other sources	\$783,000	\$842,700	\$927,000	\$1,019,700	\$1,121,700

EXPLANATION OF BUDGET REQUEST: State funds are requested at the change level of \$2,161.7 for 1983-85. The request is based on the prescribed inflationary increases for 1984 and 1985, plus the financial support necessary to assure the availability of an additional 600 LTSE/WA stations by the end of 1985: 300 LTSE/WA stations for mentally retarded persons being deinstitutionalized, and 300 LTSE/WA stations for other severely disabled persons. These estimates are based on projections derived from information provided by the sheltered workshops and a review of general economic trends. We anticipate a 10% per year increase in sheltered worker wages and assume a 25% turnover in LTSE/WA stations, down slightly from 1982.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the F.Y. 1983-85 objectives.

ACTIVITY: DISABILITY DETERMINATION SERVICES
Program: VOCATIONAL REHABILITATION
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: This activity exists under agreement with the Social Security Administration (SSA) to make the medical portion of the eligibility decision on claims for Social Security disability benefits filed by Minnesota residents. This activity determines if claimants meet the disability criteria for Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) benefits and conveys that information to SSA. Claims selection and the criteria used in this determination are administered by SSA. In addition, this activity insures that those persons who may benefit from vocational rehabilitation services are referred to the appropriate state vocational rehabilitation agency, either the Division of Vocational Rehabilitation (DVR) or State Services for the Blind (SSB). All SSI claims of children under age 16 are also referred for services to the Department of Health, Services for Children with Handicaps.

ACTIVITY OBJECTIVES:

- 1. To make disability decisions, in accordance with SSA regulations, on approximately 85,000 claims in the biennium.
- 2. To ensure timely and accurate processing of disability claims in accordance with federally regulated standards for processing time and accuracy of initial claims decisions.
- 3. To refer claimants who may benefit from vocational rehabilitation services to DVR or SSB.

ACTIVITY STATISTICS:					
Objective No.	Actual F.F.Y. 1981	Actual F.F.Y. 1982	Estimated F.F.Y. 1983	Obj./Est. F.F.Y. 1984	Obj./Est. F.F.Y. 1985
1. Claims processed	29,374	33,314	33,014	42,529	42,529
2. Average processing days:					
SSDI claims	41.9	49.7	45	45	45
SSI claims	49.9	56.9	53	53	53
2. Accuracy of initial claims decisions	97.6%	95.2%	95%	95%	95%
3. Percent of claims referred to DVR or SSB	58.8%	47.6%	50%	50%	50%

ALTERNATIVES/MAJOR ISSUES: All funding for this activity is provided by SSA and is determined by the number of claims that the activity is expected to process, the methods used, the rate at which they are to be processed, and the medical criteria under which decisions will be made. A substantial increase in this activity's workload is projected for 1984-85 as a result of 1980 federal legislation, PL 96-265, which mandates periodic review of claims of individuals receiving SSDI and SSI disability benefits for purposes of determining their continuing eligibility for these benefits. SSA program funds are expended for administrative, supervisory, examiner, medical, quality assurance, and clerical staff for services; and for purchase of whatever medical information is necessary to make the disability decision. All major program changes result from

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ALTERNATIVES/MAJOR ISSUES: (Contd.) changes in SSA law or its interpretation.

EXPLANATION OF BUDGET REQUEST: No state appropriation is requested for this activity.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: DISABILITY DETERMINATION SV

PROGRAM: VOCATIONAL REHABILITATION

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	1,888.0	2,474.5	3,500.0	4,010.0		4,010.0	4,010.0		4,010.0	4,010.0	4,010.0
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	11.9	20.8									
-PREMIUM PAY											
-OVERTIME PAY	9.3	2.8									
-MISCELLANEOUS PAYROLL	.2										
-OTHER BENEFITS	1.4	9.6									
TOTAL PERSONAL SERVICES	1,910.8	2,507.7	3,500.0	4,010.0		4,010.0	4,010.0		4,010.0	4,010.0	4,010.0
EXPENSES & CONTRACTUAL SERVICES	871.0	1,142.8	1,578.8	1,939.1		1,939.1	2,079.0		2,079.0	1,939.1	2,079.0
SUPPLIES & MATERIALS	15.9	23.6	12.0	15.3		15.3	16.3		16.3	15.3	16.3
EQUIPMENT	25.1	78.4	12.0	27.8		27.8	12.0		12.0	27.8	12.0
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	1,128.3	2,397.4	2,775.6	3,678.0		3,678.0	3,935.5		3,935.5	3,678.0	3,935.5
OTHER EXPENSE ITEMS	124.7	172.2	249.2	279.8		279.8	282.7		282.7	279.8	282.7
TOTAL EXPENDITURES	4,075.8	6,322.1	8,127.6	9,950.0		9,950.0	10,335.5		10,335.5	9,950.0	10,335.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
DEDICATED APPROPRIATIONS:											
FEDERAL	4,075.8	6,322.1	8,127.6	9,950.0		9,950.0	10,335.5		10,335.5	9,950.0	10,335.5
TOTAL FINANCING	4,075.8	6,322.1	8,127.6	9,950.0		9,950.0	10,335.5		10,335.5	9,950.0	10,335.5
POSITIONS BY FUND											
FEDERAL	123.0	130.0	144.0	174.5		174.5	174.5		174.5	174.5	174.5
TOTAL POSITIONS	123.0	130.0	144.0	174.5		174.5	174.5		174.5	174.5	174.5

4-0547

GRANTS AND AIDS ANALYSIS FOR: DISABILITY DETERMINATION SERVICES

1983-85 Biennial Budget

Activity: DISABILITY DETERMINATION SERVICES
Program: VOCATIONAL REHABILITATION
Agency: ECONOMIC SECURITY, DEPARTMENT OF
Statutory References:

PURPOSE: This activity exists under agreement with the Social Security Administration (SSA) to make the medical portion of the eligibility decision on claims for Social Security disability benefits filed by Minnesota residents. For each disability claim processed by Disability Determination Services (DDS), the activity secures necessary medical information to make the disability determination. Claims selection and the criteria used by DDS in this determination are administered by SSA. Medical information of record is obtained from claimants' treating sources and, if necessary, DDS purchases consultative medical examinations to obtain specific objective evidence. Claimants who attend these examinations may be reimbursed for travel costs. All funding for payment of information of record, consultative examinations and claimant travel costs is provided by SSA.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: While no grants are made to government units, organizations, or individuals, payments are made by DDS, on behalf of SSA, to physicians and medical facilities who provide medical information of record and/or conduct consultative medical examinations on claimants at the request of DDS. Payments are also made to claimants to reimburse travel costs incurred to attend consultative medical examinations. Eligibility for payment to the above vendors is determined by the following:

1. For medical information of record, DDS is required by federal law to pay for solicited reports if the treating sources request payment.
2. For consultative medical examinations, DDS pays all cost of authorized examinations and test procedures.
3. DDS reimburses costs to claimants for necessary travel to consultative medical examinations when reimbursement is requested.

CRITERIA DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Payments made to medical vendors are based on prevailing rates for the service(s) they provide. Payments to claimants for travel costs are for actual costs or are based on the state employee mileage reimbursement rate for use of a personal vehicle.

SIGNIFICANT STATISTICS:	Actual F.F.Y. 1981	Actual F.F.Y. 1982	Estimated F.F.Y. 1983	Obj./Est. F.F.Y. 1984	Obj./Est. F.F.Y. 1985
Claims processed	29,374	33,314	33,014	42,529	42,529
Number of vendors paid for 1) information of record	2,302	2,250	2,475	2,850	2,850
2) consultative examinations	663	610	670	770	770
Number of claimants paid for travel to exams	2,388	4,303	4,500	6,000	6,000

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:405-60-67-000-01
*** DOLLARS IN THOUSANDS (137,522=137.5) ***							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
CARE OF PERSONS							
FEDERAL	1,128.3	2,397.4	2,775.6	3,678.0	3,935.5	3,678.0	3,935.5
SUBTOTAL	1,128.3	2,397.4	2,775.6	3,678.0	3,935.5	3,678.0	3,935.5

ALL RECIPIENTS BY FUND							
FEDERAL	1,128.3	2,397.4	2,775.6	3,678.0	3,935.5	3,678.0	3,935.5
TOTAL	1,128.3	2,397.4	2,775.6	3,678.0	3,935.5	3,678.0	3,935.5

SIGNIFICANT STATISTICS:	Actual F.F.Y. 1981	Actual F.F.Y. 1982	Estimated F.F.Y. 1983	Obj./Est. F.F.Y. 1984	Obj./Est. F.F.Y. 1985
Average payment amounts to medical vendors for					
1) information of record	\$85	\$155	\$160	\$180	\$198
2) consultative examinations	\$1,740	\$3,212	\$3,440	\$4,010	\$4,371
Average payment amount to a claimant for travel expenses when requested	\$21	\$21	\$24	\$25	\$27
Percent of federal funding of above payments	100%	100%	100%	100%	100%

EXPLANATION OF AGENCY ESTIMATES: Estimated resources required for necessary expenditures to medical vendors and claimants are based on: (1) DDS workload projections provided by SSA; (2) anticipated rates of payments to be made for information of record, medical examinations and claimant travel; and (3) projected costs, including estimated increases, for each type of payment. A substantial increase in this activity's workload is anticipated for 1984-85 as a result of 1980 federal legislation, PL 96-265, which mandates periodic review of claims of individuals receiving Social Security disability benefits for purposes of determining their continuing eligibility for those benefits. This additional workload will increase both the numbers of vendors paid for medical evidence and travel expenses and the average payment amounts to vendors for services provided to DDS.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the F.Y. 1983-85 objectives.

ACTIVITY: CLIENT ADVOCACY AND CONSUMER SERVICES
Program: VOCATIONAL REHABILITATION
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This statewide activity ensures that disabled Minnesotans have an active part in DVR's policy and program development, and that services are responsive to individual needs. This activity has two components 1) the Consumer Advisory Council that advises agency management on new and revised policies, procedures and programs that best serve the needs of disabled Minnesotans; the Council consists of 9 members most of whom are themselves disabled representing the public, labor, medicine, education, business, and rehabilitation service providers; and 2) the Vocational Rehabilitation Ombudsman Project (VROP) that assists clients who may have difficulty entering, participating in, or benefiting from DVR services. These activities are provided for in M.S. 129A.03 and required by the Rehabilitation Act of 1973, as amended.

ACTIVITY OBJECTIVES:

The Consumer Advisory Council:

1. To broaden the base of input provided by disabled consumers to management to ensure that consumer concerns are an integral part of the considerations of DVR; and
2. To systematize the statewide dissemination of rehabilitation-related information to disabled persons.

The Vocational Rehabilitation Ombudsman Project:

1. To assure disabled Minnesotans of full access to the programs and services of DVR;
and
2. To provide statewide client assistance services.

ALTERNATIVES/MAJOR ISSUES:

Until September 1981 the VROP received federal funding as a Client Assistance Project under Section 112 of the Rehabilitation Act of 1973, as amended. This was augmented by a supplemental grant made from the Long-Term Sheltered Employment budget activity. As of October 1981, this source of funds was no longer available due to federal budget reductions. The VROP has served as a valuable intermediary assisting clients in their relationships with programs and facilities providing services to them and protecting their rights under the Rehabilitation Act of 1973, as amended. Recognizing its contribution DVR has continued the VROP using federal Section 110 rehabilitation funds, but at a reduced level. DVR will continue to support this project at its current level.

EXPLANATION OF BUDGET REQUEST:

State funds are requested at the same level to continue support of the Consumer Advisory Council.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: CLNT ADVCY & CONSUMER SVCS

PROGRAM: VOCATIONAL REHABILITATION

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED											
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL	1.2	1.5	1.6	1.6		1.6	1.6		1.6	1.6	1.6
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	1.2	1.5	1.6	1.6		1.6	1.6		1.6	1.6	1.6
EXPENSES & CONTRACTUAL SERVICES	31.5	2.1	2.4	2.5		2.5	2.7		2.7	2.5	2.6
SUPPLIES & MATERIALS											
EQUIPMENT											
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	170.0	39.4	58.4	58.4		58.4	58.4		58.4	58.4	58.4
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	202.7	43.0	62.4	62.5		62.5	62.7		62.7	62.5	62.6
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	2.8	3.6	4.0	4.1		4.1	4.3		4.3	4.1	4.2
DEDICATED APPROPRIATIONS:											
FEDERAL	199.9	39.4	58.4	58.4		58.4	58.4		58.4	58.4	58.4
TOTAL FINANCING	202.7	43.0	62.4	62.5		62.5	62.7		62.7	62.5	62.6
POSITIONS BY FUND											
TOTAL POSITIONS											

4-0550

GRANTS AND AIDS ANALYSIS FOR: VOCATIONAL REHABILITATION
OMBUDSMAN PROJECT

1983-85 Biennial Budget

Activity: CLIENT ADVOCACY AND CONSUMER SERVICES
Program: VOCATIONAL REHABILITATION
Agency: ECONOMIC SECURITY, DEPARTMENT OF
Statutory References:

PURPOSE:

This grant to the Vocational Rehabilitation Ombudsman Project (VROP) ensures that client assistance activities are carried out by an impartial third party as provided for in Section 112 of the Rehabilitation Act of 1973, as amended. The VROP assists clients who may have difficulty entering, participating in, or benefiting from DVR services. The VROP benefits clients and the program by 1) advising DVR and other rehabilitation service providers of individual consumers' needs and problems in obtaining rehabilitation services; 2) suggesting methods of improving service delivery; 3) assuring disabled persons of access to complete and understandable information about DVR's procedures, practices, and available resources; and 4) assisting in the resolution of client problems that are not limited to the vocational rehabilitation service delivery system.

RECIPIENT ELIGIBILITY:

The Vocational Rehabilitation Ombudsman Project, Incorporated has been the direct and final recipient of this grant. The VROP submits a proposal for funding which is reviewed, negotiated and awarded on an annual basis. Requirements for receiving this grant include 1) Semi-annual program and administrative reviews conducted by the DVR; and 2) Quarterly and Annual reports.

CRITERIA DETERMINING AMOUNT OF PAYMENT TO RECIPIENT:

The amount of funding awarded in this grant is discretionary and determined by the VROP's demonstrated ability to provide services, the degree to which they meet the needs of both disabled consumers and the program, and the quality of the VROP's proposal. Funding for these services is derived by considering the proposed cost of staff salaries and benefits, rent and utilities, telephone, equipment, postage, supplies, travel and printing.

SIGNIFICANT STATISTICS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Number receiving direct assistance:					
DVR clients	365	228	200	200	200
Long-term sheltered employees	65	55	50	50	50
Number of people receiving information and referral	496	332	350	350	350
Total served	926	615	600	600	600

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:

REF:405-60-68-000-01

	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO NONGOV'T ORGNZTNS							
FEDERAL	170.0	39.4	58.4	58.4	58.4	58.4	58.4
SUBTOTAL	170.0	39.4	58.4	58.4	58.4	58.4	58.4
ALL RECIPIENTS BY FUND							
FEDERAL	170.0	39.4	58.4	58.4	58.4	58.4	58.4
TOTAL	170.0	39.4	58.4	58.4	58.4	58.4	58.4

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the F.Y. 1983-85 objectives.

ACTIVITY: COMPREHENSIVE SERVICES FOR INDEPENDENT LIVING 1983-85 Biennial Budget
Program: VOCATIONAL REHABILITATION
Agency: ECONOMIC SECURITY, DEPARTMENT OF

ACTIVITY DESCRIPTION: This activity funds Centers for Independent Living as authorized in the Rehabilitation Amendments of 1978. Title VII of this law permits the establishment and maintenance of the Centers to promote and coordinate independent living services to severely disabled persons including persons with physical, developmental, and mental disabilities. These services for individuals with severe disabilities are designed to 1) assist them in preparing for the Vocational Rehabilitation program and/or 2) train them to live more independently if employment proves unfeasible.

The three existing nonresidential Centers for Independent Living established in F.Y. 1981 provide such services as outreach, intake counseling, information and referral with respect to attendant care, peer counseling, counseling and advocacy with respect to legal and economic rights, housing and transportation referrals and assistance, and advocacy and coordination in dealing with other state and local agencies. The Centers also provide leadership, consultation and resources to the communities they serve to enable other community groups to respond to the independent living needs of persons with severe disabilities.

The Centers, located in Marshall, Rochester and the Twin Cities, are operated by consumer-directed private non-profit organizations through contracts with DVR. Program and policy development is guided by recommendations from the DVR's Independent Living Advisory Committee.

ACTIVITY OBJECTIVES:

1. To secure independent living services for 1,567 persons with severe disabilities in 1984, and 1,959 in 1985.
2. To provide financial support for the three existing Centers for Independent Living.
3. To evaluate the program operation of the Independent Living Centers.

<u>ACTIVITY STATISTICS:</u>	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Obj./Est.</u>	<u>Obj./Est.</u>
<u>Objective No.</u>	<u>F.Y. 1981</u>	<u>F.Y. 1982</u>	<u>F.Y. 1983</u>	<u>F.Y. 1984</u>	<u>F.Y. 1985</u>
1. Number of persons provided services through existing Centers	0	1,003	1,254	1,567	1,959
2. Number of Independent Living Centers funded	3	3	3	3	3
3. Number of program reviews for Centers for Independent Living	3	3	3	3	3

ALTERNATIVES/MAJOR ISSUES: During the past biennium, program evaluation methods which include reporting mechanisms have been developed. These methods enable DVR, the Centers, and other interested parties to track the characteristics of the severely disabled persons served as well as the types of services provided by the Centers. This biennium DVR will work with the Centers and the DVR Independent Living Advisory Committee to develop methods for determining cost/benefit information for this activity.

<u>ACTIVITY GENERATES</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ESTIMATE</u>	<u>ESTIMATE</u>	<u>ESTIMATE</u>
<u>NON-DEDICATED REVENUE</u>	<u>F.Y. 1981</u>	<u>F.Y. 1982</u>	<u>F.Y. 1983</u>	<u>F.Y. 1984</u>	<u>F.Y. 1985</u>
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ALTERNATIVES/MAJOR ISSUES: (Contd.) DVR will also assist the Centers in seeking funding from other sources to support the Centers' programs. Continued funding from state and federal sources is essential as the Centers develop the capacity to seek and obtain additional funding.

The Centers currently operate only in the southern portion of Minnesota. Three major disability studies indicate a statewide need for independent living services, confirming DVR's long-term plans of expanding Independent Living Centers to the central and northern parts of the State and establishing branch offices for the existing 3 Centers. DVR recently applied for a federal grant to support this expansion but it was not awarded.

EXPLANATION OF BUDGET REQUEST: State funds are requested at the change level of \$387.6 for 1983-85 based on the need to continue financing the 3 existing Centers at 80% of their 1983 funding level, adjusted by prescribed inflationary increases for 1983-85.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, federal funds received shall reduce the state funds accordingly.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: COMP SVCS FOR INDPNT LIVING

PROGRAM: VOCATIONAL REHABILITATION

AGENCY: ECONOMIC SECURITY, DEPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	18.7	15.8									
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	6.2										
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	24.9	15.8									
EXPENSES & CONTRACTUAL SERVICES	4.9	1.7	4.1								
SUPPLIES & MATERIALS	.1										
EQUIPMENT	.8	.1									
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	230.0	300.0	300.0	72.0	184.8	256.8	72.0	202.8	274.8	256.8	274.8
OTHER EXPENSE ITEMS	2.9	1.4									
TOTAL EXPENDITURES	263.6	319.0	304.1	72.0	184.8	256.8	72.0	202.8	274.8	256.8	274.8
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	133.6	72.0	72.0	72.0	184.8	256.8	72.0	202.8	274.8	256.8	274.8
DEDICATED APPROPRIATIONS:											
FEDERAL	130.0	247.0	232.1								
TOTAL FINANCING	263.6	319.0	304.1	72.0	184.8	256.8	72.0	202.8	274.8	256.8	274.8
POSITIONS BY FUND											
GENERAL	2.0										
FEDERAL		2.0									
TOTAL POSITIONS	2.0	2.0									

GRANTS AND AIDS ANALYSIS FOR: COMPREHENSIVE SERVICES FOR
INDEPENDENT LIVING 1983-85 Biennial Budget

Activity: COMPREHENSIVE SERVICES FOR INDEPENDENT LIVING
Program: VOCATIONAL REHABILITATION
Agency: ECONOMIC SECURITY, DEPARTMENT OF
Statutory References:

PURPOSE: The purpose of these grants as authorized within Title VII of the Rehabilitation Amendments of 1978 is to establish and maintain Centers for Independent Living that will provide, promote and/or coordinate independent living services to persons with severe disabilities to assist them in preparing for the Vocational Rehabilitation program and/or train and assist them to live more independently if employment proves unfeasible. The Centers also provide leadership, consultation and resources to the communities they serve to enable various community groups to respond to the independent living needs as requested by persons with severe disabilities.

RECIPIENT ELIGIBILITY: Centers for Independent Living are selected and funded through contracts with DVR if they are operated by consumer-directed, private non-profit organizations established for the purpose of providing independent living services to persons with severe disabilities. The majority (at least 51%) of each Center's Board of Directors must be persons with severe disabilities, their parents or spouses. Contracts for new Centers are awarded on the basis of competitive bidding.

SCOPE OF SERVICES: Centers for Independent Living provide services to persons with severe disabilities so that they may live more independently in their homes and communities. In order to live independently, these persons must have a) accessible, affordable housing; b) accessible, affordable transportation for work and participation in community affairs; and c) a source of income through competitive or sheltered work or income maintenance monies. To meet these needs, DVR requires the Centers to provide certain specified services. The Centers record each service provided as a "service unit." The services are as follows:

1. Intake - Center staff assist disabled persons to evaluate their requirements in order to live more independently and develop an individual plan with each person served.
2. Housing Assistance - Center staff refer persons to accessible, affordable housing; maintain information on locations, costs and occupancy; intervene as needed on behalf of individuals; and work with community groups to develop more accessible housing. (The Centers record approximately 34% of their service units as "housing assistance.")
3. Transportation Assistance - Centers assist disabled persons in obtaining accessible transportation and work with community groups to expand the availability of accessible transportation (recorded as 3% of service units).
4. Attendant Care Services - Centers maintain registries of available attendants, provide attendant training and train disabled persons in the best use of attendants (9% of service units).
5. Employment Referral - Centers refer disabled persons to agencies and organizations, such as DVR field offices, that can help them find or prepare for jobs (5% of service units).
6. Peer Counseling - Centers train disabled persons to help other newly disabled persons adjust to their disabilities, and to give them information on living with a

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:405-60-70-000-01	
	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO NONGOV'T ORGNZTNS							
GENERAL	100.0	72.0	72.0	256.8	274.8	256.8	274.8
FEDERAL	130.0	228.0	228.0				
SUBTOTAL	230.0	300.0	300.0	256.8	274.8	256.8	274.8

ALL RECIPIENTS BY FUND							
GENERAL	100.0	72.0	72.0	256.8	274.8	256.8	274.8
FEDERAL	130.0	228.0	228.0				
TOTAL	230.0	300.0	300.0	256.8	274.8	256.8	274.8

- disability (5% of service units).
7. Advice and Referral for Legal Assistance and Economic Benefits - Centers maintain public program eligibility information and help disabled persons obtain benefits to which they may be entitled (7% of service units).
 8. Service Coordination - Centers help disabled persons obtain and coordinate the assistance they may require from other human service programs (11% of service units).

Other services provided include low cost wheelchair repair service and information on religious, recreational, and social activities (11% of service units).

Centers also serve as resources to the non-disabled by providing information on how buildings or vehicles may be made accessible and how the needs of disabled persons can be met (15% of service units).

ALLOCATION OF FUNDS: There is no established formula currently used for allocating these funds. To assure the continued financial stability of the 3 existing Centers, DVR will allocate funds during this biennium in the following manner:

1. Fifty percent of the funds available will be allocated to the Metropolitan Center for Independent Living to subsidize up to 80% of their program costs in 1983-85.
2. Twenty-five percent of the funds available will be allocated to the Rochester Center for Independent Living to subsidize up to 80% of their program costs for 1983-85.
3. Twenty-five percent of the funds available will be allocated to the Rural Enterprises for Acceptable Living to subsidize up to 80% of their program costs for 1983-85.

All Centers funded will complete contracts with DVR to ensure sound financial management and adherence to accepted program standards.

GRANTS AND AIDS ANALYSIS FOR: COMPREHENSIVE SERVICES FOR
 (Continuation) INDEPENDENT LIVING 1983-85 Biennial Budget
 Activity: COMPREHENSIVE SERVICES FOR INDEPENDENT LIVING
 Program: VOCATIONAL REHABILITATION
 Agency: ECONOMIC SECURITY, DEPARTMENT OF

<u>SIGNIFICANT STATISTICS:</u>	<u>Actual</u> <u>F.Y. 1981</u>	<u>Actual</u> <u>F.Y. 1982</u>	<u>Estimated</u> <u>F.Y. 1983</u>	<u>Obj./Est.</u> <u>F.Y. 1984</u>	<u>Obj./Est.</u> <u>F.Y. 1985</u>
Number of Independent Living Centers funded	3	3	3	3	3
Number of persons provided services through the 3 existing Independent Living Centers	0	1,003	1,254	1,567	1,959

EXPLANATION OF BUDGET REQUEST: State funds are requested at the change level of \$387.6 for 1983-85 based on the need to continue financing the 3 existing Independent Living Centers at 80% of their 1983 funding level, adjusted by prescribed inflationary increases for 1983-85.

GOVERNOR'S RECOMMENDATION: The Governor concurs with the agency's request to achieve the 1983-85 objectives.

ACTIVITY: REGIONAL SERVICE CENTERS FOR THE HEARING IMPAIRED 1983-85 Biennial Budget
Program: VOCATIONAL REHABILITATION
Agency: ECONOMIC SECURITY, DEPARTMENT OF

ACTIVITY DESCRIPTION: This activity provides comprehensive human services for hearing impaired persons of all ages as mandated by the Hearing Impaired Services Act (M.S. 256C). These services are delivered statewide through a network of Regional Service Centers, geographically dispersed and co-located with DVR field offices (as required by statute). Five Regional Centers and 6 satellites are operational at the following locations: Duluth/Virgina; Mankato/Rochester, Faribault; Minneapolis/St. Paul; St. Cloud/Brainerd; Fergus Falls/Bemidji and Crookston. The staff at these Centers provide the following services within their geographic area: counseling; technical assistance to individuals and agencies; information about hearing impairments to deaf and hard of hearing individuals, families, relatives, friends, and the general community; training for referring agencies; referral services; outreach; advocacy; loan of specialized equipment and interpreter referral services. The Centers serve as a single point of entry into the human service system for hearing impaired persons. The Department of Public Welfare assigns one staff person per Center to assist with outreach and welfare-related problems. This activity also funds a statewide Interpreter Referral Service through a yearly grant to a private non-profit agency.

ACTIVITY OBJECTIVES:

1. To serve as a regional entry point for hearing impaired persons needing help in the human service area.
2. To assist other human service agencies in developing their capacity and capability to provide services to hearing impaired persons.
3. To operate specialized equipment loan and resource libraries for hearing impaired persons accessible throughout the state.
4. To ensure that interpreter referral services are available to hearing impaired persons on a statewide basis.

ACTIVITY STATISTICS:

<u>Objective No.</u>	<u>Actual F.Y. 1981</u>	<u>Actual F.Y. 1982</u>	<u>Estimated F.Y. 1983</u>	<u>Obj./Est. F.Y. 1984</u>	<u>Obj./Est. F.Y. 1985</u>
1. Number of assistance and information services provided	466	1,436	1,600	1,800	1,900
2. Number of interpreter referrals					
metropolitan	2,543	3,125	3,500	3,500	3,500
non-metropolitan	112	673	1,000	1,200	1,200
3. Number of equipment loans made	34	413	500	550	600
4. Number of agencies receiving training and/or technical assistance	109	432	550	500	400

<u>ACTIVITY GENERATES NON-DEDICATED REVENUE</u>	<u>ACTUAL F.Y. 1981</u>	<u>ACTUAL F.Y. 1982</u>	<u>ESTIMATE F.Y. 1983</u>	<u>ESTIMATE F.Y. 1984</u>	<u>ESTIMATE F.Y. 1985</u>
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

MAJOR TRENDS/ISSUES: As a result of the Rubella epidemic in the 1960's a large number of children were born with multiple disabilities, almost all with hearing impairments. This resulted in a 300% short-term increase in the incidence of hearing impairment. This group of persons is referred to as the "Rubella Bubble". Most of these children are now moving into the world of work or the higher education system. The demand for interpreter services and vocational rehabilitation services for persons with hearing impairments is anticipated to increase in the next biennium (F.Y. 1986-88).

The 1982 Special Session III reduced this activity by \$130,000 for S.F.Y. 1983. If these funds are not restored, the statewide network of Regional Service Centers will not be completed as intended in M.S. 256C.

EXPLANATION OF BUDGET REQUEST: State funds are requested at the change level of \$260.0 to restore funds reduced by the 1982 Special Session III so that the statewide Regional Service Center Network can be implemented and maintained at the previously authorized level. State funds are requested at the change level of \$17.0 for 1983-85 to meet increased costs of Interpreter Referral Services, including the emergency interpreter needs fund, as described in the Grants and Aids Analysis.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the agency's request with the following exception :

An additional biennial appropriation of \$17.0 is not recommended for interpreter referral services. It is suggested that funds be made available from other areas of the activity for this purpose.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: REG SVC CTRS HEARING IMPAIR

PROGRAM: VOCATIONAL REHABILITATION

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	50.7	153.4	403.0	414.0	130.0	544.0	414.0	130.0	544.0	544.0	544.0
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	.3										
-PREMIUM PAY											
-OVERTIME PAY	.4	1.7									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	51.4	155.1	403.0	414.0	130.0	544.0	414.0	130.0	544.0	544.0	544.0
EXPENSES & CONTRACTUAL SERVICES	16.9	22.5	59.5	59.5		59.5	64.0		64.0	59.5	64.0
SUPPLIES & MATERIALS	2.3	9.0	10.5	7.5		7.5	8.0		8.0	7.5	8.0
EQUIPMENT	19.7	31.2	50.0	15.0		15.0	16.0		16.0	15.0	16.0
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	51.0	61.3	71.1	71.1	8.5	79.6	71.1	8.5	79.6	71.1	71.1
OTHER EXPENSE ITEMS	5.2	11.0	37.8	38.0		38.0	38.4		38.4	38.0	38.4
TOTAL EXPENDITURES	146.5	290.1	631.9	605.1	138.5	743.6	611.5	138.5	750.0	735.1	741.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	138.4	216.4	474.1	485.1	138.5	623.6	485.1	138.5	623.6	615.1	615.1
DEDICATED APPROPRIATIONS:											
FEDERAL	8.1	73.7	157.8	120.0		120.0	126.4		126.4	120.0	126.4
TOTAL FINANCING	146.5	290.1	631.9	605.1	138.5	743.6	611.5	138.5	750.0	735.1	741.5
POSITIONS BY FUND											
GENERAL	8.0	16.0	25.0	25.0		25.0	25.0		25.0	25.0	25.0
TOTAL POSITIONS	8.0	16.0	25.0	25.0		25.0	25.0		25.0	25.0	25.0

GRANTS AND AIDS ANALYSIS FOR: INTERPRETER SERVICES

1983-85 Biennial Budget

Activity: REGIONAL SERVICE CENTERS FOR THE HEARING IMPAIRED
Program: VOCATIONAL REHABILITATION
Agency: ECONOMIC SECURITY, DEPARTMENT OF
Statutory References: M.S. Chapter 256C.25

PURPOSE:

The purpose of the grant provided under this authority is to develop, implement and operate a statewide interpreter referral service, pursuant to the provisions of M.S. 256C.25. The statute specifies that this service be provided by contract.

Funds in this grant authority are used to: 1) establish and maintain a statewide directory of interpreters who have received appropriate training and certification and who provide interpreter services for a fee; 2) provide technical assistance to the Regional Service Centers in non-metropolitan locations in implementing and operating an Interpreter Referral component of the Center; 3) assess the present and projected supply and demand for interpreter services statewide; 4) provide interpreter referral services throughout the seven county metropolitan area; and 5) pay, in rare cases, for the interpreter service fee in emergency situations where an interpreter is needed but neither the hearing impaired person nor the service providing agency is able to pay.

RECIPIENT ELIGIBILITY:

M.S. 256C.25 requires contracting with an appropriate organization to provide interpreter referral services. In order to determine the most appropriate grantee, a Request for Proposals was sent to organizations involved in related services for hearing impaired persons. The grant was also announced in the State Register in the spring of 1981. The Minnesota Foundation for Better Hearing and Speech was chosen as the service provider because of the quality of their proposal and their demonstrated effectiveness in providing related services for hearing impaired persons.

The grantee submits an annual application, listing objectives, methodology and a budget detailing their proposed expenditures, within pre-determined budget limits. The grant is negotiated, approved, and processed prior to the advancement of the first quarter payment. Quarterly activity and expenditure reports are submitted and upon approval, subsequent quarterly advancements are made.

SIGNIFICANT STATISTIC:	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Number of interpreter referrals made in metro area	2,543	3,125	3,500	3,500	3,500

EXPLANATION OF AGENCY ESTIMATES:

State funds are requested at the change level of \$17.0 for 1983-85 in order to meet the

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:405-60-71-000-01	
	ACTUAL FY1981	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *			* * *		
		ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES FY1984	FY1985	RECOMMENDATIONS FY1984	FY1985
G & A TO NONGOVT ORGNZTNS GENERAL	51.0	61.3	71.1	79.6	79.6	71.1	71.1
SUBTOTAL	51.0	61.3	71.1	79.6	79.6	71.1	71.1

ALL RECIPIENTS BY FUND GENERAL	51.0	61.3	71.1	79.6	79.6	71.1	71.1
TOTAL	51.0	61.3	71.1	79.6	79.6	71.1	71.1

EXPLANATION OF AGENCY ESTIMATES: (Contd.)

costs for state-mandated interpreter referral services which are greater than projected when the 1981-83 biennial budget was submitted. This request includes \$2.0 for the biennium for emergency interpreter services.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding rather than the agency's change level for this activity.

ACTIVITY: ADMINISTRATION
Program: VOCATIONAL REHABILITATION
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: This activity is responsible for the central administration of the Vocational Rehabilitation Program. Its functions include: 1) defining the scope of the program; 2) establishing policies; 3) obtaining and allocating program resources; and 4) providing the administrative direction, support, and analytical services necessary to operate the program. Specific responsibilities include: 1) conducting program evaluation; 2) providing technical assistance to field staff; 3) providing liaison to federal, state, local and other agencies and consumers; 4) providing direction, technical assistance and grants to private non-profit rehabilitation facilities and sheltered workshops; and 5) conducting program planning and development necessary for the program to respond to a changing environment. The Vocational Rehabilitation program is committed to controlling administrative costs and consequently, has reduced its central administrative staff in proportion to program funding reductions.

ACTIVITY OBJECTIVES: To continue efforts to control and reduce, where possible, administrative costs; maximize the use of program personnel; and ensure the efficient allocation of resources to program activities; the agency will be: 1) implementing a decentralized electronic data processing system, 2) developing and implementing a Human Resources Planning system, 3) establishing an administrative cost control system, 4) utilizing cost/benefit measures, and 5) developing interagency agreements with other human service agencies.

ALTERNATIVES/BUDGET ISSUES: Cost containment will continue to be a major priority for the next biennium. Our current and continuing objective is to maintain and improve levels of service to clients. Savings achieved through administrative cost controls will allow more funds to be channeled to direct client service activities. Interagency agreements with other human service agencies are designed to maximize the use of each program's resources in a cost-efficient and nonduplicative fashion.

EXPLANATION OF BUDGET REQUEST: This activity's costs have been reallocated to the operating budget activities of this program. No state appropriation is requested for this activity. This program's Budget Activity Fiscal Summaries do not contain program costs that have been transferred from our budget allocation to other state agencies. These transfers are reflected only in the program budgets of these other agencies. The following table indicates the transfers for each of the years shown on our financial summary.

Transfer of Funds to Other State Agencies

Department/Purpose	F.Y. 1981	F.Y. 1982	FY. 1983	FY. 1984	F.Y. 1985
Education					
Library Services	\$25,551	\$16,000	\$23,000	\$23,500	\$24,000
Indirect Costs: Depts of					
Administration/Finance/					
Personnel	\$334,816	\$302,045	\$274,861	\$250,124	\$227,613

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

Transfer of Funds to Other State Agencies

Department/Purpose	F.Y. 1981	F.Y. 1982	FY. 1983	FY. 1984	F.Y. 1985
St. Cloud State College	\$0	\$22,324	\$0	\$0	\$0
Mankato State College	\$0	\$19,740	\$0	\$0	\$0

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: ADMINISTRATION

PROGRAM: VOCATIONAL REHABILITATION

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	852.4	830.7	959.0	978.6		978.6	978.6		978.6	978.6	978.6
-REGULAR UNCLASSIFIED	72.7	64.2									
-PART-TIME/SEAS./OTHER	10.5	15.5									
-PREMIUM PAY											
-OVERTIME PAY	.7										
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.3	2.6									
TOTAL PERSONAL SERVICES	936.6	913.0	959.0	978.6		978.6	978.6		978.6	978.6	978.6
EXPENSES & CONTRACTUAL SERVICES	274.6	305.4	412.8	327.9		327.9	338.9		338.9	327.9	338.9
SUPPLIES & MATERIALS	17.0	12.5	9.8	10.4		10.4	11.1		11.1	10.4	11.1
EQUIPMENT	12.5	9.8	61.2	61.9		61.9	57.7		57.7	61.9	57.7
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS	1,240.7-	1,240.7-	1,442.8-	1,378.8-		1,378.8-	1,386.3-		1,386.3-	1,378.8-	1,386.3-
TOTAL EXPENDITURES											
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING											
POSITIONS BY FUND											
FEDERAL	44.5	34.5	34.5	34.5		34.5	34.5		34.5	34.5	34.5
TOTAL POSITIONS	44.5	34.5	34.5	34.5		34.5	34.5		34.5	34.5	34.5

PROGRAM: TRAINING AND COMMUNITY SERVICES
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM PURPOSE: The Training and Community Services Division provides services to meet the needs of economically disadvantaged and unemployed Minnesotans. The Division administers 4 separate programs including: Greater Minnesota Job Training Programs (formerly Balance of State CETA); Office of Economic Opportunity; Energy Assistance; and Weatherization.

The purpose of the Greater Minnesota Job Training Programs (GMJTP) is to provide job training and employment opportunities for economically disadvantaged, unemployed, and underemployed persons; and to assure that training and other services lead to maximum employment opportunities and enhance self-sufficiency of the individuals served.

The primary purpose of the Office of Economic Opportunity (OEO) is to administer the federal Community Services Block Grant, and the Minnesota Economic Opportunity Act as well as provide information, technical assistance and support to local agencies delivering federal and state economic opportunity programs. It funds, assists, and promotes activities of Community Action Agencies, Community Development Corporations, the Minnesota Migrant Council, Indian Reservations, and other organizations seeking to upgrade the socio-economic status of low-income Minnesotans.

The primary purpose of the Energy Assistance Program (EAP) is to decrease the burden on low-income households of ever-increasing energy costs through direct assistance and conservation activities. Direct assistance consists of payments to suppliers of energy related goods and services; or when appropriate, payments to households. Conservation activities consist of funding alternative energy projects, developing and administering conservation related programs, and the funding of the state weatherization program. Data collection and analysis provides an information base for planning and delivering other human service programs. The EAP program is available through a network of delivery agencies under contract with the department.

The purpose of the residential Weatherization Program is to provide low-income residents of Minnesota with physical improvements to their homes that will provide long-term reduction in the use of fuels to heat those homes.

CURRENT OPERATIONS: This program is comprised of 4 offices -- Greater Minnesota Job Training Programs, Office of Economic Opportunity, Energy, Weatherization -- and is administered by the Assistant Commissioner for Training and Community Services.

The Greater Minnesota Job Training Programs office is 1 of 10 Job Training and Partnership Act prime sponsors in Minnesota. It operates in 51 rural counties including Economic Development Region 1 and Regions 6 through 10. The Greater Minnesota Job Training Programs activities include vocational training, work experience, on-the-job training, job development, supportive services, and special projects for youth, displaced homemakers, people with handicaps and ex-offenders. These services are delivered to approximately 10,000 clients annually.

Twenty Six Community Action Agencies and 11 Indian Reservation Governments are subgrantees of the Offices of Economic Opportunity, Weatherization, and Energy Assistance. In addition to the above, 19 counties serve as subgrantees of the Energy Assistance Program also 3 counties for the Weatherization program. Each office is responsible for training and technical assistance, monitoring and grant administration of their respective programs

CLIENTELE: The clientele of these programs are low-income Minnesotans, the unemployed and underemployed. Many of these persons are eligible for several of the department's services.

BUDGET ISSUES: The 2 activities which involve state budget requests are the state Office of Economic Opportunity (OEO) and Weatherization.

The Office of Economic Opportunity is the grantee of record for Community Action Agencies and grants funds to Community Action Agencies and Indian Reservation Governments in accordance with the Minnesota Community Action Act. A change request for additional funds is included for 2 new types of grantees which are now eligible for the state grants -- the Minnesota Migrant Council and 6 counties which previously did not have a designated Community Action Agency. Also a base level of funding is requested for the 11 Indian Reservation Governments.

In addition, a 5% inflationary increase for the 26 Community Action Agencies and 1 additional position for the state office are requested. The CAA's formerly received an annual federal appropriation of \$9,600.0. Agencies are funded at a \$3,300.0 level for F.Y. 1982. The OEO office has increased responsibilities to administer both state and federal funds and to ensure compliance with the Minnesota Community Action Act and the Community Services Block Grant Act. Federal funding is estimated to remain at the same level or slightly lower for F.Y. 1983 - F.Y. 1985 as authorized by Public Law 97-35, title VI, subtitle B.

The key budget issue in the Weatherization program is how to complete the weatherization of the majority of remaining low-income households as rapidly as possible in order to save energy and reduce costs for low-income households.

Therefore, 99% of the 100,000 households at 125% poverty level can be completed by 1985 with a combination of federal funds, an increase in staff, and maintaining state funds of approximately the same level as in the current biennium. The federal funds are estimated on the historic appropriation pattern and information received from the National Department of Energy, Weatherization Office.

PROGRAM: TRAINING AND COMMUNITY SERVICES

1983-85 Biennial Budget

(Continuation)

Agency: ECONOMIC SECURITY, DEPARTMENT OF

EXPLANATION OF BUDGET REQUEST: Office of Economic Opportunity (O.E.O.)

This program requests for OEO an additional 1.0 FTE position in the F.Y. 84 and F.Y. 85 biennium, and a change level increase of \$27.5 and \$29.6 for F.Y.1984 and F.Y.1985 respectively for this position and its related costs.

The additional position should provide the necessary support OEO needs to fulfill the state's increased responsibility in ensuring agency compliance with the Community Action Act.

It is requested that OEO's state funding for subgrantees be increased \$252.3 in F.Y. 1984 and \$317.2 in F.Y. 1985. It is also requested that the 1982 Special Session III appropriation reductions of \$37.3 for each year of the biennium be restored as funding to subgrantees.

Weatherization Program. This program requests for Weatherization as additional 1.0 FTE position in the F.Y. 1984-F.Y. 1985 biennium, and a change level increase of \$33.0 and \$35.1 for F.Y. 1984 and F.Y. 1985 respectively, on this position and its related costs.

This additional position should provide the necessary support Weatherization needs in the areas of program management, training and monitoring.

It is also requested that the Weatherization Program have restored to it the appropriation reductions of \$264.3 for each year of the biennium that were made by the 1982 Special Session III. This restoration would be used for subgrantee funding. Because this program activity relies on the timing of federal funds, state funding will be used to fill in the gaps by utilizing the option of carry-forward carry-back if a legislative provision for this provisions is passed.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding with the following exceptions:

- 1) Adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.
- 2) The Governor recommends increased funding of \$52.0 for F.Y. 1984 and \$106.6 for F.Y. 1985 to reflect a 5% inflation increase on previous biennial budget grant amounts adjusted by cuts.
- 3) The Governor recommends 1 additional position and \$33.0 for F.Y. 1984 and \$35.1 for F.Y. 1985 for the Weatherization program.

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: TRAINING & COMMUNITY PROGRA

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
GREATER MI JOB TRNG PROGRMS	20,796.5	12,132.3	12,516.4	12,953.1		12,953.1	12,444.7		12,444.7	12,953.1	12,444.7
ECONOMIC OPPORTUNITY PROG	1,827.1	1,544.3	7,086.4	7,006.6	317.1	7,323.7	7,012.9	384.1	7,397.0	7,058.6	7,119.5
ENERGY ASSISTANCE	67,248.8	76,403.5	74,273.2	74,318.7		74,318.7	74,349.9		74,349.9	74,318.7	74,349.9
WEATHERIZATION PROGRAMS	27,937.0	16,617.3	27,009.7	23,744.2	297.3	24,041.5	16,545.7	299.4	16,845.1	23,776.7	16,579.6
TOTAL	117,809.4	106,697.4	120,885.7	118,022.6	614.4	118,637.0	110,353.2	683.5	111,036.7	118,107.1	110,493.7
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	8,059.3	6,086.5	8,106.2	8,440.3	47.5	8,487.8	8,440.3	50.1	8,490.4	8,465.4	8,466.8
EXPENSES & CONTRACTUAL SERVICES	1,139.1	1,692.6	1,439.3	1,540.2	10.6	1,550.8	1,647.8	11.2	1,659.0	1,545.6	1,652.9
SUPPLIES & MATERIALS	93.8	48.8	58.1	63.0	1.2	64.2	67.4	1.7	69.1	64.0	68.5
EQUIPMENT	56.6	67.9	74.0	78.0	1.2	79.2	83.4	1.7	85.1	79.0	84.6
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	108,374.6	98,801.6	111,196.1	107,888.5	553.9	108,442.4	100,101.7	618.8	100,720.5	107,940.5	100,208.3
OTHER EXP ITEMS	86.0		12.0	12.6		12.6	12.6		12.6	12.6	12.6
TOTAL EXPENDITURES	117,809.4	106,697.4	120,885.7	118,022.6	614.4	118,637.0	110,353.2	683.5	111,036.7	118,107.1	110,493.7
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	12,580.1	11,333.8	1,337.8	5,079.6	614.4	5,694.0	7,081.1	683.5	7,764.6	5,164.1	7,221.6
DEDICATED APPROPRIATIONS:											
FEDERAL	105,229.3	95,363.6	119,547.9	112,943.0		112,943.0	103,272.1		103,272.1	112,943.0	103,272.1
TOTAL FINANCING	117,809.4	106,697.4	120,885.7	118,022.6	614.4	118,637.0	110,353.2	683.5	111,036.7	118,107.1	110,493.7
POSITIONS BY FUND:											
GENERAL	13.0	9.0	7.0	9.0	2.0	11.0	9.0	2.0	11.0	10.0	10.0
FEDERAL	319.0	306.0	262.0	262.0		262.0	262.0		262.0	262.0	262.0
TOTAL POSITIONS	332.0	315.0	269.0	271.0	2.0	273.0	271.0	2.0	273.0	272.0	272.0

4-0563

ACTIVITY: GREATER MINNESOTA JOB TRAINING PROGRAMS (formerly 1983-85 Biennial Budget
Program: TRAINING AND COMMUNITY SERVICES Balance of State CETA)
Agency: ECONOMIC SECURITY, DEPARTMENT OF

ACTIVITY DESCRIPTION: As the State's largest prime sponsor, Greater Minnesota Job Training Programs (GMJTP's) delivers job training services through the Job Training and Partnership Act of 1983. The Greater Minnesota Job Training Program presently provides on-the-job, classroom training, job opportunities, and employment counseling for the economically disadvantaged, unemployed, and underemployed persons in the economic development regions 1 and 6-10 (comprised of 51 counties). The services are delivered via 13 Job Training Offices and more than 2,000 subgrants. These activities are supported through federal funds made available to the Governor under The Job Training and Partnership Act of 1983. A brief description of Job Training and Partnership Act of 1983 programs follows:

Title I -- Administrative Provisions: This title includes administrative and other general provisions that apply to all Job Training and Partnership Act programs. All administrative funds are available through this title.

Title IIA -- Training Services For the Disadvantaged: Provides services for the economically disadvantaged including insitutional, on-the-job training, job opportunities, job search assistance employment counseling and supportive services.

Title IIB -- Summer Youth Programs: These programs provide a wide range of training, career development, and employment services designed to improve the employability of youth. Eligibility varies but generally participants must be between 14 and 21 and low income.

Title III -- Employment Assistance For Dislocated Workers.

ACTIVITY OBJECTIVES:

1. Increase the placement of youth in private sector training programs by relying on the Private Industry Council (PIC) for advice on the need of the private sector for skilled employees.
2. To improve planning, private sector input, and reduce costs associated with the support of Greater Minneosta Job Training Program Council.
3. To assess current job training services and effectively adjust activities to deliver services under the new job training legislation. (Job Training and Partnership Act).
4. Achieve the full utilization of the self-directed job search activity to reduce the cost of services while increasing the number of placements.
5. To consider seeking and obtaining other public and private funds in order to deliver effective services within The Greater Minnesota Job Training Program area.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

6. Redesign and implement a program evaluation system based on revised performance standards to improve subgrantee performance and the quality of services to participants.

ACTIVITY STATISTICS:

	Actual F.Y.1981	Actual F.Y.1982	Estimate F.Y. 1983	Estimate F.Y. 1984	Estimate F.Y.1985
Total Participants	13,948	9,777	9,170	8,712	8,275
Youth Participants (21 and under)	4,734	2,803	2,751	2,614	2,482
Percent Positive Terminations*	80	82	85	87	90
Average Wages at Placement	\$ 4.50	\$ 4.73	\$ 4.97	\$ 5.22	\$ 5.48

*Positive Termination -- A participant is considered positively terminated if one of the three following results has occurred:

1. Placed in unsubsidized employment.
2. Entered a employment/training program not funded under grant or a grant funded program not operated by the same prime sponsor.
3. Completed a program objective(s) not involving entrance into unsubsidized employment.

EXPLANATION OF BUDGET REQUEST: No state funds requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: GREATER MN JOB TRNG PROGRMS

PROGRAM: TRAINING & COMMUNITY PROGRA

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	3,476.9	3,134.7	4,491.9	4,739.1		4,739.1	4,739.1		4,739.1	4,739.1	4,739.1
-REGULAR UNCLASSIFIED	236.7	47.5	51.5	51.5		51.5	51.5		51.5	51.5	51.5
-PART-TIME/SEAS./OTHER	3,650.2	1,968.3	1,600.0	1,633.3		1,633.3	1,633.3		1,633.3	1,633.3	1,633.3
-PREMIUM PAY											
-OVERTIME PAY	8.9	1.4									
-MISCELLANEOUS PAYROLL	6.0	9.0	410.7	410.7		410.7	410.7		410.7	410.7	410.7
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	7,378.7	5,160.9	6,554.1	6,834.6		6,834.6	6,834.6		6,834.6	6,834.6	6,834.6
EXPENSES & CONTRACTUAL SERVICES	816.7	996.2	792.6	848.2		848.2	907.6		907.6	848.2	907.6
SUPPLIES & MATERIALS	77.8	41.0	26.0	27.8		27.8	29.8		29.8	27.8	29.8
EQUIPMENT	45.1	44.6	48.5	51.9		51.9	55.5		55.5	51.9	55.5
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	12,478.2	5,889.6	5,095.2	5,190.6		5,190.6	4,617.2		4,617.2	5,190.6	4,617.2
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	20,796.5	12,132.3	12,516.4	12,953.1		12,953.1	12,444.7		12,444.7	12,953.1	12,444.7
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
DEDICATED APPROPRIATIONS:											
FEDERAL	20,796.5	12,132.3	12,516.4	12,953.1		12,953.1	12,444.7		12,444.7	12,953.1	12,444.7
TOTAL FINANCING	20,796.5	12,132.3	12,516.4	12,953.1		12,953.1	12,444.7		12,444.7	12,953.1	12,444.7
POSITIONS BY FUND											
FEDERAL	249.0	249.0	210.0	210.0		210.0	210.0		210.0	210.0	210.0
TOTAL POSITIONS	249.0	249.0	210.0	210.0		210.0	210.0		210.0	210.0	210.0

4-0565

GRANTS AND AIDS ANALYSIS FOR:

1983-85 Biennial Budget

Activity: GREATER MINNESOTA JOB TRAINING PROGRAMS (formerly Balance of State CETA)
Program: TRAINING AND COMMUNITY SERVICES
Agency : ECONOMIC SECURITY, DEPARTMENT OF
Statutory References:

PURPOSE: The Greater Minnesota Job Training Programs (GMJTP's) provides a comprehensive job training program to 51 counties. In addition to 13 Job Training Offices, it provides subgrants to 7 Community Action Agencies for provision of services to youth.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Program staff compile lists of community organizations in their areas who are interested in delivering training programs. All community-based organizations (CBO'S) which are considered to have demonstrated these effectiveness and listed are notified of planned activities and the availability of funds so that they may make official application to deliver the services.

All bids and applications are reviewed by the Job Training Councils (JTC's). The prime considerations of the JTC's are to avoid duplication, and to provide the highest quality of service at the least cost.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Funds are allocated to program operators in accordance with the same methodology used by the Department of Labor to allocate funds to the State for each title of the new Job Training Partnership Act of 1983. Labor market information regarding unemployment and population are among the contributing factors to the formula.

SIGNIFICANT STATISTICS:

- a. Recipients by Type: 7 community action agencies will be allocated approximately \$3,000.0 to deliver youth programs in F.Y. 1983.
- b. Average Grant Amounts: Grant amounts vary by title, geographical area and formula. The average allocation per subgrantee is \$425.0.
- c. Supplemental Funding Sources: No supplemental funding sources exist. However, Job Training Offices through local service teams utilize the best available expertise from such sources as Vocational Rehabilitation, Job Service, Department of Education, School Boards, AVTI'S, and other local social services agencies.

	Actual	Actual	Estimate	Estimate	Estimate
	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
d. Federal revenue sources:	\$12,478.2	\$5,889.6	\$5,095.2	\$5,190.6	\$4,617.2

EXPLANATION OF AGENCY ESTIMATES: Agency estimates are based on projected funding levels for future years and reductions in federal support of state level activities. It is assumed that program operators will remain the same throughout the biennium.

EXPLANATION OF BUDGET REQUEST: No state funds requested.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:405-90-91-000-01
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
CARE OF PERSONS FEDERAL		165.2					
SUBTOTAL		165.2					
OTHER AIDS TO INDIVIDUALS FEDERAL	235.8	626.4					
SUBTOTAL	235.8	626.4					
G & A TO CITIES & TOWNS FEDERAL	2,058.4	1.2					
SUBTOTAL	2,058.4	1.2					
G & A TO COUNTIES FEDERAL	1,173.8	2.4					
SUBTOTAL	1,173.8	2.4					
G & A TO SCHOOL DISTRICTS FEDERAL	726.1	190.9					
SUBTOTAL	726.1	190.9					
G & A TO NONGOVT ORGNZTNS FEDERAL	8,284.1	4,903.5	5,095.2	5,190.6	4,617.2	5,190.6	4,617.2
SUBTOTAL	8,284.1	4,903.5	5,095.2	5,190.6	4,617.2	5,190.6	4,617.2
ALL RECIPIENTS BY FUND FEDERAL	12,478.2	5,889.6	5,095.2	5,190.6	4,617.2	5,190.6	4,617.2
TOTAL	12,478.2	5,889.6	5,095.2	5,190.6	4,617.2	5,190.6	4,617.2

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

ACTIVITY: ECONOMIC OPPORTUNITY PROGRAMS
 Program: TRAINING AND COMMUNITY SERVICES
 Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: This activity encompasses authorities for the federal Community Services Block Grant, the Minnesota Community Action Act, and for the provision of information, technical assistance and administrative support to local grantees of federal and state community action program funds. The office provides funds and assistance to Community Action Agencies (CAA's), Community Development Corporations, the Minnesota Migrant Council, and Reservation Governments to upgrade the socio-economic status of and enhance self-sufficiency among low-income Minnesotans. Low-income issues are analyzed and new program initiatives are developed which provide resources to the state and local communities.

MAJOR OBJECTIVES:

1. Administer the federal Community Services Block Grant, the Minnesota Economic Opportunity Grant and other authorized grants for community action activity.
2. Ensure compliance with the Minnesota Community Action Act by existing Community Action Agencies, in the recognition of new Community Action Agencies, and the maintenance of grantee records.
3. Assist existing and new Community Action Agencies to provide community action program activity in all counties of the state.
4. Assist Reservation Governments to provide community action program activity in coordination with the Indian Affairs Intertribal Board.
5. Assist the Minnesota Migrant Council to address the particular needs of migrant and seasonal farmworkers throughout Minnesota.
6. Seek adequate resources and administer the U.S. Department of Agriculture (USDA) surplus commodities through a comprehensive local distribution network.
7. Increase private incentive for alternative energy development and energy self-sufficiency for low-income households.
8. Compile, analyze and disseminate information regarding the status and impact of anti-poverty programs statewide and current relevant demographics of low income populations.

<u>ACTIVITY STATISTICS:</u>	<u>Actual</u> <u>F.Y. 1981</u>	<u>Actual</u> <u>F.Y. 1982</u>	<u>Estimate</u> <u>F.Y. 1983</u>	<u>Estimate</u> <u>F.Y. 1984</u>	<u>Estimate</u> <u>F.Y. 1985</u>
Number of Grantees Recognized	33	33	38	40	40
Counties in CAA Network	81	81	82	87	87
Number of Households Served	N/A	125,000	155,000	160,000	140,000
Number of Individuals Served	N/A	430,000	430,000	445,000	400,000
Surplus Commodities					
Number of Households	-0-	140,000	190,000	210,000	220,000
Number of Individuals	-0-	300,000	450,000	475,000	500,000
Agency Board Representations					
Public Officials	-0-	210	201	206	210
Private Organizations	231	164	168	172	172
Low Income	231	223	228	232	232

<u>ACTIVITY GENERATES</u> <u>NON-DEDICATED REVENUE</u>	<u>ACTUAL</u> <u>F.Y. 1981</u>	<u>ACTUAL</u> <u>F.Y. 1982</u>	<u>ESTIMATE</u> <u>F.Y. 1983</u>	<u>ESTIMATE</u> <u>F.Y. 1984</u>	<u>ESTIMATE</u> <u>F.Y. 1985</u>
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

RECENT BUDGET HISTORY: F.Y. 1982 has been the transition from federal to state - in accordance with the Minnesota Community Action Act - responsibility for funding community action activity. Formerly, the Federal Community Services Administration funded local agencies and the State Office of Economic Opportunity directly according to provisions of the Economic Opportunity Act of 1964.

The Community Services Block Grant has replaced and consolidated the previous federal funding at approximately one-third of the previous levels.

BUDGET ISSUES: Minnesota's Community Action Agencies (CAA's) formerly funded federally at an annual level of \$9,600.0 million, due to reductions are currently funded at \$3,300.0 million through the Federal Community Services Block Grant. The department is requesting an increased appropriation to lessen the negative local impact of diminished resources for the Minnesota Migrant Council, Indian Reservation Governments, and counties not previously included in the Community Action Agency network.

Additionally funds are necessary to continue the responsibilities contained in the Community Action Act. Office staff complement increase is needed at a minimum of 1 FTE position.

The Minnesota Migrant Council (MMC) has lost \$3,400.0 in funding due to federal budget reductions. The Council is an eligible grantee for up to 3% of the state allocation but the needs of their population exceed the service possible with this small share of the funds. MMC has been operating within the state with approximately \$300.0 excluding Department of Labor resources.

The 11 Indian Reservation Governments no longer receive Indian Action Grants and other federal resources to continue service to the at-risk population in these communities. Reservations themselves lack the economic base to provide services on their own. Funding for reservations is not adequate within the state 1982-1983 appropriations and the community services block grant.

There are currently 6 counties in Minnesota without a designated Community Action Agency. Low-income residents of those counties do not have the use of the organized method of identifying and addressing their needs that is allowable under Minnesota law. Making funding available within the current appropriation level would decrease allocations available to current subgrantees.

ACTIVITY: ECONOMIC OPPORTUNITY PROGRAMS
(Continuation)
Program: TRAINING AND COMMUNITY SERVICES
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

EXPLANATION OF BUDGET REQUEST:

\$27.5 for F.Y. 1984 and \$29.6 for F.Y. 1985 reflect an increase of the previous biennial funding level for the Office of Economic Opportunity. 1.0 position from the general fund and related costs are requested to fulfill increased state responsibility to assure agency compliance with the Community Action Act.

\$53.8 for F.Y. 1984 and \$110.4 for F.Y. 1985 reflect a 5% inflation adjustment increase of the previous biennial budget annual grant amounts for existing community action grantees. The unserved areas of the State constitute 11% of the low-income population for which \$127.9 in F.Y. 1984 and \$134.2 in F.Y. 1985 is requested to be allocated. This amount is based on the statewide mean per low-income person.

A state government to Indian Tribal Governments relationship has evolved with the state assuming responsibility that was previously federal. A base fund per reservation of \$5. which totals \$55.0 for the 11, is requested to maintain minimal local capacity. \$39.0 for F.Y. 1984 and \$39.4 for F.Y. 1985 is allotted to the Minnesota Migrant Council which represents 3% of the appropriation. The total change level requests for subgrantees are \$252.3 for F.Y. 1984 and \$317.2 for F.Y. 1985.

\$3,300.0 through the Community Services Block Grant from the United States Department of Health and Human Services replace the Federal to local agency funding of \$9,600.0 previously made available through Community Services Administration for Community Action Agencies. Authority for pass forward, pass back is requested for the biennium to consolidate local administrative processes of federal and state funds for community action activity. An administrative transfer within block grant flexibility from Energy Assistance to community Services of \$6,900.0 provides one-time supplemental resources for alternative energy business development (\$1,000.0), weatherization (\$4,900.0), and crisis intervention (\$1,000.0). The Weatherization Program is included within the weatherization program activity. These funds will not generally support local grantee capacity. Any transfer of funds in 1983 is subject to changes in federal law, federal appropriations, and other state decisions.

It is also requested that the 1982 Special Session III appropriation reductions of \$37.3 for each year of the biennium be restored as funding to subgrantees.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding with the following exceptions:

- 1) Adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.
- 2) The Governor recommends increased funding of \$52.0 for F.Y. 1984 and \$106.6 for F.Y. 1985 to reflect a 5% inflation increase on previous biennial budget grant amounts adjusted by cuts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: ECONOMIC OPPORTUNITY PROG

PROGRAM: TRAINING & COMMUNITY PROGRA

AGENCY: ECONOMIC SECURITY, DEPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	264.1	218.0	429.4	463.6	22.4	486.0	463.6	23.6	487.2	463.6	463.6
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY	.9										
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	265.0	218.0	429.4	463.6	22.4	486.0	463.6	23.6	487.2	463.6	463.6
EXPENSES & CONTRACTUAL SERVICES	25.3	24.8	78.9	84.4	4.7	89.1	90.3	5.0	95.3	84.4	90.3
SUPPLIES & MATERIALS	2.4	.6	3.0	3.9	.2	4.1	4.1	.5	4.6	3.9	4.1
EQUIPMENT	7.2	1.5	3.0	3.9	.2	4.1	4.1	.5	4.6	3.9	4.1
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	1,441.2	1,299.4	6,560.1	6,440.2	289.6	6,729.8	6,440.2	354.5	6,794.7	6,492.2	6,546.8
OTHER EXPENSE ITEMS	86.0		12.0	10.6		10.6	10.6		10.6	10.6	10.6
TOTAL EXPENDITURES	1,827.1	1,544.3	7,086.4	7,006.6	317.1	7,323.7	7,012.9	384.1	7,397.0	7,058.6	7,119.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	1,436.9	1,400.3	1,328.1	1,235.4	317.1	1,552.5	1,235.4	384.1	1,619.5	1,287.4	1,342.0
DEDICATED APPROPRIATIONS:											
FEDERAL	390.2	144.0	5,758.3	5,771.2		5,771.2	5,777.5		5,777.5	5,771.2	5,777.5
TOTAL FINANCING	1,827.1	1,544.3	7,086.4	7,006.6	317.1	7,323.7	7,012.9	384.1	7,397.0	7,058.6	7,119.5
POSITIONS BY FUND											
GENERAL	9.0	7.0	7.0	7.0	1.0	8.0	7.0	1.0	8.0	7.0	7.0
FEDERAL	51.0	31.0	10.0	10.0		10.0	10.0		10.0	10.0	10.0
TOTAL POSITIONS	60.0	38.0	17.0	17.0	1.0	18.0	17.0	1.0	18.0	17.0	17.0

4-0569

GRANTS AND AIDS ANALYSIS FOR:

1983-85 Biennial Budget

Activity: ECONOMIC OPPORTUNITY PROGRAMS
Program: TRAINING AND COMMUNITY SERVICES
Agency: ECONOMIC SECURITY, DEPARTMENT OF
Statutory References: M.S. 268.52 - 268.54 1981 SUPPLEMENT

PURPOSE: The Commissioner is authorized to provide financial assistance for Community Action Agencies, Indian Reservation Governments and the Minnesota Migrant Council, a migrant seasonal farmworker organization, to carry out community action programs in accordance with the Minnesota Community Action Act.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Grants are available to recognized Community Action Agencies, 11 Indian Reservation Governments and the Minnesota Migrant Council for community operated programs. Projects provide a range of services and activities determined locally as having an impact on the causes of poverty in the community. Eligibility for grants must be maintained or established as specified in M.S. 268.52 - 268.54.

Because of Statute changes in 1982, 4 Indian Reservations and the Minnesota Migrant Council became new grantees. Additional grantees are anticipated as the 6 counties without a designated community action agency become eligible based on local government designation, have certification of eligibility established, and agency recognition by the Governor.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: The formula in M.S. 268.52 - 268.54 establishes a process for achieving equitable grantee funding levels, based on the poverty population in each grantee's geographic boundaries. Equitable grantee funding levels have been achieved in F.Y. 1983 as prescribed by law, due to the reduction in the appropriation to an amount less than that available in F.Y. 1979 and F.Y. 1980. Poverty population is defined as the number of people whose household income is at or below the poverty income guideline established by the United States Office of Management and Budget in accordance with the most recent state population figures established by the United States Department of Commerce, Bureau of the Census.

EXPLANATION OF THE BUDGET REQUEST: \$53.8 for F.Y. 1984 and \$110.4 for F.Y. 1985 reflect a 5% inflation adjustment increase of the previous biennial budget annual grant amounts for existing community action grantees. The unserved areas of the State constitute 11% of the low-income population for which \$127.9 in F.Y. 1984 and \$134.2 in F.Y. 1985 is requested to be allocated. This amount is based on the statewide mean per low-income person.

A State government to Indian Tribal Governments relationship has evolved with the state assuming responsibility that was previously federal. A base fund per reservation of \$5. which totals \$55.0 for the 11, is requested to maintain minimal local capacity. \$39.0 for F.Y. 1984 and \$39.4 for F.Y. 1985 is allotted to the Minnesota Migrant Council which represents 3% of the appropriation. The total change level requests for subgrantees are \$252.3 for F.Y. 1984 and \$317.2 for F.Y. 1985.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:405-90-92-000-01
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO NONGOV'T ORGNZTNS							
GENERAL	1,210.8	1,214.0	1,136.0	1,329.2	1,394.1	1,091.6	1,146.2
FEDERAL	230.4	85.4	5,424.1	5,400.6	5,400.6	5,400.6	5,400.6
SUBTOTAL	1,441.2	1,299.4	6,560.1	6,729.8	6,794.7	6,492.2	6,546.8

ALL RECIPIENTS BY FUND							
GENERAL	1,210.8	1,214.0	1,136.0	1,329.2	1,394.1	1,091.6	1,146.2
FEDERAL	230.4	85.4	5,424.1	5,400.6	5,400.6	5,400.6	5,400.6
TOTAL	1,441.2	1,299.4	6,560.1	6,729.8	6,794.7	6,492.2	6,546.8

EXPLANATION OF THE BUDGET REQUEST: (contd)

\$3,300.0 through the Community Services Block Grant from the United States Department of Health and Human Services replace the Federal to local agency funding of \$9,600.0 previously made available through Community Services Administration for Community Action Agencies. Authority for pass forward, pass back is requested for the biennium to consolidate local administrative processes of federal and state funds for community action activity. An administrative transfer within block grant flexibility from Energy Assistance to Community Services of \$6,900.0 provides one-time supplemental resources for alternative energy business development (\$1,000.0), weatherization (\$4,900.0), and crisis intervention (\$1,000.0). The Weatherization Program is included within the weatherization program activity. These funds will not generally support local grantee capacity. Any transfer of funds in 1983 is subject to changes in federal law, federal appropriations, and other state decisions.

It is also requested that the 1982 Special Session III appropriation reductions of \$37.3 for each year of the biennium be restored as funding to subgrantees.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding and an increase of \$52.0 for F.Y. 1984 and \$106.6 for F.Y. 1985 to reflect a 5% inflation increase on previous budget grant amounts adjusted by cuts.

ACTIVITY: ENERGY ASSISTANCE
Program: TRAINING AND COMMUNITY SERVICES
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: The primary purpose of the energy assistance program is to decrease the burden on low income households of ever increasing energy costs through direct assistance and conservation activities. Priority is given to the elderly and handicapped. Direct assistance consists of payments to suppliers of energy related goods and services; or when appropriate, payments to households. The energy assistance program is available statewide through a network of delivery agencies under contract with the Department. These local deliverers provide outreach and intake to notify and certify eligibility of households, make appropriate payments, and conservation services.

Conservation activities consist of funding alternative energy projects, developing and administering conservation related programs, and the funding of the state weatherization program. This activity also provides a referral mechanism for the state weatherization program and collects data relative to progress in weatherizing homes. Data collection and analysis provide an information base for planning and delivering other human service programs.

Through the program, the Department provides technical assistance to 53 local grantees directed at program compliance and operational capabilities. Emphasis is placed on conservation technology, outreach, fiscal management, and data collection.

ACTIVITY OBJECTIVES:

1. Provide home heating assistance payments which do not reduce households' conceptual responsibility for paying their energy bills.
2. Reduce low income households energy expense through energy conservation, energy education, financial planning assistance, and coordination with other self-sufficiency programs.
3. Reduce low income household energy expenses through mandatory referral to weatherization programs.
4. Fund conservation and alternative energy activities that will maximize energy savings, generate future tax revenue from the investment, and reduce future assistance needs.

<u>ACTIVITY STATISTICS:</u>	<u>Actual</u> <u>F.Y. 1982</u>	<u>Estimate</u> <u>F.Y. 1983</u>	<u>Estimate</u> <u>F.Y. 1984</u>	<u>Estimate</u> <u>F.Y. 1985</u>
1. Households Assisted with Heating Payments	104,000	120,000	120,000	120,000
2. Percentage of Assisted Households with Weatherized Homes	55%	67%	75%	83%
3A. Funded Investments for Households				
1. Weatherization	6,000	6,000	3,400	3,400
2. Furnace Retrofits	1,500	3,000	7,500	7,500
3. Alternative Energy	330	660	1,650	1,650
3B. Average Annual Household Energy Savings	\$170	\$176	\$192	\$192
3C. Average Annual Household Energy Cost Savings per Dollar Invested	\$.14	\$.15	\$.19	\$.19

ACTIVITY GENERATES
NON-DEDICATED REVENUE
☐ Yes ☒ No

ACTUAL
F.Y. 1981
-0-

ACTUAL
F.Y. 1982
-0-

ESTIMATE
F.Y. 1983
-0-

ESTIMATE
F.Y. 1984
-0-

ESTIMATE
F.Y. 1985
-0-

ALTERNATIVES AND MAJOR ISSUES:

Energy Assistance has operated under the authority of federal regulations. In F.Y. 1982 it became a block grant and not federally regulated; thus legislation is needed to give the Commissioner of Department of Economic Security (DES) the authority to promulgate rules.

A declining economy, unpredictable winter heating needs, and the rapidly escalating costs of heating and utility energy result in an annually increasing proportion of low incomes client's budget expended for energy payments. Continued emphasis on energy conservation activities will provide long term relief while direct assistance payments assist the client in the short term.

Reducing low income households energy consumption by weatherizing, furnace retrofitting and converting to alternative energy sources can aid the economy and the tax payer. Payback on energy investments retain dollars in the state and national economies and thus, will generate additional tax revenue. This additional revenue may exceed the initial cost of the investment in five to six years.

The total number of local delivery agencies is unknown from year to year as the designation of those agencies is the responsibility of county boards. This process delays program start-ups, hampers continuity, and is administratively costly. Expansion decreases cost effectiveness, thus the delivery system should be stabilized.

Funding for this activity comes from the Department of Health and Humans Services under the Omnibus Budget Reconciliation Act of 1981, Title XXVI -- Low Income Home Energy Assistance. With the flexibility for carrying unexpended funds into the next funding year, state funds will not be needed for early planning and implementation costs.

EXPLANATION OF BUDGET REQUESTS:

No state appropriation is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: ENERGY ASSISTANCE

PROGRAM: TRAINING & COMMUNITY PROGRA

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS		TOTAL	F.Y. 1985 REQUEST LEVELS		TOTAL	GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE		SAME	CHANGE		F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	173.6	300.1	672.7	688.8		688.8	688.8		688.8	688.8	688.8
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	173.6	300.1	672.7	688.8		688.8	688.8		688.8	688.8	688.8
EXPENSES & CONTRACTUAL SERVICES	205.3	408.4	376.6	403.0		403.0	431.0		431.0	403.0	431.0
SUPPLIES & MATERIALS	10.2	4.5	25.5	27.3		27.3	29.2		29.2	27.3	29.2
EQUIPMENT	1.4	15.0	17.0	18.2		18.2	19.5		19.5	18.2	19.5
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	66,858.3	75,675.5	73,181.4	73,181.4		73,181.4	73,181.4		73,181.4	73,181.4	73,181.4
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	67,248.8	76,403.5	74,273.2	74,318.7		74,318.7	74,349.9		74,349.9	74,318.7	74,349.9
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	2,517.1	.5									
DEDICATED APPROPRIATIONS:											
FEDERAL	64,731.7	76,403.0	74,273.2	74,318.7		74,318.7	74,349.9		74,349.9	74,318.7	74,349.9
TOTAL FINANCING	67,248.8	76,403.5	74,273.2	74,318.7		74,318.7	74,349.9		74,349.9	74,318.7	74,349.9
POSITIONS BY FUND											
GENERAL	2.0										
FEDERAL	16.0	20.0	28.0	28.0		28.0	28.0		28.0	28.0	28.0
TOTAL POSITIONS	18.0	20.0	28.0	28.0		28.0	28.0		28.0	28.0	28.0

4-0572

GRANTS AND AIDS ANALYSIS FOR: ENERGY ASSISTANCE PROGRAM 1983-85 Biennial Budget

Activity: ENERGY ASSISTANCE PROGRAM
Program: TRAINING AND COMMUNITY SERVICES
Agency : ECONOMIC SECURITY, DEPARTMENT OF
Statutory References: Omnibus Budget Reconciliation Act of 1981, Title XXVI-- Low Income Home Energy Assistance P.L. 97-35

PURPOSE: Pursuant to the law cited above, the Governor has designated the Department of Economic Security (DES) as the state administering agency for the energy assistance block grant. Grants are made to community action agencies, counties, indian reservations, and the Minnesota Migrant Council to operate the energy assistance program (EAP). The purpose of EAP is to decrease the burden of ever increasing energy costs on low income households through direct assistance and conservation activities.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Grants are available to agencies to administer the energy assistance program as designated by county boards of commissioners, indian communities and the Minnesota migrant council. Participating agencies must at a minimum:

1. Provide application intake services to all residents wishing to apply for energy assistance within their service area.
2. Use eligibility criteria, definitions, and assistance tables developed and provided by the state.
3. Implement extensive outreach activities for the purpose of identifying eligible households, offer application intake and income verification services, and provide both referrals and follow up to other human service programs.
4. Conduct public relations activities to inform the public about energy assistance, conservation, and the impact of high energy costs on low income households.
5. Design and implement a plan to respond to energy-related emergency situations.
6. Provide conservation and repair services to households experiencing exceptionally high energy consumption, an emergency which affects the heat in the dwelling, or a potentially hazardous energy-related situation.
7. Establish and maintain cooperation with local energy vendors and landlords of EAP eligible tenants.
8. Maintain auditable and administratively sound fiscal accounting systems.
9. Provide an appeal process for households denied assistance.
10. Maintain program data collection and reporting systems capable of timely and accurate aggregate reporting.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Initial grant allocations to agencies are based upon projections of the number of low income households to be served. The amount of these allocations reflect:

- fuel types and their costs by service area
- average household energy consumption by degree zone, and
- eligible household income level and member size.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS: REF:405-90-93-000-01							
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES FY1984	FY1985	RECOMMENDATIONS FY1984	FY1985
OTHER AIDS TO INDIVIDUALS							
GENERAL	2,448.8						
FEDERAL	64,409.5	75,675.5	73,181.4	73,181.4	73,181.4	73,181.4	73,181.4
SUBTOTAL	66,858.3	75,675.5	73,181.4	73,181.4	73,181.4	73,181.4	73,181.4

ALL RECIPIENTS BY FUND							
GENERAL	2,448.8						
FEDERAL	64,409.5	75,675.5	73,181.4	73,181.4	73,181.4	73,181.4	73,181.4
TOTAL	66,858.3	75,675.5	73,181.4	73,181.4	73,181.4	73,181.4	73,181.4

SIGNIFICANT STATISTICS:	Actual F.Y. 1981	Actual F.Y. 1982	Estimate F.Y. 1983	Estimate F.Y. 1984	Estimate F.Y. 1985
Number of participating agencies	51	55	55	55	55
Community Action Agencies	24	26	26	26	26
Counties	18	19	19	19	19
Indian Reservations	8	9	9	9	9
Minnesota Migrant Council	1	1	1	1	1

EXPLANATION OF BUDGET REQUEST:

No state appropriation is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the F.Y. 1983-85 objectives.

ACTIVITY: WEATHERIZATION
Program: TRAINING AND COMMUNITY SERVICES
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: The low-income Weatherization Program is an activity that has been delivered by the department since 1978. The goal of this activity from the beginning has been to complete weatherization improvements on all eligible low-income households in Minnesota. The estimated total eligible households is 100,000 households at 125% poverty guidelines (Office of Management and Budget limits). The income standard is among the lowest in the state and has not changed since the program began.

At the end of June, 1982, over 56,000 households had received assistance. Normally, this assistance includes insulation, stoppage of air infiltration, window and door repair or replacement, and repairs or replacement of roofs, chimneys, and furnaces. Current studies indicate energy savings of 13-25% from weatherization improvements.

The activity combines both federal and state funds into one single program delivered in Minnesota by 37 delivers (26 Community Action Agencies, 3 counties, and 8 Indian Reservations). Each deliverer determines applicant eligibility, provides an energy audit of the dwelling, and either through the deliverers' crews or contractors, completes the priority work items. Currently, approximately 600 crew workers on staff are employed by the local deliverers. For each \$30.-\$40.0 of program funding, one job is created in this activity.

Past state funding in 1980 and 1981 enabled Minnesota to lead the nation in weatherizing low-income dwelling units for both years. In addition, the state funding resulted in two separate federal performance funding bonuses of \$2,000.0 and \$4,000.0 million dollars for those years. In conclusion, the department is totally committed to complete the remaining households (approximately 44,000) by 1985, thus achieving the goal of this activity is to complete weatherization work on 100,000 homes by the end of the F.Y. 1985.

MAJOR OBJECTIVES:

1. To provide weatherization assistance to the remaining approximately 43,000 low-income Minnesotans for the period July 1982 - June 1985, thus completing approximately 99% of the estimated 100,000 low-income households in Minnesota eligible for this service.
2. To expend all federal funds allocated to the state for weatherization work by the end of the grant period (June 1985) to ensure that no funds will be reallocated from Minnesota to other states by the Department of Energy.
3. To reduce heat loss from air infiltration by an average of 50% in weatherized low-income households.
4. To ensure the quality and quantity of homes weatherized by maintaining the administrative capacity of subgrantees through timely and effective program and fiscal monitoring, inspections, and testing.
5. To allocate DOE training and technical assistance funds to subgrantees for training and assist them in attaining improvement in the overall delivery capability of their weatherization program.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY STATISTICS:(2)	Actual F.Y.1981	Actual F.Y.1982	Estimate F.Y.1983	Estimate F.Y. 1984	Estimate F.Y. 1985
Households Weatherized	23,213	14,836	16,500	15,643	10,688
Number of People Served	63,012	39,168	45,000	42,041	28,064
Households Repaired	-0-	.100	2.500	.750	.350
Cost Per Unit	\$1.148	1.200	1.360	1.400	1.600
Cost Per Unit/ Wx. Repair	\$ -0-	1.700	1.800	1.900	2.000
Testing/Quality Control and Air Infiltration	-0-	10	100	100	100
Federal Funding(1)	\$19,310.9	6,684.3	27,000.0	19,900.0	10,700.0
State Funding	\$8,626.1	9,933.0	274.0	4,108.5	6,110.0
Total Grants	\$27,937.0	16,617.3	27,274.0	24,008.5	16,810.0

(1) Federal funding includes anticipated repair funds of \$1,400.0 in 1984 and \$700.0 in 1985.

(2) Dollar amounts are in thousands; i.e., 1,230.0=1,230,000.00.

BUDGET ISSUES:

1. The program activity will require a funding level of \$4,108.5 and \$6,110.0 respectively in the F.Y. 1984 and F.Y. 1985 if it is to complete the objective of weatherizing the majority of remaining low-income households by June 30, 1985. It is estimated that there are approximately 100,000 low-income households eligible for weatherization in Minnesota.
2. Because this program activity relies on the timing of federal funding, state funding will be utilized to fill the gaps. A carry-forward carry-back legislative provision will be necessary.
3. If the various funding sources continue at current levels, reductions of subgrantee program operations must be implemented (i.e. each \$1.35 cut = one (1) house; each \$30.0 cut = one (1) job).
4. Congressional action may transfer the Weatherization Program from DOE to HHS or the Department of Commerce, thereby causing a modification to existing rules and regulations and altering the delivery mechanism.
5. Weatherization is a labor-intensive project which provides 1 job for each \$30.0-\$40.0 of total program funds. In addition, there are jobs in the business of providing materials and supplies for the program. Planning for the possibility of program transfers, changes, and reductions in funding, the department must participate in planning for the placement of approximately 600 skilled workers presently employed by the program.
6. In F.Y. 1982, 2 fulltime equivalent positions existed for training and management purposes. With increased testing, monitoring, and training, 1 additional FTE position will be necessary in F.Y. 1984 and F.Y. 1985.

ACTIVITY: WEATHERIZATION

1983-85 Biennial Budget

(Continuation)

Program: TRAINING AND COMMUNITY SERVICES

Agency: ECONOMIC SECURITY, DEPARTMENT OF

FEDERAL FUND CHANGES: The annual federal funding for F.Y. 1984 and F.Y. 1985 will be \$19,900.0 and \$10,000.00 respectively. This is a reduction of 26% for F.Y. 1984 from the F.Y. 1983 estimated level, and a reduction of 46% for F.Y. 1985 from the F.Y. 1983 estimated level.

EXPLANATION OF BUDGET REQUEST: This activity is requesting an additional 1.0 FTE position in the F.Y. 1984-1985, and a change level increase of \$33.0 and \$35.10 for F.Y. 1984 and 1985 respectively, for this position and its related costs.

Same level funding of grants and aid is requested. Because this program activity relies on the timing of federal funds, state funding will be used to fill in the gaps by utilizing the option of carry-forward carry-back if a legislative provision for this option is passed.

It is requested that the 1982 Special Session III Appropriation reductions of \$264.3 for each year of the biennium be restored as funding to subgrantees.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding with the following exceptions:

- 1) Adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.
- 2) The Governor recommends 1 additional position and \$33.0 for F.Y. 1984 and \$35.1 for F.Y. 1985.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: WEATHERIZATION PROGRAMS

PROGRAM: TRAINING & COMMUNITY PROGRA

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	242.0	407.5	450.0	453.3	25.1	478.4	453.3	26.5	479.8	478.4	479.8
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	242.0	407.5	450.0	453.3	25.1	478.4	453.3	26.5	479.8	478.4	479.8
EXPENSES & CONTRACTUAL SERVICES	91.8	263.2	191.2	204.6	5.9	210.5	218.9	6.2	225.1	210.0	224.0
SUPPLIES & MATERIALS	3.4	2.7	3.6	4.0	1.0	5.0	4.3	1.2	5.5	5.0	5.4
EQUIPMENT	2.9	6.8	5.5	4.0	1.0	5.0	4.3	1.2	5.5	5.0	5.5
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	27,596.9	15,937.1	26,359.4	23,076.3	264.3	23,340.6	15,862.9	264.3	16,127.2	23,076.3	15,862.9
OTHER EXPENSE ITEMS				2.0		2.0	2.0		2.0	2.0	2.0
TOTAL EXPENDITURES	27,937.0	16,617.3	27,009.7	23,744.2	297.3	24,041.5	16,545.7	299.4	16,845.1	23,776.7	16,579.6
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	8,626.1	9,933.0	9.7	3,844.2	297.3	4,141.5	5,845.7	299.4	6,145.1	3,876.7	5,879.6
DEDICATED APPROPRIATIONS:											
FEDERAL	19,310.9	6,684.3	27,000.0	19,900.0		19,900.0	10,700.0		10,700.0	19,900.0	10,700.0
TOTAL FINANCING	27,937.0	16,617.3	27,009.7	23,744.2	297.3	24,041.5	16,545.7	299.4	16,845.1	23,776.7	16,579.6
POSITIONS BY FUND											
GENERAL	2.0	2.0		2.0	1.0	3.0	2.0	1.0	3.0	3.0	3.0
FEDERAL	3.0	6.0	14.0	14.0		14.0	14.0		14.0	14.0	14.0
TOTAL POSITIONS	5.0	8.0	14.0	16.0	1.0	17.0	16.0	1.0	17.0	17.0	17.0

4-0576

GRANTS AND AIDS ANALYSIS FOR:

1983-85 Biennial Budget

Activity: WEATHERIZATION
Program: TRAINING AND COMMUNITY SERVICES
Agency : ECONOMIC SECURITY, DEPARTMENT OF
Statutory References: MN. LAWS 1980, EX. SESS. 579, SECTION
19-42 USC SECTION 6861-6872

PURPOSE: The Weatherization Program is designed to make energy-related improvements and repairs on low-income households. Since 1978, the Department of Economic Security has directed this effort through a network of 26 local Community Action Agencies, 3 counties, and 8 Indian Reservations. The program goal is to weatherize all eligible households (approximately 100,000) throughout the state, saving both fuel and money for the low-income residents of Minnesota. This program also provides jobs for an estimated 600 workers statewide, plus jobs provided in contractors' costs. State funds are combined with federal funds and are used for hiring skilled crew supervisors, crew workers, and to purchase weatherization materials.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Clients are identified/certified for assistance through a household income verification process administered by the 37 local deliverers. Currently, all eligible energy assistance client applications are provided to Weatherization Program operators. Seniors, handicapped persons, and fuel oil users have a priority in the program. The current income eligibility (125% of poverty level, Office of Management and Budget standards) has been the same standard used since the start of the program. For example, an eligible family of four cannot have a total annual income of over \$11,625.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Income-eligible client's receive assistance based upon the energy efficiency of their dwelling unit. This is decided through an energy audit of the home. The audit determines the priority energy repairs needed which are then completed by local crews or contractors. The maximum material limit is \$.75; average total cost cannot exceed \$1.6 (material and labor).

<u>SIGNIFICANT STATISTICS:</u>	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>
	<u>F.Y.1981</u>	<u>F.Y.1982</u>	<u>F.Y. 1983</u>	<u>F.Y. 1984</u>	<u>F.Y. 1985</u>
Number of People Served	63,012	39,168	45,000	42,041	28,064
Households Weatherized	23,213	14,836	16,500	15,643	10,688
Cost per Unit(*)	\$1.148	1.200	1.360	1.400	1.600

* Dollar amounts are in thousands; i.e., 1,230.0 = \$ 1,230,000.00

EVALUATION OF BUDGET REQUEST: The restoration of 1982 Special Session III appropriation reductions is being requested. These reductions amounted to \$264.3 for each year of the biennium and came from subgrantee funding.

GOVERNOR'S RECOMMENDATION: The Governor recommends the same level of funding rather than the agency's change level for this activity.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:405-90-94-000-01	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
GENERAL	200.0	250.0	9.7	200.2	300.1	200.2	300.1
FEDERAL	1.3	1.3	1.3	1.2	.6	1.2	.6
SUBTOTAL	201.3	251.3	11.0	201.4	300.7	201.4	300.7
G & A OTHER GOVT ORGNZTNS							
GENERAL	100.0	120.0		120.1	180.1	120.1	180.1
FEDERAL	.5	.5	.5	.4	.2	.4	.2
SUBTOTAL	100.5	120.5	.5	120.5	180.3	120.5	180.3
G & A TO NONGOVT ORGNZTNS							
GENERAL	8,322.0	9,362.6		3,715.9	5,555.7	3,451.6	5,291.4
FEDERAL	18,973.1	6,202.7	26,347.9	19,302.8	10,090.5	19,302.8	10,090.5
SUBTOTAL	27,295.1	15,565.3	26,347.9	23,018.7	15,646.2	22,754.4	15,381.9

ALL RECIPIENTS BY FUND							
GENERAL	8,622.0	9,732.6	9.7	4,036.2	6,035.9	3,771.9	5,771.6
FEDERAL	18,974.9	6,204.5	26,349.7	19,304.4	10,091.3	19,304.4	10,091.3
TOTAL	27,596.9	15,937.1	26,359.4	23,340.6	16,127.2	23,076.3	15,862.9

PROGRAM: PROGRAM AND MANAGEMENT SUPPORT
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM PURPOSE:

This program consists of the Commissioner's Office and the Program and Management Support Division. The Commissioner's Office provides the overall direction for the department; implementation of policy consistent with applicable state and federal requirements; coordination of policy development with other state agencies which have employment and training-related programs; promotes coordination between CETA prime sponsors and other employment and training systems; administers special employment programs for youth, older workers and displaced homemakers and provides labor relations services.

The Program and Management Support Division provides administrative support for the department's operating divisions. This support includes financial, research, audit, public information, data processing, personnel, administrative, management analysis and procedures development services.

PROGRAM HISTORY/ACCOMPLISHMENT:

The executive and administrative service functions of this program have concentrated on promoting program coordination; reducing administrative cost through emphasis on sound and consistent program and management policies; building staff team work; decentralizing program operation and management to the local, service-delivery level; and the introduction of technology to enable delivery of the same level of service during a period when staff has been reduced and workload increased. Those client service programs delivered by the Office of Statewide Employment and Training Coordination have reduced administrative costs to allow a greater proportion of resources to be channeled into client programming.

EXPLANATION OF BUDGET REQUEST:

Reductions in the CETA special grant to the Governor mean that those funds are no longer available to fund the administrative costs of the Displaced Homemakers program. That fact results in the request to fund this program at the level of the legislative intent: 55% of fees collected through the marriage license and dissolution filing fees.

It is also requested that the reductions made in the Displaced Homemakers Program by the 1982 Special Session III be restored. These reductions amounted to \$10.5 for each year of the biennium and their restoration would allow the program to serve additional clients and to reach selected rural populations.

GOVERNOR'S RECOMMENDATIONS:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: PROGRAM & MGMT SUPPORT

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAFIE	CHANGE	TOTAL	SAFIE	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
GOVERNOR'S JOB TRNG PROGRMS	3,743.1	3,528.9	4,792.3	4,821.8	30.0	4,851.8	4,853.1	30.0	4,883.1	4,851.8	4,883.1
PROGRAM & MGMT SUPPORT	7,117.9	7,902.7	10,637.1	9,844.7		9,844.7	10,112.1		10,112.1	9,844.7	10,112.1
INFORMATION SERVICES	2,574.9	2,763.7	3,081.2	3,614.4		3,614.4	3,681.2		3,681.2	3,614.4	3,681.2
TOTAL	13,435.9	14,195.3	18,510.6	18,280.9	30.0	18,310.9	18,646.4	30.0	18,676.4	18,310.9	18,676.4
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	7,405.4	7,831.7	9,895.1	9,432.7	19.5	9,452.2	9,432.7	19.5	9,452.2	9,452.2	9,452.2
EXPENSES & CONTRACTUAL SERVICES	1,960.8	2,552.4	3,157.5	3,375.2		3,375.2	3,611.5		3,611.5	3,375.2	3,611.5
SUPPLIES & MATERIALS	376.4	448.8	1,092.0	1,055.3		1,055.3	1,129.2		1,129.2	1,055.3	1,129.2
EQUIPMENT	647.4	581.5	738.4	790.1		790.1	845.4		845.4	790.1	845.4
REAL PROPERTY	36.3	9.5	59.2	59.2		59.2	59.2		59.2	59.2	59.2
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	3,007.1	2,766.6	3,568.4	3,568.4	10.5	3,578.9	3,568.4	10.5	3,578.9	3,578.9	3,578.9
OTHER EXP ITEMS	2.5	4.8									
TOTAL EXPENDITURES	13,435.9	14,195.3	18,510.6	18,280.9	30.0	18,310.9	18,646.4	30.0	18,676.4	18,310.9	18,676.4
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	340.0	384.6	382.5	382.5	30.0	412.5	382.5	30.0	412.5	412.5	412.5
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTICMENT	314.4										
FEDERAL	12,781.5	13,810.7	18,128.1	17,898.4		17,898.4	18,263.9		18,263.9	17,898.4	18,263.9
TOTAL FINANCING	13,435.9	14,195.3	18,510.6	18,280.9	30.0	18,310.9	18,646.4	30.0	18,676.4	18,310.9	18,676.4
POSITIONS BY FUND:											
GENERAL					1.0	1.0		1.0	1.0	1.0	1.0
FEDERAL	425.0	415.0	393.5	350.0		350.0	350.0		350.0	350.0	350.0
TOTAL POSITIONS	425.0	415.0	393.5	350.0	1.0	351.0	350.0	1.0	351.0	351.0	351.0

4-0579

ACTIVITY: GOVERNOR'S JOB TRAINING OFFICE
Program: PROGRAM & MANAGEMENT SUPPORT
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: The Governor's Job Training Office, formerly the Office of Statewide CETA Coordination (OSCC), has had the federal mandate to promote coordination between the CETA delivery system and other employment and training systems. Statewide CETA Coordination activities have been directed towards improving employment and training delivery for persons who are unemployed, underemployed, and economically disadvantaged. Programs are primarily directed towards administrative and policy change for improving future services to clients. Activities to facilitate coordination include the Governor's Job Training Council, formerly the Governor's Council on Employment and Training (GCET); supplemental vocational education assistance to CETA prime sponsors (or their successors); and innovative research, model and demonstration programs.

Activities designed to increase the employment potential of youth are conducted through the CETA Title IV Youth Employment and Training programs. Projects funded under Title V of the Older Americans' Act provide direct subsidized employment.

Statewide Coordination services are provided for the 10 CETA prime sponsors, state agencies, and approximately 50 local public and non-profit agencies such as Working Opportunities for Women (WOW) and local community action agencies.

The Department of Economic Security has been designated the fiscal and personnel agent for the Minnesota Occupational Information Coordination Committee (MOICC). This inter-agency committee was established to comply with requirements of the Vocational Education Act Amendments of 1976. MOICC funds are used to design and implement an occupational information system which links together occupational data producers and users within the Department of Education, Division of Vocational-Technical Education and Department of Economic Security's Office of Statewide CETA Coordination, Job Service, and Vocational Rehabilitation Divisions.

The Minnesota Displaced Homemaker Programs (DHP) serve those who have spent a minimum of 2 years dependent on income other than their own wages and now, because of death, divorce, or other loss of family income, must find paid employment in order to survive economically. Men, as well as women, who meet the requirements are eligible to participate. The focus of the program is on equipping women, who may not have worked for many years, to identify their skills and interests and become prepared to enter the job market. In making the often difficult transition from work in the home to emotional and economic self-sufficiency in the labor market, assistance is often required. The Displaced Homemaker Program offers many services which fill these needs. Among them are: Individual and community outreach, personal and career counseling, individual testing and assessment, group counseling, support groups, workshops on life skill development and pre-employment preparation, job development and placement assistance, and referral to community resources. Sites for this program are currently located in Economic Development Regions 8 and 9, Duluth and Twin City metropolitan areas.

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY OBJECTIVES:

1. To subgrant federal funds to promote a) coordination of employment, training and related services; b) economic, occupational, industrial and labor market information; c) technical assistance to prime sponsors; d) innovative model employment and training programs; e) financial assistance for special programs in rural areas; and f) CETA/education linkage projects.
2. To provide staff to the Governor's Job Training Council.
3. To provide funding to CETA prime sponsors (or their successors) for supplemental vocational education services to CETA Title IIB participants.
4. To subgrant federal funds for 12 projects per year with local agencies to provide part-time community service employment opportunities for 230 eligible older workers.
5. To continue projects which provide employment and training and related services to 1176 displaced homemakers.
6. To utilize federal and state resources to increase the quality and quantity of Occupational Information Coordinating Committee (MOICC) member agencies through 5 projects per year which assess current information, increase distribution of information, reduce duplication of effort, provide staff training and/or implement new occupational information projects.

Objective No.	Actual F.Y. 1981	Actual F.Y. 1982	Estimate F.Y. 1983	Estimate F.Y. 1984	Estimate F.Y. 1985
1 CETA Title II					
Special Grant-4% projects	34	39	27	20	25
2 CETA Title II					
1% Governor's Council on Employment & Training mtgs.	5	5	5	5	5
3 CETA Title II, 6% Voc. Ed.					
project expenditures*	\$1,746.8	\$1,518.0	\$1,440.0	\$1,100.0	\$1,400.0
1 CETA Title II, 1% Ed.					
Linkage projects	17	7	8	0	12
4 Title V, Older Americans'					
Act projects/subgrants	12	12	12	12	12
5 Displaced Homemaker					
Program participants	735	654	654	588	588
Projects	4	4	4	4	4
6 MOICC projects	5	5	5	5	5

* Shown in thousands

ACTIVITY: GOVERNOR'S JOB TRAINING OFFICE
(Continuation)
Program: PROGRAM & MANAGEMENT SUPPORT
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

ALTERNATIVE/MAJOR ISSUES:

1. Federal legislation authorizing CETA expires in 1982. The legislation currently being enacted, entitled the "Job Training Partnership Act", is scheduled to begin operations on October 1, 1983. Transition activities during Federal Fiscal Year 1983 (October 1, 1982 to September 30, 1983) will be carried out with funds available both under CETA legislation and the new Act (CETA funds are being provided under a Congressional continuing resolution).
2. Federal support is no longer available to the Displaced Homemaker Program. State monies requested for the program will result in funding that program at the level intended by the legislation: 55% of marriage license and dissolution fees collected.
3. The Job Training Partnership Act provides for a state matching requirement for certain federal funds to be provided to dislocated workers. It is anticipated at this time that the state match requirement could range from \$400. to \$1,500. This may be a cash or an in-kind contribution.

FUNDING: Funding for coordination activities have been provided through the following federal grants: CETA Special Grant to the Governor, CETA Title IV (Youth), and Title V of the Older Americans' Act. State funds for a Displaced Homemaker Program under Minnesota Statutes 1974, Chapter 336, are also administered by the Governor's Job Training Office. CETA funding will be replaced by those provided by the Job Training Partnership Act.

EXPLANATION OF BUDGET REQUEST: The 1984-85 budget request of \$804.0 is based upon an increased funding level for the Displaced Homemaker Program. The Minnesota Displaced Homemaker Program as established by MPS 4.40 (1978) and reauthorized under Chapter 360, Section 3 (1981) requires funding to issue grants which will:

1. Provide partial funding for one staff position which was formerly funded by federal Governor's Grant under CETA Title II. Chapter 360, Sections 42 and 44 designate revenues from marriage licenses and dissolution filing fees for displaced homemaker services.
2. Replace other services previously funded from federal sources, ie: MIS/Evaluation, Advisory Council, other support services. MIS/Evaluation will be limited.
3. Retain existing projects at lower staff and participant levels. Scope and depth of services will be affected.

EXPLANATION OF BUDGET REQUEST: (cont'd.)

4. The 1982 Special Session III appropriation reduction of \$10.5 for each year of the Biennium should be restored. If restoration is not made fewer clients of the program will be served and selected rural populations will not be reached.

We request authority to carry in Displaced Homemaker funds from F.Y. 1984 to F.Y. 1985.

GOVERNOR'S RECOMMENDATIONS:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: GOVERNOR'S JOB TRNG PRGRMS

PROGRAM: PROGRAM & MGMT SUPPORT

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	492.4	520.6	751.1	751.1	19.5	770.6	751.1	19.5	770.6	770.6	770.6
-REGULAR UNCLASSIFIED	57.9	29.5	40.4	40.4		40.4	40.4		40.4	40.4	40.4
-PART-TIME/SEAS./OTHER	1.9	1.0									
-PREMIUM PAY											
-OVERTIME PAY	.7	1.7									
-MISCELLANEOUS PAYROLL	19.6	2.0	14.0	14.0		14.0	14.0		14.0	14.0	14.0
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	572.5	554.8	805.5	805.5	19.5	825.0	805.5	19.5	825.0	825.0	825.0
EXPENSES & CONTRACTUAL SERVICES	145.8	161.5	358.5	383.8		383.8	410.6		410.6	383.8	410.6
SUPPLIES & MATERIALS	12.3	46.0	57.0	61.0		61.0	65.3		65.3	61.0	65.3
EQUIPMENT	5.4		2.9	3.1		3.1	3.3		3.3	3.1	3.3
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	3,007.1	2,766.6	3,568.4	3,568.4	10.5	3,578.9	3,568.4	10.5	3,578.9	3,578.9	3,578.9
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	3,743.1	3,528.9	4,792.3	4,821.8	30.0	4,851.8	4,853.1	30.0	4,883.1	4,851.8	4,883.1
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	340.0	384.6	382.5	382.5	30.0	412.5	382.5	30.0	412.5	412.5	412.5
DEDICATED APPROPRIATIONS:											
FEDERAL	3,403.1	3,144.3	4,409.8	4,439.3		4,439.3	4,470.6		4,470.6	4,439.3	4,470.6
TOTAL FINANCING	3,743.1	3,528.9	4,792.3	4,821.8	30.0	4,851.8	4,853.1	30.0	4,883.1	4,851.8	4,883.1
POSITIONS BY FUND											
GENERAL					1.0	1.0		1.0	1.0	1.0	1.0
FEDERAL	30.0	30.0	30.0	30.0		30.0	30.0		30.0	30.0	30.0
TOTAL POSITIONS	30.0	30.0	30.0	30.0	1.0	31.0	30.0	1.0	31.0	31.0	31.0

GRANTS AND AIDS ANALYSIS FOR: STATEWIDE JOB TRAINING
SUBGRANTS

1983-85 Biennial Budget

Activity: GOVERNOR'S JOB TRAINING OFFICE
Program: PROGRAM AND MANAGEMENT SUPPORT
Agency: ECONOMIC SECURITY, DEPARTMENT OF
Statutory References:

PURPOSE: Current CETA legislation mandates funding of certain activities which promote coordination and innovation in the employment and training delivery system throughout the State. It is assumed that forthcoming legislation which will replace the expiring CETA Act will have similar provisions, based upon the Congressional bills being acted upon. Activities involve programs which demonstrate new or improved provision of services to employment and training clients.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Funding is provided, largely through the subgrant process, to CETA Prime Sponsors (or successors), the Department of Education and other state agencies. Indian Tribes and a variety of community-based organizations. These subgrants usually target client groups who are unemployed, underemployed or economically disadvantaged. In most cases specific criteria involving such things as family income and residency are factors in determining eligibility for the programs. In all cases, the federal legislation which provides funding has eligibility criteria which must be adhered to by respective subgrantees. In many cases, recipient groups are identified for targeting.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: In the case of Vocational Education funds, the Department of Education, Division of Vocational-Technical Education acts as fiscal agent, passing through Prime Sponsors to clients, schools and service deliverers. In most other programs, the subgrantee is the final recipient. The most usual way of selecting subgrantees has been through the Request For Proposal (RFP) process. Each year, the areas of particular emphasis are selected by the Governor's Job Training Council, formerly the Governor's Council on Employment and Training. Program operators are invited to submit proposals which deal with the selected program area. The funding level of the subgrant is consistent with the scope of the proposed project. Total funds available for subgrants is determined after a budget is developed which deals with other commitments and administrative costs.

SIGNIFICANT STATISTICS:

	Actual F.Y. 1981	Estimated F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
CETA Title II					
Special Grant-4% projects	34	39	27	20	25
CETA Title II					
1% Governor's Job Training Council	5	5	5	5	5
CETA Title II-6% Voc. Ed. Expen.	\$1,746.8	\$1,518.0	\$1,440.0	\$1,100.0	\$1,400.0
CETA Title II-1% Ed					
Linkage Projects	17	7	8	0	0

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:

REF:405-98-95-000-01

* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES FY1984	AGENCY ESTIMATES FY1985	RECOMMENDATIONS FY1984	RECOMMENDATIONS FY1985
G & A TO CITIES & TOWNS FEDERAL	306.3	346.6	796.5	796.5	796.5	796.5	796.5
SUBTOTAL	306.3	346.6	796.5	796.5	796.5	796.5	796.5
G & A TO COUNTIES FEDERAL	266.9	569.1	796.5	796.5	796.5	796.5	796.5
SUBTOTAL	266.9	569.1	796.5	796.5	796.5	796.5	796.5
G & A TO SCHOOL DISTRICTS FEDERAL	466.9	42.4	159.3	159.3	159.3	159.3	159.3
SUBTOTAL	466.9	42.4	159.3	159.3	159.3	159.3	159.3
G & A OTHER GOVT ORGNZTNS FEDERAL	88.2	15.6	796.5	796.5	796.5	796.5	796.5
SUBTOTAL	88.2	15.6	796.5	796.5	796.5	796.5	796.5
G & A TO NONGOVT ORGNZTNS FEDERAL	1,558.4	1,426.0	637.1	637.1	637.1	637.1	637.1
SUBTOTAL	1,558.4	1,426.0	637.1	637.1	637.1	637.1	637.1
ALL RECIPIENTS BY FUND FEDERAL	2,686.7	2,399.7	3,185.9	3,185.9	3,185.9	3,185.9	3,185.9
TOTAL	2,686.7	2,399.7	3,185.9	3,185.9	3,185.9	3,185.9	3,185.9

EXPLANATION OF AGENCY ESTIMATES: All funds utilized under this activity are derived from the U.S. Department of Labor. The funding is determined through a formula used to distribute funds allocated under the CETA Act or the Job Training Partnership Act to the states. No state funds are requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the F.Y. 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: DISPLACED HOMEMAKERS 1983-85 Biennial Budget

Activity: GOVERNOR'S JOB TRAINING OFFICE
Program: PROGRAM AND MANAGEMENT SUPPORT
Agency : ECONOMIC SECURITY, DEPARTMENT OF
Statutory References: MPS 4.40 (1978) Reauthorized under Chapter 360-Section 3 (1181)

PURPOSE: The Minnesota Displaced Homemaker Program (DHP) issues grants for intensive ca-
reer exploration, vocational and personal counseling, job development and placement as-
sistance, to aid displaced homemakers in making the often difficult transiton from work
in the home to emotional and economic self-sufficiency in the labor market.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: For purposes of this program, a "dis-
placed homemaker" is an individual who: 1. Worked in the home for a minimum of 2 years
during which time the primary occupation was that of providing unpaid household services
for family members; and 2. Is employed, underemployed, or unemployed, and whose income
does not exceed the established income level; and 3. Has difficulty securing employment
due to inadequate or inappropriate training, lack of recent paid work experience, age and
sex discrimination or other psychological, societal, economic barriers common to the pop-
ulation; and 4. Was dependent on the income of another family member but is no longer
eligible for such assistance, or was dependent on the income of another family member
whose income is now insufficient to maintain the family above the established income
level.

Income Eligibility Levels Are:

HOUSEHOLD SIZE	METRO	NON-METRO
1	\$ 6,900	\$ 6,705
2	8,630	8,302
3	10,360	10,060
4	12,790	12,420
5	15,090	14,660
	17,650	17,140
	\$ 2,560 for each	\$ 2,480 for each
	additional person	additional person

The metro area counties consist of Ramsey, Hennepin, Anoka, Washington, Dakota, Scott,
Carver, Benton, Chisago, Olmsted, Polk, Sherburne, Stearns, and Wright.

A displaced homemaker is one who has been in the home for a substantial (at least 2) num-
ber of years, was dependent upon the income of another family member; lost the source of
support via death, divorce, desertion or disability of the wage earner, is encountering
multiple barriers in securing employment, and has an income below established guidelines.

The Minnesota Displaced Homemaker Program issues grants to individual program operators
to provide specific services to displaced homemakers. New subgrantees are selected
through the Request For Proposal (RFP) process, according to specific geographical areas
and by program component. The three components previously used are intake and support
services, career counseling and training, and job development and placements.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:405-98-95-000-02
*** DOLLARS IN THOUSANDS (137,522=137.5) ***							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES FY1984	FY1985	RECOMMENDATIONS FY1984	FY1985
G & A TO HONGOVTT ORGNZTNS							
GENERAL	320.4	366.9	382.5	393.0	393.0	393.0	393.0
SUBTOTAL	320.4	366.9	382.5	393.0	393.0	393.0	393.0

ALL RECIPIENTS BY FUND							
GENERAL	320.4	366.9	382.5	393.0	393.0	393.0	393.0
TOTAL	320.4	366.9	382.5	393.0	393.0	393.0	393.0

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Subgrant levels are
usually determined during the RFP process and based upon the level of service to be pro-
vided by the subgrantee. A further factor involved is client population, the Twin City
Metro area demanding the larger share of available funds.

SIGNIFICANT STATISTICS:

1979-81 Biennium					
PROJECT	STATE FUNDS	FEDERAL FUNDS	TOTAL \$	% OF TOTAL	PARTICIPANTS SERVED/ MONTHS OF OPERATION
Metro - WOW	\$234.1	\$117.4	\$351.5	47%	696/20.0
Rural BOS (9)	--	115.	115.	15%	108/15.5
Rural BOS (8)	130.	--	130.	17%	86/13.5
Duluth YMCA	122.	--	122.	16%	94/14.0
Eval - U of M	--	34.8	34.8	5%	--
TOTAL	\$486.1	\$267.2	\$753.3	100%	984/15.75

1981-83 Biennium					
PROJECT	STATE FUNDS	FEDERAL FUNDS	TOTAL \$	% OF TOTAL	PROPOSED NUMBER SERVED/MONTHS OF OPERATION
Metro - WOW	\$390.5	--	\$390.5	47.5%	822/24
SMSC/Region 9	129.8	35.	164.8	20.1%	160/24
Mainstay/Reg. 8	35.	--	35.	4.3%	126/24
SOAR/Duluth	193.7	--	193.7	23.6%	200/24
MIS/Eval.	37.	--	37.	4.5%	--
TOTAL	\$786.	\$35.	\$821.	100.0%	1,308/24

GRANTS AND AIDS ANALYSIS FOR: DISPLACED HOMEMAKERS
(Continuation)

1983-85 Biennial Budget

Activity: GOVERNOR'S JOB TRAINING OFFICE
Program: PROGRAM AND MANAGEMENT SUPPORT
Agency : ECONOMIC SECURITY, DEPARTMENT OF

PROJECT	1983-85 Biennium (Proposed)				PROPOSED NUMBER SERVED/MONTHS OF OPERATION
	STATE FUNDS	FEDERAL FUNDS	TOTAL \$	% OF TOTAL	
Metro - WOW	\$363.	--	\$363.	44	760/24
SMSC/Reg. 9	115.5	--	115.5	14	140/24
Mainstay/Reg. 8	115.5	--	115.5	14	126/24
SOAR/Duluth	148.5	--	148.5	18	150/24
Admin.	82.5	--	82.5	10	--
TOTAL	\$825.	--	\$825.	100%	1,176/24

EXPLANATION OF AGENCY ESTIMATES: The Minnesota Displaced Homemaker Program requests increased funding based on (Chapter, 360, Sections 42 and 44) which specifies that the revenue from marriage licenses and dissolution filing fee increases be utilized for services to displaced homemakers. Request increased funding for Minnesota Displaced Homemaker Program staff position.

	<u>1982-83</u>	<u>1984-85</u>
EXISTING SERVICES	\$749.0	\$742.5
STAFF POSITION/ADMINISTRATION*	-0-	82.5
MIS/EVALUATION	37.0	-0-
	<u>\$786.0</u>	<u>\$825.0</u>

* Includes MIS/Evaluation and Advisory Council.

It is also requested that the 1982 Special Session III reductions of \$10.5 for each year of the biennium be restored. These funds will allow the program to serve additional clients in rural areas.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the F.Y. 1983-85 objectives.

ACTIVITY: PROGRAM AND MANAGEMENT SUPPORT
 Program: PROGRAM AND MANAGEMENT SUPPORT
 Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: Program and Management Support (PMS) performs the executive functions of the Department of Economic Security and provides management support to the program divisions. The organizational units which comprise this activity are the Commissioner's Office, Policy and Planning, Labor Relations, Financial Services, Administrative Services, Research and Statistics, Personnel, Public Information and Education, Management Analysis, Audit Coordination and Procedures Development.

The Commissioner's Office provides overall direction to all programs within the department and impacts on employment related programs at the state and national level. It coordinates policy development with other state agencies which have job-related programs such as the Departments of Public Welfare, Education, and Energy, Planning and Development. The remaining units in this activity provide administrative support to the operating divisions and programs of the department. They maintain close liaison with their federal counterparts in the Departments of Energy, Labor, Education, and Health and Human Services; with their state counterparts in the Departments of Finance, Administration, Employee Relations and Energy, Planning and Development; and with a number of advisory groups in the private and public sector.

The Commissioner's Office is responsible for the continued development of the agency into an efficient human services delivery organization, for the improvement of services, for insuring that the department's programs meet the needs of local communities and for coordination of the work force policy with other public and private groups.

MAJOR OBJECTIVES:

1. Design and administer employment, training, unemployment insurance, rehabilitation, poverty and energy programs to be responsive to local needs.
2. Provide efficient administrative management and policy coordination to all programs within the department.
3. Limit administrative cost through a comprehensive cost control program.
4. Improve the delivery of services to Minnesota citizens through continued decentralization of planning and decision-making, co-location of field offices, increased computerized support of field operations, and modernization of local service delivery.
5. Coordinate policies and services delivery among programs within the department and develop linkage with other related service providers.
6. Provide the tools necessary to enable department programs and managers to manage impending budget reductions.
7. Increase the impact of the department's programs on the economy of local communities through better utilization of department resources.
8. Implement a system of cost benefit analysis which enables managers to evaluate their operations in terms of objective criteria.
9. Determine impact of new federalism on the delivery of DES program and implement planning and other administrative systems for program operation.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -

ACTIVITY STATISTICS: (FFY refers to federal fiscal year)

Objective No.		Actual FFY 1981	Actual FFY 1982	Estimated FFY 1983	Obj./Est. FFY 1984	Obj./Est. FFY 1985
2, 3 6, 8	General administrative cost as a percentage of total operating cost	11.9	9.8	9.6	9.4	9.2
2, 3 6, 8	General administrative cost as a percentage of total department expenditures	1.49	1.09	1.07	1.07	1.07
2, 3 6, 8	Program administrative costs as a percent of total operating costs	19.6	22.4	21.0	20.0	19.0
2, 3, 6, 8	Program administrative cost as a percentage of total department expenditures	2.45	2.50	2.45	2.45	2.45

PROGRAM BACKGROUND/ISSUES: The Commissioner's Office, along with the Program and Management Support Division, determines the overall goals and direction for the department, generates management information on which to base decisions and provides the day-to-day administrative support necessary to operate a large department. The major issues facing the program are:

1. Policy Coordination. The department develops, implements, and coordinates employment and job training policies and programs for the state. The coordination of policy among departmental programs, with other state agencies, and the business community will require major ongoing efforts.
2. Service Improvement. Thousands of Minnesotans come in contact with the department each year. Providing sensitive, responsive and efficient service is a never-ending challenge. In order to provide the best quality of service, local involvement in service delivery decisions is necessary. Redirecting the focus of management decisions from the central office to the local communities will be enhanced by the establishment of area management and local service teams.
3. Administrative Efficiency. Administrative efficiency frees up resources which can then be used to provide direct services to the department's clients. Major efforts intended to improve administrative efficiency include the co-location of field offices; development of a definition of administrative costs and the installation of a tracking system which lends itself to use by management for review and control.
4. Budget Reduction Management. The continuing issue of reduced financial resources makes it imperative that the department continue its efforts to actively manage those reductions and not merely react to them. Part of that effort includes structuring the

ACTIVITY: PROGRAM AND MANAGEMENT SUPPORT
(Continuation)
Program: PROGRAM AND MANAGEMENT SUPPORT
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM BACKGROUND/ISSUES: (Contd.)

department in such a way to allow smooth responses to change with the minimum interruption of our services to clients.

5. Cost Benefit Analysis. The need to provide a continued high level of services with a reduced set of resources makes it imperative that activities be evaluated objectively to determine their benefit to the citizens of Minnesota in relation to the cost to those citizens.

FEDERAL FUNDING SOURCES: The functions in this activity are funded by federal funds from a variety of sources; the distribution of that funding is based upon the administrative and management services performed on behalf of each program served.

EXPLANATION OF BUDGET REQUEST: There is no request for state funds in this activity.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: PROGRAM & MGMT SUPPORT

PROGRAM: PROGRAM & MGMT SUPPORT

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	4,323.8	4,401.6	5,806.3	4,778.0		4,778.0	4,778.0		4,778.0	4,778.0	4,778.0
-REGULAR UNCLASSIFIED	220.5	164.4	165.8	256.4		256.4	256.4		256.4	256.4	256.4
-PART-TIME/SEAS./OTHER	33.0	37.1	205.3	193.0		193.0	209.5		209.5	193.0	209.5
-PREMIUM PAY	11.6	12.1	8.4	8.4		8.4	8.4		8.4	8.4	8.4
-OVERTIME PAY	14.5	28.9	18.4	35.3		35.3	18.8		18.8	35.3	18.8
-MISCELLANEOUS PAYROLL	19.1	51.5	74.0	74.0		74.0	74.0		74.0	74.0	74.0
-OTHER BENEFITS	359.6	666.6	601.0	601.0		601.0	601.0		601.0	601.0	601.0
TOTAL PERSONAL SERVICES	4,982.1	5,362.2	6,879.2	5,946.1		5,946.1	5,946.1		5,946.1	5,946.1	5,946.1
EXPENSES & CONTRACTUAL SERVICES	1,637.9	2,246.2	2,740.4	2,928.4		2,928.4	3,133.3		3,133.3	2,928.4	3,133.3
SUPPLIES & MATERIALS	201.2	234.8	796.4	737.8		737.8	788.3		788.3	737.8	788.3
EQUIPMENT	257.9	45.2	161.9	173.2		173.2	185.2		185.2	173.2	185.2
REAL PROPERTY	36.3	9.5	59.2	59.2		59.2	59.2		59.2	59.2	59.2
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS	2.5	4.8									
TOTAL EXPENDITURES	7,117.9	7,902.7	10,637.1	9,844.7		9,844.7	10,112.1		10,112.1	9,844.7	10,112.1
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	314.4										
FEDERAL	6,803.5	7,902.7	10,637.1	9,844.7		9,844.7	10,112.1		10,112.1	9,844.7	10,112.1
TOTAL FINANCING	7,117.9	7,902.7	10,637.1	9,844.7		9,844.7	10,112.1		10,112.1	9,844.7	10,112.1
POSITIONS BY FUND											
FEDERAL	293.0	278.0	252.5	212.0		212.0	212.0		212.0	212.0	212.0
TOTAL POSITIONS	293.0	278.0	252.5	212.0		212.0	212.0		212.0	212.0	212.0

ACTIVITY: INFORMATION SERVICES
Program: PROGRAM AND MANAGEMENT SUPPORT
Agency: ECONOMIC SECURITY, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

Information Services performs all electronic data processing services for the Job Service, Unemployment Insurance, Program and Management Support Divisions, and the Commissioner's Office. It maintains a statewide, on-line network of computer terminals which allow for on-line entry and inquiry of job service and unemployment insurance applicant and claims data; issues in excess of 1.5 million unemployment insurance benefit checks; processes labor market data to produce reports for the Department of Labor's Bureau of Labor Statistics; routinely provides management information reports for department managers and submits computer tapes to the Department of Labor in accordance with federal guidelines and regulations.

MAJOR OBJECTIVES:

1. Develop an information system planning mechanism which will be directed toward the long range data processing needs of all Department of Economic Security (DES) divisions.
2. Based upon the plan, develop and implement applications (including local on-line terminal entry and inquiry) for all department programs.
3. Cooperate with Information Services Bureau (ISB) of the Department of Administration to complete a joint planning effort with the ultimate objective of allowing DES and ISB to serve as mutual backup sites for electronic data processing.
4. Upgrade the present mainframe to overcome the current capacity problems caused by major increase in on-line computer systems for Job Service and Unemployment Insurance.
5. Plan and install a coordinated program of office automation in the entire agency.

ACTIVITY STATISTICS:

Objective No.		Actual FFY 1981	Actual FFY 1982	Estimated FFY 1983	Obj./Est. FFY 1984	Obj./Est. FFY 1985
4	Benefit checks processed (millions)	1.4	1.8	1.8	1.5	1.4
1, 2	Percent of field offices with on-line computer capacity	69	69	56	69	73
1, 2, 5	Percent of field offices with word processing or automated office technology	2	2	2	30	48
4	Computer processing capacity relative to FFY 81	0.8	0.8	2.0	2.0	5.0

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -

MAJOR ISSUES:

1. All or part of the cost of installing a wage record detail system for the unemployment insurance program would have to be financed by a state appropriation.
2. Cooperative efforts between DES and ISB must continue to allow for the efficient delivery of data processing services.

FEDERAL FUNDING SOURCES:

Currently the work performed in this activity is funded from federal sources, primarily the United States Department of Labor. The majority of that funding is negotiated with the operating divisions based upon services provided to a specific program.

EXPLANATION OF BUDGET REQUEST:

No funds are requested for this activity.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: INFORMATION SERVICES

PROGRAM: PROGRAM & MSMT SUPPORT

AGENCY: ECONOMIC SECURITY, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	1,732.6	1,831.8	2,108.4	2,577.0		2,577.0	2,577.0		2,577.0	2,577.0	2,577.0
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	90.2	70.6	84.0	85.7		85.7	85.7		85.7	85.7	85.7
-PREMIUM PAY											
-OVERTIME PAY	28.0	12.3	18.0	18.4		18.4	18.4		18.4	18.4	18.4
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	1,850.8	1,914.7	2,210.4	2,681.1		2,681.1	2,681.1		2,681.1	2,681.1	2,681.1
EXPENSES & CONTRACTUAL SERVICES	177.1	144.7	58.6	63.0		63.0	67.6		67.6	63.0	67.6
SUPPLIES & MATERIALS	162.9	168.0	238.6	256.5		256.5	275.6		275.6	256.5	275.6
EQUIPMENT	384.1	536.3	573.6	613.8		613.8	656.9		656.9	613.8	656.9
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	2,574.9	2,763.7	3,081.2	3,614.4		3,614.4	3,681.2		3,681.2	3,614.4	3,681.2
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
DEDICATED APPROPRIATIONS:											
FEDERAL	2,574.9	2,763.7	3,081.2	3,614.4		3,614.4	3,681.2		3,681.2	3,614.4	3,681.2
TOTAL FINANCING	2,574.9	2,763.7	3,081.2	3,614.4		3,614.4	3,681.2		3,681.2	3,614.4	3,681.2
POSITIONS BY FUND											
FEDERAL	102.0	107.0	111.0	108.0		108.0	108.0		108.0	108.0	108.0
TOTAL POSITIONS	102.0	107.0	111.0	108.0		108.0	108.0		108.0	108.0	108.0

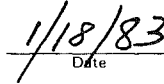
4-0590

AGENCY: STATE PUBLIC SERVICE EMPLOYMENT

1983-85 Biennial Budget

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.


Agency Head


Date

AGENCY PURPOSE:

This was a non-operating account used as a depository for public service employment monies received from 10 Prime Sponsors of programs funded under the Comprehensive Employment and Training Act (CETA). The monies were reimbursement for payments to CETA participants employed by various state agencies under the CETA Public Service Employment program and the Work Equity Demonstration project.

The purpose of a centralized administration of this program was to: 1) assist state agencies in complying with federal regulations; 2) provide central services necessary for the efficient operation of the program; and 3) ensure program accountability by serving as a central information and resource center.

This program no longer operates since there are no public service funded positions in any state agency. The last activity in this account was in the second quarter of F.Y. 1982 when final transfers were made to state agencies for wages paid to such employees.

EXPLANATION OF BUDGET REQUEST:

This program has ended. No state appropriations are requested.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: STATE PUB SVC EMPL-CETA

PROGRAM: STATE PUBLIC SVC EMPLOYMENT

AGENCY: CETA

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED											
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	385.7	2.0									
-PREMIUM PAY											
-OVERTIME PAY	2.6										
-MISCELLANEOUS PAYROLL		81.2									
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	388.4	83.2									
EXPENSES & CONTRACTUAL SERVICES	.7										
SUPPLIES & MATERIALS	.1										
EQUIPMENT											
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	389.2	83.2									
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
DEDICATED APPROPRIATIONS:											
FEDERAL	389.2	83.2									
TOTAL FINANCING	389.2	83.2									
POSITIONS BY FUND											
TOTAL POSITIONS											

1983-85 BIENNIAL BUDGET
PROGRAM STRUCTURE

AGENCY: CORRECTIONS, DEPARTMENT OF

		AGENCY REQUEST		
		ALL FUNDS		
		(Dollars in Thousands)		
PROGRAMS	ACTIVITIES	F.Y. 1984	F.Y. 1985	PAGE
CORRECTIONAL INSTITUTIONS	MCF - Red Wing	\$ 4,611.9	\$ 4,654.7	4-1007
	MCF - Lino Lakes	6,391.7	6,520.0	4-1009
	MCF - Shakopee	2,083.1	2,117.7	4-1011
	Willow River Camp	1,503.8	1,547.3	4-1013
	MCF - Sauk Centre	3,790.9	3,810.4	4-1015
	Thistledew Camp	1,535.7	1,606.8	4-1017
	MCF - Stillwater	20,325.4	20,692.4	4-1019
	MCF - St. Cloud	12,618.9	12,804.0	4-1021
	MCF - Oak Park Heights	11,710.7	11,825.6	4-1023
	Health Care	2,614.4	2,730.3	4-1025
	Education	387.9	405.1	4-1027
	Institution Support Services	322.3	332.8	4-1029
	PROGRAM TOTAL	67,896.7	69,047.1	
COMMUNITY SERVICES	Non-Metro East Probation & Parole	1,166.2	1,181.0	4-1033
	Non-Metro West Probation & Parole	1,741.0	1,762.3	4-1035
	Community Services Support	1,480.4	1,568.9	4-1037
	Community Corrections Act	12,569.8	12,569.8	4-1039
	Facilities Licensing & Inspection	197.9	200.5	4-1041
	Victim Services	2,431.8	2,393.1	4-1043
	Non-CCA Subsidies	1,874.2	1,880.0	4-1049
	PROGRAM TOTAL	21,461.3	21,555.6	
POLICY AND PLANNING	Special Support	563.2	575.7	4-1056
	Research & Information Systems	919.2	959.2	4-1058
	PROGRAM TOTAL	1,482.4	1,534.9	
MANAGEMENT SERVICES	Office of the Commissioner	605.0	607.6	4-1062
	Fiscal Services	363.0	363.9	4-1064
	Administrative Services	534.6	562.8	4-1068
	Personnel	246.4	246.6	4-1070
	Training	42.0	42.0	4-1072
	Industries Coordination	108.2	108.7	4-1074
	Minnesota Corrections Board	-0-	-0-	4-1066
	PROGRAM TOTAL	1,899.2	1,931.6	
	AGENCY TOTAL	<u>\$92,739.6</u>	<u>\$94,069.2</u>	

DEPARTMENT OF CORRECTIONS

POSITION RECONCILIATION		
AUTHORITY:	CURRENT FY83	REQUESTED FOR 6/30/85
LEGISLATIVE COMPLEMENT		
GENERAL FUND	40.0	1,656.3
LEGISLATIVE AUTHORIZED		
GENERAL FUND	1,382.2	-0-
SPECIAL REVENUE	41.5	48.0
FEDERAL	18.8	18.8
REVOLVING	76.5	60.9
AGENCY	1.0	1.0
GIFT	1.0	-0-
BUDGETARY AUTHORIZED		
GENERAL FUND	2.0	-0-
SPECIAL REVENUE	95.0	-0-
FEDERAL	-0-	-0-
REVOLVING	2.5	-0-
TOTAL PERMANENT POSITIONS	<u>1,660.5</u>	<u>1,785.0</u>
OTHER COMPLEMENT (FTE)	54.5	54.5
TOTAL AUTHORIZED POSITIONS	<u>1,715.0</u>	<u>1,839.5</u>
EMPLOYEES ON 6/30/82	1,671.0	

MCF-RED WING
CURRENT POSITIONS 126.60

MCF-LINO LAKES
CURRENT POSITIONS 146.00
SPECIAL REVENUE (1.00)
TOTAL 145.00

MCF-SHAKOPEE
CURRENT POSITIONS 53.90
NEW POSITIONS REQUESTED 1.00
TOTAL 54.90

WILLOW RIVER CAMP
CURRENT POSITIONS 26.50

MCF-SAUK CENTRE
CURRENT POSITIONS 108.00

THISTLEDEW CAMP
CURRENT POSITIONS 42.50
SPECIAL REVENUE .50
TOTAL 43.00

DEPUTY COMMISSIONER CORRECTIONAL INSTITUTIONS
CURRENT POSITIONS 1.50

MCF-STILLWATER
CURRENT POSITIONS 450.10
REVOLVING (18.10)
NEW POSITIONS REQUESTED 12.00
TOTAL 444.00

MCF-ST. CLOUD
CURRENT POSITIONS 326.10

MCF-OAK PARK HEIGHTS
CURRENT POSITIONS 146.00
STATE (NO FUNDING) (5.00)
SPECIAL REVENUE (88.00)
NEW POSITIONS REQUESTED 235.00
TOTAL 288.00

HEALTH CARE
CURRENT POSITIONS 34.00

EDUCATION
CURRENT POSITIONS 3.00

INSTITUTION SUPPORT SERVICES
CURRENT POSITIONS 5.00

OFFICE OF THE COMMISSIONER
CURRENT POSITIONS 5.0

ASSISTANT COMMISSIONER COMMUNITY SERVICES
CURRENT POSITIONS 1.50

NON METRO E. PROBATION & PAROLE
CURRENT POSITIONS 35.30
STATE (NO FUNDING) (1.00)
TOTAL 34.30

NON METRO W. PROBATION & PAROLE
CURRENT POSITIONS 53.20
STATE (NO FUNDING) (1.40)
TOTAL 51.80

COMMUNITY SERVICES SUPPORT
CURRENT POSITIONS 20.50
STATE (NO FUNDING) (6.50)
TOTAL 14.00

COMMUNITY CORRECTIONS ACT
CURRENT POSITIONS -0-

FACILITIES LIC. & INSPECTION
CURRENT POSITIONS 5.00

VICTIM SERVICES
CURRENT POSITIONS 7.00
GIFT (1.00)
TOTAL 6.00

ASSISTANT COMMISSIONER POLICY AND PLANNING MANAGEMENT SERVICES
CURRENT POSITIONS 1.50

SPECIAL SUPPORT
CURRENT POSITIONS 11.80
STATE (NO FUNDING) (1.00)
TOTAL 10.80

RESEARCH & INFORMATION SYSTEMS
CURRENT POSITIONS 17.00
NEW POSITIONS REQUESTED 1.00
TOTAL 18.00

FISCAL SERVICES
CURRENT POSITIONS 12.00
NEW POSITIONS REQUESTED 1.00
TOTAL 13.00

ADMINISTRATIVE SERVICES
CURRENT POSITIONS 8.00
STATE (NO FUNDING) (2.00)
TOTAL 6.00

NON CCA SUBSIDIES
CURRENT POSITIONS -0-

ORGANIZATION CHART
AT 10-29-82

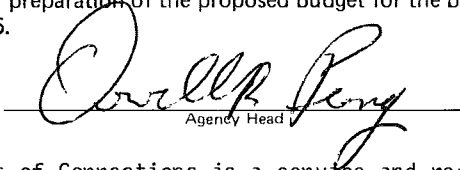
DEPUTY COMMISSIONER CORRECTIONAL INDUSTRIES
CURRENT POSITIONS 1.50

INDUSTRIES COORDINATION
CURRENT POSITIONS 3.00

PERSONNEL
CURRENT POSITIONS 8.00
STATE (NO FUNDING) (1.00)
TOTAL 7.00

TRAINING
CURRENT POSITIONS 1.00

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.


Agency Head

10/29/82
Date

AGENCY PURPOSE: The Department of Corrections is a service and regulatory agency which develops and implements plans for the operation of institutions and community programs for adjudicated delinquents and adult felons. The Department establishes standards and provides money as well as technical assistance to counties for a wide variety of community corrections programs.

The primary goal of the department is to protect society by reducing criminal behavior both through incarceration of offenders and through the development of programs which will increase the likelihood that those committed to the custody of the department will function as law-abiding citizens.

OPERATION AND CLIENTELE: The Department of Corrections operates 9 institutions with an average daily population of over 2,100. It provides parole and probation services to approximately 6,000 persons annually and subsidy funds and technical assistance to 27 counties under the Community Corrections Act and numerous community programs.

Primary clients are inmates, parolees, supervised releasees and probationers. Secondary clients are others in the criminal justice system including Community Corrections Act advisory boards, judges, police, county attorneys, crime victims and the public at large.

The department's operation falls into 4 major program areas:

1. Institutions - manages 9 institutions which utilize a large part of the department's fiscal resources. Institutions provide security, educational/vocational programs and voluntary rehabilitative services. This program also encompasses responsibility for administering health care, education, transporting inmates interstate and intrastate and chaplaincy services.
2. Community Services - provides parole and probation services; plans, assists and monitors participation in the Community Corrections Act; and coordinates and evaluates the operation of community programs. In addition, this activity includes planning and the inspection of all state and local correctional facilities. It also administers the victims services programs.
3. Policy and Planning - provides for developing and analyzing departmental policies, programs and plans in order to achieve departmental goals and objectives. This activity also has responsibility for liaison with the legislature. In addition, this activity has responsibility for administration of departmental research and information systems as well as special support activities.

4. Management Services - provides overall administrative direction, manages fiscal services, operates all personnel services and maintains a department-wide employee training program. Industries Coordination provides overall coordination for correctional industry programs within all of the department's institutions.

Recent trends which affect the Department of Corrections are:

1. Projected increases in institutional adult male and female populations; stabilizing institutional juvenile populations.
2. Projected increases in probation and parole client caseloads.
3. Continued utilization of the corrections management information system and its data base to enhance overall departmental planning effectiveness.

EXPLANATION OF BUDGET REQUEST: The Department of Corrections requests \$167,327,600 in general fund appropriations for the 1983-85 biennium. This request provides for basic program levels and for the full opening of the Oak Park Heights facility.

The total general fund change level request is \$10,095,900 in F.Y. 1984 and \$10,333,000 in F.Y. 1985 and positions requested total 250.0 each year of the biennium. The major increase applies to MCF-Oak Park Heights which includes 235.0 positions and \$7,269,100 the first year and \$7,370,000 the second year of the biennium. In order to maintain basic program levels additional resources are needed for inmate population increases, for the restoration of certain budget items in the institutions and community service programs, for the industries program at MCF-Stillwater and for the repair and maintenance of state property and buildings.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the agency request with the following exceptions:

- 1) The closure of MCF-Shakopee with transfer of the women inmates to MCF-Sauk Centre, which will become a women's correctional facility. The juvenile boys now at Sauk Centre will be transferred to MCF-Red Wing.
- 2) Combined funding of MCF-Oak Park Heights with direct appropriations and dedicated revenues from Wisconsin rather than full appropriations and reimbursement of the General Fund with Wisconsin receipts.
- 3) Inflation adjustments of 5% for victim service grants.
- 4) Modification of inflation rates used for directly appropriated accounts.

AGENCY FISCAL SUMMARY - BIENNIAL BUDGET

AGENCY: CORRECTIONS,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY PROGRAM:											
CORRECTIONAL INSTITUTIONS	47,976.7	50,277.1	60,231.8	58,043.2	9,853.5	67,896.7	59,000.8	10,046.3	69,047.1	66,848.9	67,023.3
COMMUNITY SERVICES	17,628.8	19,282.9	23,430.2	21,406.5	54.8	21,461.3	21,475.8	79.8	21,555.6	21,370.5	21,538.8
POLICY & PLANNING	1,470.8	1,145.0	1,310.6	1,325.3	157.1	1,482.4	1,359.0	175.9	1,534.9	1,465.4	1,504.1
MANAGEMENT SERVICES	2,248.0	2,095.9	1,892.8	1,868.7	30.5	1,899.2	1,900.6	31.0	1,931.6	1,890.9	1,913.4
TOTAL	69,324.3	72,800.9	86,865.4	82,643.7	10,095.9	92,739.6	83,736.2	10,333.0	94,069.2	91,575.7	91,979.6
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	38,672.8	41,838.1	48,489.7	45,728.7	7,660.0	53,388.7	45,723.9	7,972.9	53,696.8	52,822.9	52,425.1
EXPENSES & CONTRACTUAL SERVICES	6,917.5	6,844.4	9,415.1	9,393.5	1,293.5	10,687.0	10,092.9	1,250.7	11,343.6	10,350.3	10,767.1
SUPPLIES & MATERIALS	7,210.9	7,960.9	9,264.0	9,903.7	1,109.2	11,012.9	10,665.1	1,039.8	11,704.9	10,831.3	11,431.6
EQUIPMENT	1,314.1	878.1	749.3	926.8	8.1	934.9	603.7	34.3	638.0	908.8	613.6
REAL PROPERTY	1,588.8	110.1	100.9								
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	13,619.8	15,153.2	18,792.4	16,640.0	25.1	16,665.1	16,599.6	35.3	16,634.9	16,611.4	16,691.2
OTHER EXP ITEMS	.4	16.1	54.0	51.0		51.0	51.0		51.0	51.0	51.0
TOTAL EXPENDITURES	69,324.3	72,800.9	86,865.4	82,643.7	10,095.9	92,739.6	83,736.2	10,333.0	94,069.2	91,575.7	91,979.6
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	60,008.9	63,256.0	73,149.9	73,168.5	10,095.9	83,264.4	73,730.2	10,333.0	84,063.2	78,324.1	79,584.5
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	1,715.6	2,630.1	6,165.5	2,035.0		2,035.0	2,080.4		2,080.4	5,907.4	4,567.9
AGENCY	1,117.7	1,110.8	1,240.1	1,411.8		1,411.8	1,489.1		1,489.1	1,398.6	1,474.8
GIFTS AND DEPOSITS	25.9	9.8	38.3	.4		.4	.4		.4	.4	.4
PRISON REVOLVING	4,701.2	4,886.5	5,495.2	5,418.0		5,418.0	5,871.3		5,871.3	5,335.2	5,787.2
FEDERAL	1,755.0	907.7	776.4	610.0		610.0	564.8		564.8	610.0	564.8
TOTAL FINANCING	69,324.3	72,800.9	86,865.4	82,643.7	10,095.9	92,739.6	83,736.2	10,333.0	94,069.2	91,575.7	91,979.6
POSITIONS BY FUND:											
GENERAL	1,405.0	1,427.7	1,424.2	1,406.3	250.0	1,656.3	1,406.3	250.0	1,656.3	1,612.3	1,612.3
SPEC REV/APPORTIONMT	41.5	117.5	136.5	48.0		48.0	48.0		48.0	48.0	48.0
AGENCY	1.0	1.0	1.0	1.0		1.0	1.0		1.0	1.0	1.0
GIFTS AND DEPOSITS			1.0								
PRISON REVOLVING	83.7	78.5	79.0	60.9		60.9	60.9		60.9	59.5	59.5
FEDERAL	72.5	24.0	18.8	18.8		18.8	18.8		18.8	17.8	17.8
TOTAL POSITIONS	1,603.7	1,643.7	1,660.5	1,535.0	250.0	1,785.0	1,535.0	250.0	1,785.0	1,738.6	1,738.6

PROGRAM: INSTITUTIONS
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM PURPOSE:

This program includes the operation of 9 correctional facilities (the ninth facility, MCF-Oak Park Heights opened on March 23, 1982) plus the department-wide coordination and supervision of institution health care, education, and support services. The facilities exist to provide the most severe correctional sanctions and control. They serve a dual purpose--to protect the public by incarceration of the offender and to provide industrial, vocational, academic and therapeutic opportunities on a voluntary basis to inmates. The facilities are: Minnesota Correctional Facility (MCF) - Red Wing, MCF-Lino Lakes, MCF-Shakopee, Willow River Camp, MCF-Sauk Centre, Thistledeew Camp, MCF-Stillwater, MCF-St. Cloud, and MCF-Oak Park Heights.

OPERATION:

The institutions program includes the department's maximum, medium and minimum custody facilities which encompass 6 adult and 3 juvenile institutions. Each institution is headed by a chief executive officer who is responsible for day-to-day operations. The primary objective of this division is to operate secure, safe, just and humane facilities with meaningful programs for inmates.

The health care section plans, implements and coordinates medical, psychiatric and dental programs for each of the 9 correctional facilities. This activity also includes supervision of the department's secure medical unit at St. Paul-Ramsey Hospital.

The education section develops and assists institutions in implementing new vocational and academic programs and coordinates ongoing programs. This activity includes the administration of federal education funds within the institutions.

Support services includes the coordination and supervision of health care and educational services plus the transporting of inmates and parole violators and the issuing of fugitive arrest warrants.

CLIENTELE:

The average daily population for F.Y. 1982 was 2,166 inmates: 1,928 adults and 238 juveniles. The adult population has been increasing since 1974 and is expected to increase to 2,380 or 23.4% by the end of the 1983-85 biennium. A slight upswing in juvenile populations occurred from 1979 through 1982, but is expected to stabilize at 225 in the F.Y. 1983-85 biennium.

Projections for the total institution population hinge on 3 factors: population at risk, commitment rate and release rate. The population projections for the 1983-85 biennium along with the F.Y. 1983 estimated figures are as follows:

	F.Y. 1983			F.Y. 1984			F.Y. 1985		
	ESTIMATED POPULATION			PROJECTIONS			PROJECTIONS		
	Adult	Juvenile	Total	Adult	Juvenile	Total	Adult	Juvenile	Total
MCF-Red Wing		125	125	-	125	125	-	125	125
MCF-Lino Lakes	180	-	180	180	-	180	180	-	180
MCF-Shakopee	70	-	70	80	-	80	80	-	80
Willow River Camp	58	-	58	60	-	60	60	-	60
MCF-Sauk Centre		100	100	-	100	100	-	100	100
MCF-Stillwater	1065	-	1065	940	-	940	1040	-	1040
MCF-St. Cloud	620	-	620	620	-	620	620	-	620
MCF-Oak Park Heights	168	-	168	400	-	400	400	-	400
TOTAL	2161	225	2386	2280	225	2505	2380	225	2605

Thistledeew Camp has as clients juveniles who have not been committed to the Commissioner of Corrections. Thistledeew's average daily population for F.Y. 1983 is estimated at 46.

EXPLANATION OF BUDGET REQUEST: The change level request for the institution's program totals 248.0 positions and \$9,853,500 in F.Y. 1984 and \$10,046,300 in F.Y. 1985. Of this amount the major increase is funding for operations and 235.0 positions for MCF-Oak Park Heights with \$7,269,100 requested the first year and \$7,370,000 the second year. In addition, \$51,800 in F.Y. 1984 and \$55,400 in F.Y. 1985 is requested for health care services at MCF-Oak Park Heights.

Included in the balance of the change level request are 12.0 positions and \$1,392,200 for F.Y. 1984 and \$1,393,600 for F.Y. 1985 for industries at MCF-Stillwater; 1.0 position and \$86,000 for F.Y. 1984 and \$90,600 for F.Y. 1985 for the Work Release Program at MCF-Shakopee; \$38,900 the first year and \$41,500 the second year to fund the projected population increase at MCF-Shakopee; \$347,300 for F.Y. 1984 and \$385,400 for F.Y. 1985 to restore budget cuts in the essential areas of inmate and trainee wages, equipment and fuel and utilities; \$345,500 each year for unfunded salary obligations of worker's and unemployment compensation; and \$322,700 for F.Y. 1984 and \$364,300 for F.Y. 1985 for repair projects previously funded through the capital budget.

GOVERNOR'S RECOMMENDATION:

The Governor recommends closing MCF-Shakopee and transferring women offenders to MCF-Sauk Centre. The juvenile male offenders would move to MCF-Red Wing. The Governor supports full operation of MCF-Oak Park Heights, but reduces direct appropriations and replaces them with dedicated receipts from Wisconsin.

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: CORRECTIONAL INSTITUTIONS

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
MCF-RED WING	3,673.3	4,223.1	4,501.3	4,537.3	74.6	4,611.9	4,578.1	76.6	4,654.7	4,995.6	5,033.9
MCF-LINO LAKES	5,311.1	5,415.8	6,156.4	6,248.3	143.4	6,391.7	6,372.6	147.4	6,520.0	6,378.2	6,490.4
MCF-SHAKOPEE	1,460.6	1,634.4	1,855.0	1,913.8	169.3	2,083.1	1,941.0	176.7	2,117.7	705.5	
WILLOW RIVER CAMP	1,147.2	1,238.5	1,395.5	1,453.4	50.4	1,503.8	1,496.8	50.5	1,547.3	1,493.3	1,524.5
MCF-SAUK CENTRE	2,992.1	3,252.6	3,662.7	3,737.9	53.0	3,790.9	3,769.8	40.6	3,810.4	3,933.4	3,923.2
THISTLEDEN CAMP	1,076.7	1,200.1	1,383.6	1,491.7	44.0	1,535.7	1,521.8	85.0	1,606.8	1,534.9	1,603.7
MCF-STILLWATER	16,519.8	17,764.9	19,454.8	18,402.5	1,922.9	20,325.4	18,733.8	1,958.6	20,692.4	20,260.3	20,555.2
MCF-ST CLOUD	9,896.8	10,869.3	12,706.0	12,543.9	75.0	12,618.9	12,718.5	85.5	12,804.0	12,593.0	12,746.2
MCF-DAK PARK	2,610.1	1,891.1	5,944.5	4,441.6	7,269.1	11,710.7	4,455.6	7,370.0	11,825.6	11,667.4	11,759.1
HEALTH CARE	2,283.8	2,143.6	2,441.1	2,562.6	51.8	2,614.4	2,674.9	55.4	2,730.3	2,584.2	2,664.5
EDUCATION	473.7	321.0	375.2	387.9		387.9	405.1		405.1	383.4	395.5
INSTITUTION SUPPORT SERV	531.5	302.7	335.7	322.3		322.3	332.8		332.8	319.7	327.1
TOTAL	47,976.7	50,277.1	60,231.8	58,043.2	9,853.5	67,896.7	59,000.8	10,046.3	69,047.1	66,848.9	67,023.3
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	33,181.9	36,541.7	43,132.2	40,353.5	7,606.3	47,959.8	40,353.5	7,919.2	48,272.7	47,394.0	47,001.0
EXPENSES & CONTRACTUAL SERVICES	4,835.5	4,829.7	7,039.5	6,910.5	1,129.9	8,040.4	7,436.5	1,053.0	8,489.5	7,765.1	8,032.5
SUPPLIES & MATERIALS	7,122.8	7,907.8	9,177.1	9,818.4	1,109.2	10,927.6	10,574.1	1,039.8	11,613.9	10,746.8	11,342.6
EQUIPMENT	1,247.3	871.7	728.1	909.8	8.1	917.9	585.7	34.3	620.0	892.0	596.2
REAL PROPERTY	1,588.8	110.1	100.9								
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXP ITEMS	.4	16.1	54.0	51.0		51.0	51.0		51.0	51.0	51.0
TOTAL EXPENDITURES	47,976.7	50,277.1	60,231.8	58,043.2	9,853.5	67,896.7	59,000.8	10,046.3	69,047.1	66,848.9	67,023.3
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	39,324.4	40,997.6	46,800.3	48,692.0	9,853.5	58,545.5	49,076.4	10,046.3	59,122.7	53,721.3	54,709.8
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	1,692.7	2,603.1	6,130.5	1,998.7		1,998.7	2,041.5		2,041.5	5,871.1	4,529.0
AGENCY	1,112.7	1,110.0	1,238.1	1,409.7		1,409.7	1,486.8		1,486.8	1,396.5	1,472.5
GIFTS AND DEPOSITS	24.6	4.1	7.7								
PRISON REVOLVING	4,691.0	4,885.8	5,489.7	5,418.0		5,418.0	5,871.3		5,871.3	5,335.2	5,787.2
FEDERAL	1,131.3	676.5	565.5	524.8		524.8	524.8		524.8	524.8	524.8
TOTAL FINANCING	47,976.7	50,277.1	60,231.8	58,043.2	9,853.5	67,896.7	59,000.8	10,046.3	69,047.1	66,848.9	67,023.3
POSITIONS BY FUND:											
GENERAL	1,191.7	1,232.2	1,233.2	1,228.2	248.0	1,476.2	1,228.2	248.0	1,476.2	1,432.2	1,432.2
SPEC REV/APPORTIONMT	41.5	117.5	136.5	48.0		48.0	48.0		48.0	48.0	48.0
AGENCY	1.0	1.0		1.0		1.0	1.0		1.0	1.0	1.0
PRISON REVOLVING	83.7	78.5	79.0	60.9		60.9	60.9		60.9	59.5	59.5
FEDERAL	49.2	22.2	18.0	18.0		18.0	18.0		18.0	17.0	17.0
TOTAL POSITIONS	1,367.1	1,451.4	1,467.7	1,356.1	248.0	1,604.1	1,356.1	248.0	1,604.1	1,557.7	1,557.7

ACTIVITY: MINNESOTA CORRECTIONAL FACILITY-RED WING
Program: CORRECTIONAL INSTITUTIONS
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The Minnesota Correctional Facility-Red Wing (MCF-Red Wing) provides custody, evaluation and treatment for male juvenile offenders committed to the Commissioner of Corrections from the 23 counties in the southeastern region of the state which includes the Twin Cities metropolitan area. Detention and pre-disposition evaluative services are also available to county juvenile courts.

The institution was constructed in 1889 and serves as a residential treatment facility for male juvenile offenders. The facility is an open campus and living quarters consist of 1-story and 2-story cottages, each housing between 25 and 30 residents.

MCF-Red Wing's mission includes the protection of the public as well as treatment and rehabilitation of juveniles. This is accomplished through academic programming and pre-vocational training aimed at attitudinal and behavioral changes.

Pre-vocational education provides the student with an understanding of various trades and includes programs in small engine repair, food service, graphic arts, auto service station work and welding. The academic program provides basic courses and remedial reading and mathematics, driver education, art and physical education. In addition, all residents participate in group therapy; individual counseling is also available.

ACTIVITY STATISTICS:

While juvenile populations have been on an overall decline during the past decade, a slight upswing occurred from 1979 through 1982. However, the population projections now appear to have stabilized at a somewhat lower level for the 1983-85 biennium with 125 projected for MCF-Red Wing.

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Number of residents served	793	775	700	700	700
Average daily population	140	140	125	125	125
Average daily cost	\$64.84	\$70.77	\$90.13	\$94.42	\$95.61
Average length of stay (months)	4.9	4.9	5.5	5.5	5.5
Educational participation	100%	100%	100%	100%	100%
Vocational participation	75%	75%	75%	75%	75%

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

BUDGET ISSUES:

Beginning in F.Y. 1983 federal funds for Chapter One of the Education Consolidation and Improvement Act were reduced due to budget cuts and a decreased population eliminating 2.0 positions. Further cuts are being discussed at the federal level which could further reduce this program.

Dedicated receipts from detention and pre-disposition evaluative services which supplement the MCF-Red Wing budget are expected to decline in 1984 and 1985 because of local budget reductions. In the past, these funds have provided resources for items such as worker's compensation, utilities, repair services and supplies including food provisions.

EXPLANATION OF BUDGET REQUEST:

No increase in staff or funding is requested except for inflation and those items listed below.

Included in the change level request of \$74,600 for F.Y. 1984 and \$76,600 for F.Y. 1985 are \$25,000 each year for worker's and unemployment compensation, \$7,600 in F.Y. 1984 and \$8,100 in F.Y. 1985 for fuel and utilities and \$42,000 in F.Y. 1984 and \$43,500 in F.Y. 1985 for repair, replacement and betterment items.

GOVERNOR'S RECOMMENDATION:

The Governor recommends increases for:

- 1) Transfer of all male juveniles from MCF-Sauk Centre; housing at this facility includes 7.5 staff.
- 2) Unfunded salary obligations.
- 3) Restoration of fuel and utilities funds.
- 4) Funds for repairs and betterment.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: MCF-RED WING

PROGRAM: CORRECTIONAL INSTITUTIONS

AGENCY: CORRECTIONS,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL	ACTUAL	ESTIMATED	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
	F.Y. 1981	F.Y. 1982	F.Y. 1983	SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	2,943.5	3,223.4	3,512.0	3,583.2		3,583.2	3,583.2		3,583.2	3,809.7	3,809.7
-REGULAR UNCLASSIFIED	58.1	74.9	66.0	67.6		67.6	67.6		67.6	67.6	67.6
-PART-TIME/SEAS./OTHER	5.6	45.7	15.0	10.3		10.3	10.3		10.3	10.3	10.3
-PREMIUM PAY	27.5	32.0	26.4	30.4		30.4	30.4		30.4	30.4	30.4
-OVERTIME PAY	33.2	43.3	50.1	53.4		53.4	53.4		53.4	53.4	53.4
-MISCELLANEOUS PAYROLL	31.6	28.4	35.5	35.5		35.5	35.5		35.5	49.7	49.7
-OTHER BENEFITS	24.7	67.9			25.0	25.0		25.0	25.0	25.0	25.0
TOTAL PERSONAL SERVICES	3,124.2	3,515.6	3,705.0	3,780.4	25.0	3,805.4	3,780.4	25.0	3,805.4	4,046.1	4,046.1
EXPENSES & CONTRACTUAL SERVICES	174.2	207.5	249.1	245.8	42.0	287.8	260.8	43.5	304.3	332.4	343.9
SUPPLIES & MATERIALS	353.7	467.4	526.9	497.3	7.6	504.9	522.0	8.1	530.1	603.6	629.6
EQUIPMENT	21.2	30.0	20.3	13.8		13.8	14.9		14.9	13.5	14.3
REAL PROPERTY		2.6									
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	3,673.3	4,223.1	4,501.3	4,537.3	74.6	4,611.9	4,578.1	76.6	4,654.7	4,995.6	5,033.9
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	3,313.4	3,616.2	4,112.0	4,244.9	74.6	4,319.5	4,285.7	76.6	4,362.3	4,703.2	4,741.5
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	178.2	432.5	222.9	125.0		125.0	125.0		125.0	125.0	125.0
AGENCY	24.0	21.7	30.0	30.6		30.6	30.6		30.6	30.6	30.6
PRISON REVOLVING	10.9	6.1	7.2	7.6		7.6	7.6		7.6	7.6	7.6
FEDERAL	146.8	146.6	129.2	129.2		129.2	129.2		129.2	129.2	129.2
TOTAL FINANCING	3,673.3	4,223.1	4,501.3	4,537.3	74.6	4,611.9	4,578.1	76.6	4,654.7	4,995.6	5,033.9
POSITIONS BY FUND											
GENERAL	131.1	123.6	123.6	123.6		123.6	123.6		123.6	131.1	131.1
FEDERAL	5.0	5.0	3.0	3.0		3.0	3.0		3.0	3.0	3.0
TOTAL POSITIONS	136.1	128.6	126.6	126.6		126.6	126.6		126.6	134.1	134.1

ACTIVITY: MINNESOTA CORRECTIONAL FACILITY-LINO LAKES 1983-85 Biennial Budget
Program: CORRECTIONAL INSTITUTIONS
Agency: CORRECTIONS, DEPARTMENT OF

ACTIVITY DESCRIPTION: The Minnesota Correctional Facility-Lino Lakes (MCF-Lino Lakes) is a medium-minimum security setting for adult male felons transferred from other close or maximum security Minnesota correctional facilities. Inmates at this institution are generally within the last 10 to 30 months of incarceration, however, appropriate long term inmates are included. Current program capacity includes 162 inmates in medium security and 42 inmates in minimum security. Two additional minimum security cottages with a total of 40 beds are presently leased to the Anoka Corrections Department.

MCF-Lino Lakes provides a program where the daily living conditions for inmates are patterned as closely as possible to life in the community while at the same time maintaining adequate security to assure the protection of the public.

All inmates in the medium security program work an 8-hour day, 5-day week, either in the industry program or performing essential services for the institution. Treatment, educational, health care and leisure time resources are available. Two treatment programs, the Asklepieion therapeutic community and the transitional sex offender program are available to inmates who meet specific criteria. Intensive individual and group counseling, including family counseling, takes place outside of regular working hours.

The minimum security area includes a vocational training program, the pre-release program and inmates who work on institution service jobs. The vocational program is a cooperative effort with the 916 Vo-Tech School in White Bear Lake. The pre-release program is designed to assist inmates, who have less than a month to serve before parole or discharge, in locating a job or a place to live in the metropolitan area.

ACTIVITY STATISTICS: Institution population has remained relatively constant over the past two years. The second year of the biennium witnessed a larger turnover among inmates due to changes in the sentencing laws, however, there continues to be a waiting list of inmates desiring to transfer from MCF-Stillwater and MCF-St. Cloud.

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Number of inmates served	622	714	790	790	790
Average daily population	180	182	180	180	180
Average daily cost	\$58.64	\$62.42	\$72.88	\$75.84	\$77.05
Average length of stay (months)	11.5	10.3	10.0	10.0	10.0

Average daily number of inmates in
daytime programs:

Employed in industry	116	116	116	116	116
Employed by institution	29	31	30	30	30
Full time treatment/education	35	35	34	34	34
Total	180	182	180	180	180

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	53.2	11.1	11.7	12.0	12.0

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Average daily number of inmates in special programs:					
Transitional sex offender program	26	28	30	30	30
Asklepieion therapeutic community	25	27	30	30	30
916 vocational program	7	6	10	10	10
Pre-release program	18	18	18	18	18

BUDGET ISSUES: Due to budget reductions in the special equipment area, institution staff have been unable to replace essential program equipment.

EXPLANATION OF BUDGET REQUEST: No increase in staff or funding is requested except for inflation and those items listed below.

The change level request of \$143,400 for F.Y. 1984 and \$147,400 in F.Y. 1985 includes \$69,900 each year for worker's and unemployment compensation, \$10,100 the first year and \$10,800 the second year for fuel and utilities, \$8,100 in F.Y. 1984 and \$8,700 in F.Y. 1985 for special equipment and \$55,300 in F.Y. 1984 and \$58,000 in F.Y. 1985 for repair, replacement and betterment items.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: MCF-LINO LAKES

PROGRAM: CORRECTIONAL INSTITUTIONS

AGENCY: CORRECTIONS, DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	3,101.6	3,372.5	3,941.9	3,916.6		3,916.6	3,916.6		3,916.6	3,916.6	3,916.6
-REGULAR UNCLASSIFIED	260.9	88.8	53.0	51.3		51.3	51.3		51.3	51.3	51.3
-PART-TIME/SEAS./OTHER	23.6	31.3	24.1	26.4		26.4	26.4		26.4	26.4	26.4
-PREMIUM PAY	25.9	33.6	42.8	43.0		43.0	43.0		43.0	43.0	43.0
-OVERTIME PAY	57.5	83.5	124.0	124.0		124.0	124.0		124.0	124.0	124.0
-MISCELLANEOUS PAYROLL	375.8	330.8	320.2	323.8		323.8	323.8		323.8	323.8	323.8
-OTHER BENEFITS	125.1	62.1		.9	69.9	70.8	.9	69.9	70.8	70.8	70.8
TOTAL PERSONAL SERVICES	3,970.4	4,002.6	4,506.0	4,486.0	69.9	4,555.9	4,486.0	69.9	4,555.9	4,555.9	4,555.9
EXPENSES & CONTRACTUAL SERVICES	423.6	401.8	487.4	521.0	55.3	576.3	557.0	58.0	615.0	569.2	599.3
SUPPLIES & MATERIALS	873.8	955.2	1,083.2	1,160.5	10.1	1,170.6	1,243.1	10.8	1,253.9	1,164.7	1,241.0
EQUIPMENT	41.1	55.2	79.8	80.8	8.1	88.9	86.5	8.7	95.2	88.4	94.2
REAL PROPERTY	2.2										
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	5,311.1	5,415.8	6,156.4	6,248.3	143.4	6,391.7	6,372.6	147.4	6,520.0	6,378.2	6,490.4
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	3,852.9	4,146.6	4,787.9	4,852.9	143.4	4,996.3	4,914.6	147.4	5,062.0	4,982.8	5,032.4
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	138.8	110.7	153.8	131.2		131.2	138.9		138.9	131.2	138.9
AGENCY	90.7	94.4	94.7	101.2		101.2	103.3		103.3	101.2	103.3
PRISON REVOLVING	1,067.4	1,012.3	1,111.3	1,154.3		1,154.3	1,202.1		1,202.1	1,154.3	1,202.1
FEDERAL	161.3	51.8	8.7	8.7		8.7	8.7		8.7	8.7	8.7
TOTAL FINANCING	5,311.1	5,415.8	6,156.4	6,248.3	143.4	6,391.7	6,372.6	147.4	6,520.0	6,378.2	6,490.4
POSITIONS BY FUND											
GENERAL	133.5	134.5	134.5	134.5		134.5	134.5		134.5	134.5	134.5
SPEC REV/APPORTIONMT	1.0	2.0	2.0	1.0		1.0	1.0		1.0	1.0	1.0
PRISON REVOLVING	9.0	8.0	8.5	8.5		8.5	8.5		8.5	8.5	8.5
FEDERAL	10.5	1.0	1.0	1.0		1.0	1.0		1.0	1.0	1.0
TOTAL POSITIONS	154.0	145.5	146.0	145.0		145.0	145.0		145.0	145.0	145.0

ACTIVITY: MINNESOTA CORRECTIONAL FACILITY-SHAKOPEE 1983-85 Biennial Budget
Program: CORRECTIONAL INSTITUTION
Agency: CORRECTIONS, DEPARTMENT OF

ACTIVITY DESCRIPTION:

The Minnesota Correctional Facility-Shakopee (MCF-Shakopee) exists to protect the public by incarcerating adult female offenders in the custody of the Department of Corrections. The institution provides a variety of programs designed to assist these offenders in their return to society.

Institution activities provide for a safe, just and humane environment for incarcerated females and provide resources for those inmates inclined to utilize specialized programs such as chemical dependency, family counseling, parenting and independent living skills programming. Activities range from keypunch and assembly operation in light industry to off-campus work experiences and from basic to college level education.

ACTIVITY STATISTICS:

Admissions during the first 6 months of calendar year 1982 increased 50% compared to the same time the previous year. The average length of stay at MCF-Shakopee also is increasing. Population projections show increases to 80 inmates during the 1983-85 biennium.

	<u>F.Y. 1981</u> <u>Actual</u>	<u>F.Y. 1982</u> <u>Actual</u>	<u>F.Y. 1983</u> <u>Estimated</u>	<u>F.Y. 1984</u> <u>Estimated</u>	<u>F.Y. 1985</u> <u>Estimated</u>
Number of inmates served	107	126	135	140	145
Average daily population	63	60	70	80	80
Average daily cost	\$59.62	\$70.47	\$68.35	\$67.82	\$69.11
Average length of stay (months)	21.2	23.8	26.3	26.3	26.3
Percent inmates in productive assignments	76%	79%	80%	80%	80%

BUDGET ISSUES:

Due to increased court commitments and length of stay, population projections show an increase over institutional capacity during the upcoming biennium. In order to decrease the potential for institutional overcrowding, the department plans to contract for residential placement in work release programs for selected inmates.

ACTIVITY GENERATES NON-DEDICATED REVENUE	<u>ACTUAL</u> <u>F.Y. 1981</u>	<u>ACTUAL</u> <u>F.Y. 1982</u>	<u>ESTIMATE</u> <u>F.Y. 1983</u>	<u>ESTIMATE</u> <u>F.Y. 1984</u>	<u>ESTIMATE</u> <u>F.Y. 1985</u>
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

EXPLANATION OF BUDGET REQUEST:

Included in the change level request of \$169,300 and \$176,700 is an increase of \$86,000 the first year and \$90,600 the second year for contract services for 10 Work Release Program placements for selected inmates and for 1.0 Corrections Agent position to administer the Work Release Program. An increase of \$38,900 in F.Y. 1984 and \$41,500 in F.Y. 1985 is also requested for supply and expense items required for the projected population increase.

The remaining change level request includes \$8,100 each year for worker's and unemployment compensation, \$2,100 the first year and \$2,300 the second year for fuel and utilities and \$34,200 each year for repair, replacement and betterment items.

GOVERNOR'S RECOMMENDATION:

The Governor recommends closure of this facility and transfer of the women inmates to MCF-Sauk Centre. Funds have been allowed in F.Y. 1984 to assist the agency in this objective.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: MCF-SHAKOPEE

PROGRAM: CORRECTIONAL INSTITUTIONS

AGENCY: CORRECTIONS,OPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	1,032.8	1,163.9	1,288.5	1,289.3	21.0	1,310.3	1,289.3	21.0	1,310.3		
-REGULAR UNCLASSIFIED	64.4	44.3	49.5	75.8		75.8	75.8		75.8		
-PART-TIME/SEAS./OTHER	1.4	2.6	4.5	5.9		5.9	5.9		5.9		
-PREMIUM PAY	8.0	12.1	12.3	13.3		13.3	13.3		13.3		
-OVERTIME PAY	36.4	37.2	50.2	61.9		61.9	61.9		61.9		
-MISCELLANEOUS PAYROLL	52.6	58.3	69.2	69.2	6.4	75.6	69.2	6.8	76.0		
-OTHER BENEFITS	22.3	6.5	.9	2.8	8.1	10.9	2.8	8.1	10.9	705.5	
TOTAL PERSONAL SERVICES	1,217.9	1,324.9	1,475.1	1,518.2	35.5	1,553.7	1,518.2	35.9	1,554.1	705.5	
EXPENSES & CONTRACTUAL SERVICES	100.6	158.6	175.1	202.3	106.1	308.4	216.4	111.2	327.6		
SUPPLIES & MATERIALS	131.5	148.0	183.7	179.2	27.7	206.9	191.3	29.6	220.9		
EQUIPMENT	10.6	2.9	21.1	14.1		14.1	15.1		15.1		
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	1,460.6	1,634.4	1,855.0	1,913.8	169.3	2,083.1	1,941.0	176.7	2,117.7	705.5	
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	1,371.0	1,543.4	1,746.3	1,816.5	169.3	1,985.8	1,841.3	176.7	2,018.0	705.5	
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMENT	.9	5.2	11.4	1.3		1.3	1.3		1.3		
AGENCY	7.1	7.5	12.4	13.2		13.2	14.3		14.3		
PRISON REVOLVING	65.9	78.3	84.9	82.8		82.8	84.1		84.1		
FEDERAL	15.7										
TOTAL FINANCING	1,460.6	1,634.4	1,855.0	1,913.8	169.3	2,083.1	1,941.0	176.7	2,117.7	705.5	
POSITIONS BY FUND											
GENERAL	50.5	51.5	51.5	51.5	1.0	52.5	51.5	1.0	52.5		
PRISON REVOLVING	1.4	1.4	1.4	1.4		1.4	1.4		1.4		
FEDERAL	2.5	1.0	1.0	1.0		1.0	1.0		1.0		
TOTAL POSITIONS	54.4	53.9	53.9	53.9	1.0	54.9	53.9	1.0	54.9		

ACTIVITY: WILLOW RIVER CAMP
Program: CORRECTIONAL INSTITUTIONS
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

Willow River Camp provides a vocational, academic, and group treatment program for committed adult felons who are transferred from the Minnesota Correctional Facilities-Stillwater, St. Cloud, and Lino Lakes and who are nearing their release dates. This minimum security facility provides: 1) protection to the public by incarcerating convicted offenders; 2) vocational and academic education to students; 3) gradual reintegration into the community by controlled participation by students in activities outside the facility; and 4) group treatment for developing social skills to adequately handle personal problems which might have contributed to the student's past criminal behavior.

The camp provides weekly to each student, 20 hours of vocational training in 1 of 5 programs (welding, mechanics, truck trailer mechanics, truck driving or machine tool operation), 10 hours of classroom study of the skill, 10 hours of academic study and at least 6 hours of group meetings. All inmates are engaged as full time students in the education program. Six of the staff are contract employees of the Sandstone Public School system, providing education services in vocational areas.

ACTIVITY STATISTICS:

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Number of inmates served	142	151	155	155	155
Average daily population	51	53	58	60	50
Average daily cost-total	\$60.33	\$62.30	\$63.94	\$66.48	\$68.54
Average daily cost(education only)	\$32.40	\$31.07	\$30.51	\$31.08	\$33.00
Average length of stay (months)	6.9	7.1	7.0	7.0	7.0
Percent program completion	86%	81%	82%	82%	82%

BUDGET ISSUES:

With the projected increase in adult populations, it is expected that the population at Willow River Camp will be at capacity in the coming biennium.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	3.9	.6	-0-	-0-	-0-

EXPLANATION OF BUDGET REQUEST:

No increase in staff or funding is requested except for inflation and those items listed below.

The change level increase of \$50,400 for F.Y. 1984 and \$50,500 for F.Y. 1985 includes \$2,100 the first year and \$2,300 the second year for fuel and utilities and \$48,300 in F.Y. 1984 and \$48,200 in F.Y. 1985 for repair, replacement and betterment items.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: WILLOW RIVER CAMP

PROGRAM: CORRECTIONAL INSTITUTIONS

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	594.1	628.1	679.9	692.8		692.8	692.8		692.8	692.8	692.8
-REGULAR UNCLASSIFIED		27.4	45.3	46.1		46.1	46.1		46.1	46.1	46.1
-PART-TIME/SEAS./OTHER	6.8	5.6	6.5	11.6		11.6	11.6		11.6	11.6	11.6
-PREMIUM PAY	5.4	7.9	8.2	10.2		10.2	10.2		10.2	10.2	10.2
-OVERTIME PAY	2.6	5.1	12.8	16.1		16.1	16.1		16.1	16.1	16.1
-MISCELLANEOUS PAYROLL	24.1	30.5	34.9	34.9		34.9	34.9		34.9	34.9	34.9
-OTHER BENEFITS	1.0			1.5		1.5	1.5		1.5	1.5	1.5
TOTAL PERSONAL SERVICES	634.0	704.6	787.6	813.2		813.2	813.2		813.2	813.2	813.2
EXPENSES & CONTRACTUAL SERVICES	290.0	308.2	299.9	322.7	48.3	371.0	344.4	48.2	392.6	364.5	378.5
SUPPLIES & MATERIALS	204.8	201.9	269.7	284.4	2.1	286.5	303.7	2.3	306.0	283.1	298.6
EQUIPMENT	12.6	23.7	38.3	33.1		33.1	35.5		35.5	32.5	34.2
REAL PROPERTY	5.8										
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS		.1									
TOTAL EXPENDITURES	1,147.2	1,238.5	1,395.5	1,453.4	50.4	1,503.8	1,496.8	50.5	1,547.3	1,493.3	1,524.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	1,123.0	1,205.1	1,353.6	1,409.4	50.4	1,459.8	1,450.6	50.5	1,501.1	1,449.3	1,478.3
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	1.1	2.3	3.6	3.9		3.9	4.1		4.1	3.9	4.1
AGENCY	23.1	22.0	28.2	30.0		30.0	32.0		32.0	30.0	32.0
FEDERAL		9.1	10.1	10.1		10.1	10.1		10.1	10.1	10.1
TOTAL FINANCING	1,147.2	1,238.5	1,395.5	1,453.4	50.4	1,503.8	1,496.8	50.5	1,547.3	1,493.3	1,524.5
POSITIONS BY FUND											
GENERAL	27.5	26.5	26.5	26.5		26.5	26.5		26.5	26.5	26.5
TOTAL POSITIONS	27.5	26.5	26.5	26.5		26.5	26.5		26.5	26.5	26.5

ACTIVITY: MINNESOTA CORRECTIONAL FACILITY-SAUK CENTRE
Program: CORRECTIONAL INSTITUTIONS
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The Minnesota Correctional Facility-Sauk Centre (MCF-Sauk Centre) provides custody, evaluation and treatment for male juvenile offenders from 64 counties in the western region of the state and female juvenile offenders from all 87 counties committed to the Commissioner of Corrections. Pre-dispositional evaluations and detention services are also available to the juvenile courts.

The institution was established in 1910 as a residential treatment facility for delinquent girls and became co-educational in 1967. The facility is an open campus and living quarters consist of 2-story cottages housing from 20 to 25 residents each.

MCF-Sauk Centre's mission includes the protection of the public as well as treatment and rehabilitation of juveniles. This is accomplished through programming and establishing goals for juvenile residents which are aimed at attitudinal and behavioral changes. Such changes are affected through academic and remedial education as well as treatment programs consisting of group therapy and individual counseling.

ACTIVITY STATISTICS: While juvenile populations have declined during the past decade, a slight upswing occurred from 1979 through 1982. However, population projections now appear to have stabilized at a somewhat lower level for the 1983-85 biennium with 100 projected for Sauk Centre.

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Number of residents served	709	606	555	555	555
Average daily population	110	98	100	100	100
Average daily cost	\$66.41	\$82.80	\$91.32	\$95.00	\$95.80
Average length of stay (months)	4.0	4.6	4.9	5.3	5.3
Educational participation	100%	100%	100%	100%	100%

BUDGET ISSUES:

In the past, dedicated receipts from pre-dispositional and detention services have provided supplemental funding for program services and salaries. This source of revenue has declined recently because of budget cuts at the local level.

Beginning in F.Y. 1983, federal funds for Chapter One of the Education Consolidation and Improvement Act were cut back due to budget reductions and a decreased population and 1.0 position was eliminated. Further cuts being discussed at the federal level could substantially reduce this program.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	4.9	3.6	3.6	3.6	3.6

EXPLANATION OF BUDGET REQUEST:

No increase in staff or funding is requested except for inflation and those items listed below.

Included in the change level request of \$53,000 for F.Y. 1984 and \$40,600 for F.Y. 1985 is \$5,900 each year for worker's and unemployment compensation, \$4,100 in F.Y. 1984 and \$4,400 in F.Y. 1985 for fuel and utilities and \$43,000 the first year and \$30,300 the second year for repair, replacement and betterment items.

GOVERNOR'S RECOMMENDATION:

The Governor recommends increases to the agency's same level request for:

- 1) Unfunded salary obligations.
- 2) Restoration of budget cuts for fuel & utilities.
- 3) Repairs and betterment.
- 4) Costs related to conversion and operation of this institution as a women and girls correctional facility.

However, adjustments have been made to modify inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: MCF-SAUK CENTRE

PROGRAM: CORRECTIONAL INSTITUTIONS

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	2,404.4	2,682.0	2,897.7	2,967.1		2,967.1	2,967.1		2,967.1	2,988.1	2,988.1
-REGULAR UNCLASSIFIED	47.2	49.7	50.1	51.6		51.6	51.6		51.6	51.6	51.6
-PART-TIME/SEAS./OTHER	7.1	8.2	5.0	6.7		6.7	7.1		7.1	6.7	7.1
-PREMIUM PAY	15.6	23.2	27.9	28.4		28.4	28.4		28.4	28.4	28.4
-OVERTIME PAY	53.5	41.6	57.2	71.1		71.1	71.0		71.0	71.1	71.0
-MISCELLANEOUS PAYROLL	25.8	20.8	26.5	26.5		26.5	26.5		26.5	47.2	47.2
-OTHER BENEFITS	5.0	13.2		3.0	5.9	8.9	2.7	5.9	8.6	8.9	8.6
TOTAL PERSONAL SERVICES	2,558.6	2,838.7	3,064.4	3,154.4	5.9	3,160.3	3,154.4	5.9	3,160.3	3,202.0	3,202.0
EXPENSES & CONTRACTUAL SERVICES	145.1	131.6	178.0	161.0	43.0	204.0	171.6	30.3	201.9	308.5	281.0
SUPPLIES & MATERIALS	274.0	278.0	382.7	393.7	4.1	397.8	413.9	4.4	418.3	394.4	410.9
EQUIPMENT	14.1	4.3	37.6	28.8		28.8	29.9		29.9	28.5	29.3
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS	.3										
TOTAL EXPENDITURES	2,992.1	3,252.6	3,662.7	3,737.9	53.0	3,790.9	3,769.8	40.6	3,810.4	3,933.4	3,923.2
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	2,666.2	2,961.8	3,333.2	3,424.1	53.0	3,477.1	3,456.0	40.6	3,496.6	3,619.6	3,609.4
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	175.2	151.4	195.0	178.8		178.8	178.8		178.8	178.8	178.8
AGENCY	19.9	18.9	21.5	22.0		22.0	22.0		22.0	22.0	22.0
FEDERAL	130.8	120.5	113.0	113.0		113.0	113.0		113.0	113.0	113.0
TOTAL FINANCING	2,992.1	3,252.6	3,662.7	3,737.9	53.0	3,790.9	3,769.8	40.6	3,810.4	3,933.4	3,923.2
POSITIONS BY FUND											
GENERAL	99.0	99.0	99.0	99.0		99.0	99.0		99.0	100.0	100.0
SPEC REV/APPORTIONMT	4.0	4.0	4.0	4.0		4.0	4.0		4.0	4.0	4.0
FEDERAL	6.2	6.2	5.0	5.0		5.0	5.0		5.0	5.0	5.0
TOTAL POSITIONS	109.2	109.2	108.0	108.0		108.0	108.0		108.0	109.0	109.0

ACTIVITY: THISTLEDEW CAMP
Program: CORRECTIONAL INSTITUTIONS
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

Thistledeew Camp provides on a per diem basis an educational and confidence-building outdoor survival program for young men 14 to 17 years old who experience difficulties in their home communities. The camp is located in the George Washington State Forest, 250 miles north of Minneapolis/St. Paul on Highway 65 at Togo.

Thistledeew Camp is available for use by 87 juvenile county courts in Minnesota and provides county court services and social services with an alternative residential program. It provides educational resources and vocational exploration designed to meet the needs of individual students referred to camp. The goal is to meet the academic needs of students continuing their high school education and to involve all students in pre-vocational and work skill programs at least 20 hours per week. The camp's challenge program is designed to build self-confidence, develop leadership abilities and teach the importance of teamwork.

ACTIVITY STATISTICS:

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Residential Program:					
Number of students served	253	239	220	220	220
Average daily population	49	49	46	46	46
County contract per diem	\$49.90	\$51.00	\$53.00	\$56.18	\$59.55
Number completing program	199	200	200	200	200
Average length of stay (days)	90	90	90	90	90

BUDGET ISSUES:

Thistledeew Camp is experiencing a decline in revenue and population. The extent or duration of this decline is unknown at this time.

EXPLANATION OF BUDGET REQUEST:

Again in this biennium, with the exception of a request of \$44,000 the first year and \$85,000 the second year for repair projects formerly in the capital improvements budget, no appropriation is requested for operation of the camp. The primary funding sources will be the purchase of service agreements with counties and a contract with the local school district.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: THISTLEDEW CAMP

PROGRAM: CORRECTIONAL INSTITUTIONS

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	737.9	812.4	951.3	1,048.9		1,048.9	1,048.9		1,048.9	1,048.9	1,048.9
-REGULAR UNCLASSIFIED		27.8	41.2	40.6		40.6	40.6		40.6	40.6	40.6
-PART-TIME/SEAS./OTHER		2.6	3.0	6.0		6.0	6.0		6.0	6.0	6.0
-PREMIUM PAY	4.2	6.6	7.6	8.6		8.6	8.6		8.6	8.6	8.6
-OVERTIME PAY	1.5	.4	1.2	1.2		1.2	1.2		1.2	1.2	1.2
-MISCELLANEOUS PAYROLL	21.8	22.9	23.0	23.0		23.0	23.0		23.0	23.0	23.0
-OTHER BENEFITS	22.5	21.0	15.4	17.9		17.9	17.9		17.9	17.9	17.9
TOTAL PERSONAL SERVICES	787.9	893.7	1,042.7	1,146.2		1,146.2	1,146.2		1,146.2	1,146.2	1,146.2
EXPENSES & CONTRACTUAL SERVICES	73.0	80.0	87.0	92.7	44.0	136.7	99.2	85.0	184.2	135.9	181.1
SUPPLIES & MATERIALS	185.6	183.5	204.0	223.8		223.8	239.9		239.9	223.8	239.9
EQUIPMENT	30.1	42.9	49.9	29.0		29.0	36.5		36.5	29.0	36.5
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS	.1										
TOTAL EXPENDITURES	1,076.7	1,200.1	1,383.6	1,491.7	44.0	1,535.7	1,521.8	85.0	1,606.8	1,534.9	1,603.7
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL					44.0	44.0		85.0	85.0	43.2	81.9
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONNT	1,074.7	1,199.1	1,382.1	1,490.1		1,490.1	1,520.1		1,520.1	1,490.1	1,520.1
AGENCY	2.0	1.0	1.5	1.6		1.6	1.7		1.7	1.6	1.7
TOTAL FINANCING	1,076.7	1,200.1	1,383.6	1,491.7	44.0	1,535.7	1,521.8	85.0	1,606.8	1,534.9	1,603.7
POSITIONS BY FUND											
SPEC REV/APPORTIONNT	36.5	42.5	42.5	43.0		43.0	43.0		43.0	43.0	43.0
TOTAL POSITIONS	36.5	42.5	42.5	43.0		43.0	43.0		43.0	43.0	43.0

ACTIVITY: MINNESOTA CORRECTIONAL FACILITY-STILLWATER
 Program: INSTITUTIONS
 Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	6.3	4.5	4.5	4.5	4.5

ACTIVITY DESCRIPTION: The Minnesota Correctional Facility-Stillwater is the state's largest maximum security institution and is designed to incarcerate inmates aged 24 and over. The primary mission of the prison is protection of the public; the secondary mission is to provide programming in educational, vocational, therapeutic and work areas for the inmate population, while maintaining an environment that is humane for the inmates and also safe for both staff and inmates.

The industry program includes the manufacture of metal products, a bus repair program, an auto body repair program, an assembly program through a contract with Control Data, a toy assembly program and other smaller contract programs. Many inmates are involved in institutional maintenance jobs. Educational programs range from basic education through college level programs, plus a variety of vocational programs operated through contracts with the 916 Technical Vocational Institute. There is also a residential chemical dependency program in which about 30 inmates participate.

The institution has a minimum security area outside the prison walls which houses approximately 70 inmates who are nearing the end of their incarceration.

ACTIVITY STATISTICS: Projected adult inmate populations are on the increase. The inmate population at the Stillwater institution is projected to increase to capacity by the end of the biennium even with the Oak Park Heights facility and the other adult institutions operating at capacity.

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Number of inmates served	1,901	2,127	2,200	2,225	2,250
Average daily population	1,072	1,050	1,065	940	1,040
Average daily cost	\$31.94	\$34.89	\$36.83	\$48.58	\$44.80
Average length of stay (months)	24.2	24.2	24.0	24.0	24.0
Industry participation	20.2%	20.8%	22.7%	37.3%	38.6%
Educational participation	13.3%	19.9%	20.0%	20.0%	20.0%
Vocational participation	6.7%	6.7%	7.0%	11.5%	11.5%
Percent of inmates in segregation	4.4%	4.6%	4-10%	4-10%	4-10%
Percent of inmates in protective custody	6.1%	6.1%	5-7%	5-7%	5-7%

BUDGET ISSUES: Providing meaningful programming for the maximum number of inmates is essential to the orderly and safe operation of the prison. Inmate idleness clearly breeds other serious institution problems. The institution has developed a plan which is designed to ensure that the majority of the institution's inmate work force will have employment available to them. Additional working capital is required to purchase the materials and supplies necessary to implement the plan which calls for focusing on saleable metal products. The department has been granted federal authorization for interstate sale of these and other products during the 1983-85 biennium. An independent market analysis completed by the private sector which will survey the out-of-state sales potential for metal products manufactured at the Stillwater institution is the

key to the plan for interstate commerce. The role of the private sector in prison industry will continue to be expanded including possible involvement in assisting in the management of the institution's industrial operations.

It is proposed that the Minnesota Correctional Facility-Stillwater operational budget be increased to absorb the costs of training inmate workers, inmate wages and utilities of the metal products industry. Under this proposal, funding of the Stillwater metal products industry would parallel the funding of industry programs at other correctional institutions.

EXPLANATION OF BUDGET REQUEST: The change level increase of \$1,922,900 in F.Y. 1984 and \$1,958,600 in F.Y. 1985 includes funding for the industries program in the amount of \$1,392,200 the first year and \$1,393,600 the second year. This will provide: \$800,000 each year for raw materials and supplies for the metal products industry; \$368,600 each year to pay one-half of the salaries of 24.0 full time existing industry positions in order to more appropriately fund from state dollars the time staff spend training inmate workers because of their high turnover rate; \$153,700 each year to fund inmate wages in the metal products industry; \$19,900 the first year and \$21,300 the second year to fund inmate wages for 51 trainees in industry; and \$50,000 each year to pay utility costs for the metal products industry.

The remaining change level request includes: a restoration of budget cut in the amount of \$60,000 each year to reinstate institutional training for new correctional officers and \$214,900 the first year and \$247,900 the second year to reinstate inmate wages funded out of dedicated receipts in F.Y. 1983; \$236,600 each year to fund salary obligations for worker's and unemployment compensation; and \$19,200 the first year and \$20,500 the second year to restore funds for fuel and utilities.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: MCF-STILLWATER

PROGRAM: CORRECTIONAL INSTITUTIONS

AGENCY: CORRECTIONS, DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	9,739.5	10,282.2	11,509.0	11,299.3	368.6	11,667.9	11,299.3	368.6	11,667.9	11,667.9	11,667.9
-REGULAR UNCLASSIFIED	125.6	140.8	144.8	124.4		124.4	124.4		124.4	124.4	124.4
-PART-TIME/SEAS./OTHER	274.0	382.7	234.4	340.8	60.0	400.8	340.8	60.0	400.8	400.8	400.8
-PREMIUM PAY	68.2	95.3	108.6	108.6		108.6	108.6		108.6	108.6	108.6
-OVERTIME PAY	300.1	296.6	308.6	329.1		329.1	329.1		329.1	329.1	329.1
-MISCELLANEOUS PAYROLL	707.2	882.4	953.8	564.3	388.5	952.8	564.3	422.9	987.2	952.8	987.2
-OTHER BENEFITS	280.3	307.0	320.0	10.4	236.6	247.0	10.4	236.6	247.0	247.0	247.0
TOTAL PERSONAL SERVICES	11,494.9	12,388.0	13,579.2	12,776.9	1,053.7	13,830.6	12,776.9	1,088.1	13,865.0	13,830.6	13,865.0
EXPENSES & CONTRACTUAL SERVICES	1,347.6	1,367.9	1,842.8	1,748.5	57.4	1,805.9	1,869.9	57.9	1,927.8	1,777.9	1,867.1
SUPPLIES & MATERIALS	3,578.7	3,745.3	3,718.1	3,775.7	811.8	4,587.5	3,981.7	812.6	4,794.3	4,551.2	4,719.7
EQUIPMENT	88.3	161.2	163.8	54.4		54.4	58.3		58.3	53.6	56.4
REAL PROPERTY	10.3	102.5	100.9								
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS			50.0	47.0		47.0	47.0		47.0	47.0	47.0
TOTAL EXPENDITURES	16,519.8	17,764.9	19,454.8	18,402.5	1,922.9	20,325.4	18,733.8	1,958.6	20,692.4	20,260.3	20,555.2
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	12,499.0	13,370.4	14,316.8	14,790.1	1,922.9	16,713.0	15,046.8	1,958.6	17,005.4	16,647.9	16,868.2
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	99.1	322.7	735.2	9.5		9.5	10.2		10.2	9.5	10.2
AGENCY	671.0	632.8	577.3	610.9		610.9	651.2		651.2	610.9	651.2
GIFTS AND DEPOSITS	24.6	3.8	7.4								
PRISON REVOLVING	3,226.1	3,423.0	3,809.3	2,983.2		2,983.2	3,016.8		3,016.8	2,983.2	3,016.8
FEDERAL		12.2	8.8	8.8		8.8	8.8		8.8	8.8	8.8
TOTAL FINANCING	16,519.8	17,764.9	19,454.8	18,402.5	1,922.9	20,325.4	18,733.8	1,958.6	20,692.4	20,260.3	20,555.2
POSITIONS BY FUND											
GENERAL	388.0	385.0	385.0	385.0	12.0	397.0	385.0	12.0	397.0	397.0	397.0
AGENCY	1.0	1.0	1.0	1.0		1.0	1.0		1.0	1.0	1.0
PRISON REVOLVING	67.0	63.1	63.1	45.0		45.0	45.0		45.0	45.0	45.0
FEDERAL	1.0	1.0	1.0	1.0		1.0	1.0		1.0	1.0	1.0
TOTAL POSITIONS	457.0	450.1	450.1	432.0	12.0	444.0	432.0	12.0	444.0	444.0	444.0

ACTIVITY: MINNESOTA CORRECTIONAL FACILITY-ST. CLOUD
Program: CORRECTIONAL INSTITUTIONS
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	15.1	16.3	18.0	18.0	18.0

ACTIVITY DESCRIPTION:

The Minnesota Correctional Facility-St. Cloud (MCF-St. Cloud) is a maximum security facility which houses younger adult male offenders. This facility provides protection to the public by holding the offender until officially released and by working with him through a variety of educational, vocational, work programs or specialized programs such as chemical dependency, to better equip him to reenter society as a contributing law-abiding citizen.

Activities offered to inmates through the industry program include the manufacture and upholstery of furniture, the production of mattresses and license plates and engraving/silk screening. A complete academic education program ranges from remedial school through 2 years of college. A vocational school offers 14 different programs and includes baking, printing, small engine repair, auto body, meatcutting and decorating.

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Number of inmates served	1,139	1,355	1,365	1,390	1,415
Average daily population	573	583	620	620	620
Average daily cost	\$43.66	\$46.08	\$49.78	\$51.27	\$52.05
Average length of stay (months)	22.8	22.8	23.0	23.0	23.0
Percent of inmates involved in a productive assignment	76%	80%	80%	80%	80%
Industry participation	15.2%	13.6%	13.6%	13.6%	13.6%
Educational participation	19.5%	19.5%	19.5%	19.5%	19.5%
Vocational participation	24.9%	24.9%	24.9%	25.0%	25.0%
Percent of inmates in segregation	6%	6.5%	7%	7%	7%
Percent of inmates in protective custody	.3%	.3%	.3%	.3%	.3%

BUDGET ISSUES:

MCF-St. Cloud receives approximately \$180,000 each year in federal funds for Chapter One of the Education Consolidation and Improvement Act and 6.0 positions are funded with this aid. A possible reduction in age requirement from 21 to 17 could eliminate this program. If the age requirement remains 21, the funds could still be reduced through federal budget cuts.

EXPLANATION OF BUDGET REQUEST:

No increase in staff or funding is requested except for inflation and those items listed below.

The change level increase of \$75,000 for F.Y. 1984 and \$85,500 for F.Y. 1985 includes \$19,100 in F.Y. 1984 and \$20,400 in F.Y. 1985 for fuel and utilities and \$55,900 the first year and \$65,100 the second year for repair, replacement and betterment items.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: MCF-ST CLOUD

PROGRAM: CORRECTIONAL INSTITUTIONS

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	7,446.0	8,040.5	9,017.4	9,088.2		9,088.2	9,088.2		9,088.2	9,088.2	9,088.2
-REGULAR UNCLASSIFIED	93.4	109.5	117.5	117.2		117.2	117.2		117.2	117.2	117.2
-PART-TIME/SEAS./OTHER	22.0	27.4	36.4	37.2		37.2	37.2		37.2	37.2	37.2
-PREMIUM PAY	47.2	66.2	82.2	82.2		82.2	82.2		82.2	82.2	82.2
-OVERTIME PAY	188.6	191.6	263.8	269.5		269.5	269.5		269.5	269.5	269.5
-MISCELLANEOUS PAYROLL	161.4	296.4	329.9	341.6		341.6	341.6		341.6	341.6	341.6
-OTHER BENEFITS	40.6	18.4	13.9	15.9		15.9	15.9		15.9	15.9	15.9
TOTAL PERSONAL SERVICES	7,999.2	8,750.0	9,861.1	9,951.8		9,951.8	9,951.8		9,951.8	9,951.8	9,951.8
EXPENSES & CONTRACTUAL SERVICES	377.7	359.3	655.4	516.3	75.0	591.3	551.6	85.5	637.1	581.8	615.2
SUPPLIES & MATERIALS	1,465.1	1,688.6	1,991.7	1,973.1		1,973.1	2,105.5		2,105.5	1,957.7	2,071.8
EQUIPMENT	53.5	86.4	193.8	98.7		98.7	105.6		105.6	97.7	103.4
REAL PROPERTY	1.3	5.0									
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS			4.0	4.0		4.0	4.0		4.0	4.0	4.0
TOTAL EXPENDITURES	9,896.8	10,839.3	12,706.0	12,543.9	75.0	12,618.9	12,718.5	85.5	12,804.0	12,593.0	12,746.2
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	9,131.2	9,805.3	11,265.1	11,558.2	75.0	11,633.2	11,693.2	85.5	11,778.7	11,607.3	11,720.9
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	24.7	251.9	542.3	34.3		34.3	36.8		36.8	34.3	36.8
AGENCY	274.9	307.4	353.5	378.2		378.2	404.7		404.7	378.2	404.7
PRISON REVOLVING	320.7	366.1	347.0	380.1		380.1	390.7		390.7	380.1	390.7
FEDERAL	145.3	158.6	193.1	193.1		193.1	193.1		193.1	193.1	193.1
TOTAL FINANCING	9,896.8	10,839.3	12,706.0	12,543.9	75.0	12,618.9	12,718.5	85.5	12,804.0	12,593.0	12,746.2
POSITIONS BY FUND											
GENERAL	314.1	314.1	314.1	314.1		314.1	314.1		314.1	314.1	314.1
SPEC REV/APPORTIONMT		2.0									
PRISON REVOLVING	6.3	6.0	6.0	6.0		6.0	6.0		6.0	6.0	6.0
FEDERAL	6.0	6.0	6.0	6.0		6.0	6.0		6.0	6.0	6.0
TOTAL POSITIONS	326.4	328.1	326.1	326.1		326.1	326.1		326.1	326.1	326.1

ACTIVITY: MINNESOTA CORRECTIONAL FACILITY-OAK PARK HEIGHTS 1983-85 Biennial Budget
Program: CORRECTIONAL INSTITUTIONS
Agency: CORRECTIONS, DEPARTMENT OF

ACTIVITY DESCRIPTION: The Minnesota Correctional Facility-Oak Park Heights is the state's newest adult male correctional institution and is designed to receive inmates transferred from the St. Cloud and Stillwater facilities who are high risk, dangerous and predatory individuals. The primary mission of the institution is to protect the public, and the staff and inmates of both the sending institutions and the Oak Park Heights facility itself. The secondary mission is to provide program opportunities in the areas of training, education and work experiences within an highly structured environment. The addition of this new correctional facility will allow inmates and staff at the other major correctional institutions a better opportunity to conduct their activities in a safer and less threatening environment.

While the institution is designed and staffed to maximize the control and supervision of identified high risk inmates, the institution will provide a wide range of activities primarily directed in the area of industry. New product lines including micro graphics, vinyl products, bookbinding, commercial sewing and printing have the potential of not only providing excellent marketable skills but also viable products which have the potential of having a good profit margin.

ACTIVITY STATISTICS: Projected commitments and adult male inmate populations indicate that by the end of the biennium virtually all available correctional bed space including Oak Park Heights will be at near capacity. It is also significant that with the advent of the new sentencing guidelines the proportion of individuals sentenced for crimes against persons will increase with the expectation that approximately 70 percent of incarcerated individuals will have violent or person related offenses.

	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
	Actual	Actual	Estimated	Estimated	Estimated
Average daily population	N/A	41	168	400	400
Average daily cost	N/A	N/A	N/A	\$72.71	\$71.22
Average length of stay(months)	N/A	N/A	N/A	12-18	12-18

BUDGET ISSUES: Because of serious fiscal problems, an executive and legislative decision was made to only partially fund the Oak Park Heights facility during the 1981-83 biennium. With executive and legislative support the department exercised a number of initiatives which may allow 6 of the 8 units to open by the end of the 1981-83 biennium. This is a result of the utilization of revenues received from a contract with the Wisconsin Department of Corrections. Because of temporary available space at the St. Cloud and Stillwater institutions, Wisconsin inmates were accepted and placed in these facilities with the per diem revenues transferred to open more units at the Oak Park Heights facility. Over 50 percent of the total budget is funded through the use of these Wisconsin dollars. The contract with Wisconsin will terminate at the end of the current biennium and thus no further Wisconsin dollars will be available for operational purposes. Because of the projected increase in adult commitments, nearly all available bed space will be needed for Minnesota inmates by the end of the 1983-85 biennium. The Wisconsin revenues allowed the state to hire and train the current staff at Oak Park Heights and also provided for a shakedown period which allowed staff to become acquainted with the entire operation of the institution.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

EXPLANATION OF BUDGET REQUEST: The change level request reflects the increase in appropriated dollars to totally operate the institution at maximum capacity. The staff complement of the facility when it is at full capacity will be 288.0 positions. In addition to these staff, there are 19.0 staff positions in the mental health unit and 1.0 personnel director position funded out of central office accounts.

The total change level of \$7,269,100 the first year and \$7,370,000 the second year includes salaries of \$6,416,300 and \$6,694,400 respectively and will fund 235.0 positions. The remaining change level of \$852,800 in F.Y. 1984 and \$675,600 in F.Y. 1985 is necessary for additional food provisions, inmate clothing, education contracts, maintenance contracts and equipment and reflects the increased inmate population.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's 1983-85 objectives and total financing, however, an adjustment of funding from direct appropriations to special revenue is recommended with adjustments to modify inflation rates.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: MCF-OAK PARK

PROGRAM: CORRECTIONAL INSTITUTIONS

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	51.0	871.0	3,447.5	1,427.3	5,379.7	6,807.0	1,427.3	5,657.8	7,085.1	6,807.0	7,085.1
-REGULAR UNCLASSIFIED	49.3	70.4	55.0	54.0	27.7	81.7	54.0	27.7	81.7	81.7	81.7
-PART-TIME/SEAS./OTHER		22.3			64.8	64.8		64.8	64.8	64.8	64.8
-PREMIUM PAY		6.4	28.2		75.0	75.0		75.0	75.0	75.0	75.0
-OVERTIME PAY		3.7	234.0		201.6	201.6		201.6	201.6	201.6	201.6
-MISCELLANEOUS PAYROLL	.6	8.8	123.0		486.4	486.4		486.4	486.4	486.4	486.4
-OTHER BENEFITS		.1			181.1	181.1		181.1	181.1	181.1	181.1
TOTAL PERSONAL SERVICES	100.9	982.7	3,887.7	1,481.3	6,416.3	7,897.6	1,481.3	6,694.4	8,175.7	7,897.6	8,175.7
EXPENSES & CONTRACTUAL SERVICES	61.8	234.2	1,166.3	1,098.0	607.0	1,705.0	1,224.4	478.0	1,702.4	1,678.1	1,650.4
SUPPLIES & MATERIALS	3.7	213.1	794.3	1,310.2	245.8	1,556.0	1,551.5	172.0	1,723.5	1,547.9	1,710.1
EQUIPMENT	926.7	445.1	116.2	552.1		552.1	198.4	25.6	224.0	543.8	222.9
REAL PROPERTY	1,517.0										
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS		16.0									
TOTAL EXPENDITURES	2,610.1	1,891.1	5,964.5	4,441.6	7,269.1	11,710.7	4,455.6	7,370.0	11,825.6	11,667.4	11,759.1
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	2,610.1	1,759.2	2,822.1	3,376.1	7,269.1	10,645.2	3,028.4	7,370.0	10,398.4	6,728.2	7,843.1
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONNT		127.3	2,884.2	24.6		24.6	26.3		26.3	3,898.3	2,515.1
AGENCY		4.3	119.0	222.0		222.0	222.0		222.0	222.0	222.0
GIFTS AND DEPOSITS		.3	.3								
PRISON REVOLVING			130.0	810.0		810.0	1,170.0		1,170.0	810.0	1,170.0
FEDERAL			8.9	8.9		8.9	8.9		8.9	8.9	8.9
TOTAL FINANCING	2,610.1	1,891.1	5,964.5	4,441.6	7,269.1	11,710.7	4,455.6	7,370.0	11,825.6	11,667.4	11,759.1
POSITIONS BY FUND											
GENERAL	3.0	57.0	58.0	53.0	235.0	288.0	53.0	235.0	288.0	288.0	288.0
SPEC REV/APPORTIONNT		67.0	88.0								
TOTAL POSITIONS	3.0	124.0	146.0	53.0	235.0	288.0	53.0	235.0	288.0	288.0	288.0

ACTIVITY: HEALTH CARE
 Program: CORRECTIONAL INSTITUTIONS
 Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY DESCRIPTION:

This activity plans, implements and coordinates medical, mental health, dental and environmental and other support programs for the Department of Corrections to ensure the development of adequate, comprehensive, quality health services. Aside from the on-site primary medical and dental services delivered at each institution, other major efforts include: 1) the inpatient unit at the St. Paul Ramsey Medical Center; 2) the Mental Health Unit (MHU) at Oak Park Heights; and 3) the coordination and advancement of chemical health within the department.

ACTIVITY STATISTICS:

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Average number of inmates seen at sick call throughout the state per day	145	145	145	148	148
Patients served by St. Paul Ramsey Medical Center:					
Inpatient	183	234	240	245	250
Outpatient	1,314	958	1,100	1,225	1,225
Total	1,479	1,192	1,340	1,470	1,475
Total number of patients admitted to Mental Health Unit	112	106	120	120	120

BUDGET ISSUES:

The opening of additional units at the Oak Park Heights institution requires provision of additional health care services at the facility during the upcoming biennium.

EXPLANATION OF BUDGET REQUEST:

A change level request of \$51,800 the first year and \$55,400 the second year of the biennium reflects the cost of providing contracted medical services including psychiatric consultations, dietary consultations and ophthalmological services at the Oak Park Heights institution. No other increases except for inflation are included.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: HEALTH CARE

PROGRAM: CORRECTIONAL INSTITUTIONS

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	763.3	778.6	884.5	887.3		887.3	887.3		887.3	887.3	887.3
-REGULAR UNCLASSIFIED	72.6	21.7	3.7								
-PART-TIME/SEAS./OTHER	1.3	6.1	6.0	8.1		8.1	8.1		8.1	8.1	8.1
-PREMIUM PAY	6.7	9.2	11.7	13.2		13.2	13.2		13.2	13.2	13.2
-OVERTIME PAY	22.2	22.1	26.0	33.9		33.9	33.9		33.9	33.9	33.9
-MISCELLANEOUS PAYROLL	1.8	1.1	1.0	2.0		2.0	2.0		2.0	2.0	2.0
-OTHER BENEFITS	12.1	3.8		4.5		4.5	4.5		4.5	4.5	4.5
TOTAL PERSONAL SERVICES	880.0	842.6	932.9	949.0		949.0	949.0		949.0	949.0	949.0
EXPENSES & CONTRACTUAL SERVICES	1,387.8	1,294.1	1,499.5	1,604.3	51.8	1,656.1	1,715.9	55.4	1,771.3	1,626.0	1,705.9
SUPPLIES & MATERIALS	14.4	6.9	8.7	9.3		9.3	10.0		10.0	9.2	9.6
EQUIPMENT	1.6										
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	2,283.8	2,143.6	2,441.1	2,562.6	51.8	2,614.4	2,674.9	55.4	2,730.3	2,584.2	2,664.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	2,199.5	2,119.2	2,437.3	2,562.6	51.8	2,614.4	2,674.9	55.4	2,730.3	2,584.2	2,664.5
DEDICATED APPROPRIATIONS:											
FEDERAL	84.3	24.4	3.8								
TOTAL FINANCING	2,283.8	2,143.6	2,441.1	2,562.6	51.8	2,614.4	2,674.9	55.4	2,730.3	2,584.2	2,664.5
POSITIONS BY FUND											
GENERAL	36.0	34.0	34.0	34.0		34.0	34.0		34.0	34.0	34.0
FEDERAL	5.0	1.0									
TOTAL POSITIONS	41.0	35.0	34.0	34.0		34.0	34.0		34.0	34.0	34.0

ACTIVITY: EDUCATION
 Program: CORRECTIONAL INSTITUTIONS
 Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY DESCRIPTION:

The education unit provides centralized planning, implementation and coordination of educational services in 9 correctional institutions. Services include: 1) program evaluation; 2) college and school district contracting; 3) allocation and development of federal resources and legislative appropriations; 4) program design and methodology; 5) determination of services to be offered; 6) industry education support; 7) liaison to colleges, universities, vocational schools, school districts, state Department of Education and other allied agencies; 8) technical assistance to wardens, superintendents and educational administrators within the correctional facilities. These activities support inmate access to educational services commensurable with outside community education including remedial, secondary, post-secondary, vocational and avocational programming; assist institutions in providing necessary educational resources; and maintain acceptable standards of education to improve inmate literacy and employable skills.

ACTIVITY STATISTICS:

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Number of students served:					
Juvenile program	1,502	1,381	1,255	1,255	1,255
Adult male	2,116	2,522	2,930	3,081	3,148
Adult female	96	113	121	123	128
Number of student full-time equivalencies (FTE):					
Juvenile program	226	265	240	225	225
Adult male	485	542	621	659	679
Adult female	18	18	20	20	20
Higher education	82	82	86	90	90
Cost per FTE:					
Juvenile program	\$4,660	\$4,595	\$5,826	\$6,332	\$6,345
Adult male	\$3,673	\$3,532	\$3,715	\$3,817	\$3,812
Adult female	\$7,900	\$5,633	\$5,600	\$5,695	\$5,740
Higher education	\$1,609	\$1,609	\$1,545	\$1,476	\$1,476

BUDGET ISSUES:

It is expected that Chapter One of PL 97-35 of the Education Consolidation and Improvement Act will lower eligibility age from 21 to 17 thereby causing a reduction in educational administration. It is also expected that the funding of Chapter One programming could be reduced further for remaining participants under age 18.

The federal regulation (PL 94-142) regarding handicapped students will require expenditures for special education services which are not included in this budget request, but will be paid for from current level funding.

EXPLANATION OF BUDGET REQUEST:

No increases are included except those related to inflation. Education costs at the MCF-Oak Park Heights facility are included in the Oak Park Heights' budget.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: EDUCATION

PROGRAM: CORRECTIONAL INSTITUTIONS

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	179.0	128.1	118.9	119.0		119.0	119.0		119.0	119.0	119.0
-REGULAR UNCLASSIFIED	19.2	17.6									
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL		.4									
-OTHER BENEFITS	.1			1.8		1.8	1.8		1.8	1.8	1.8
TOTAL PERSONAL SERVICES	198.3	146.1	118.9	120.8		120.8	120.8		120.8	120.8	120.8
EXPENSES & CONTRACTUAL SERVICES	252.0	139.8	235.4	251.4		251.4	268.4		268.4	246.9	258.9
SUPPLIES & MATERIALS	18.4	15.2	13.6	10.7		10.7	10.9		10.9	10.7	10.8
EQUIPMENT	5.0	19.9	7.3	5.0		5.0	5.0		5.0	5.0	5.0
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	473.7	321.0	375.2	387.9		387.9	405.1		405.1	383.4	395.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	355.5	214.2	316.9	334.9		334.9	352.1		352.1	330.4	342.5
DEDICATED APPROPRIATIONS:											
FEDERAL	118.2	106.8	58.3	53.0		53.0	53.0		53.0	53.0	53.0
TOTAL FINANCING	473.7	321.0	375.2	387.9		387.9	405.1		405.1	383.4	395.5
POSITIONS BY FUND											
GENERAL	5.0	2.0	2.0	2.0		2.0	2.0		2.0	2.0	2.0
FEDERAL	6.0	1.0	1.0	1.0		1.0	1.0		1.0	1.0	1.0
TOTAL POSITIONS	11.0	3.0	3.0	3.0		3.0	3.0		3.0	3.0	3.0

ACTIVITY: INSTITUTION SUPPORT SERVICES
Program: CORRECTIONAL INSTITUTIONS
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: This program includes departmentwide coordination of transportation of inmates and supervised release violators, fugitive apprehension and control, sheriffs' expense reimbursement, facility accreditation, and facility planning and development. The purpose is to provide centralized coordination for the above activities to assure that adequate services are provided at each institution, to prevent duplication of services within the department and to provide fiscal control of the activities. Both the health care and education support service activities are supervised through this unit. Activities under this program include the following:

- The transportation unit which coordinates the transportation of inmates between correctional facilities and between the St. Paul-Ramsey Medical Center and correctional facilities. Parole violators who are returned to correctional facilities (adult and juvenile) from Minnesota and out of state locations are also transported by this unit.
- The fugitive unit is responsible for the issuing of fugitive arrest warrants of adult and juvenile fugitives and for coordinating the return to custody when they are located.
- The accreditation activity involves the process by which each correctional facility completes a detailed self-assessment and external audit of the facility's compliance with standards promulgated by the national Commission of Accreditation for Corrections which leads to a 3 year accreditation by the Commission.
- The facility planning and development activity involves the planning for the replacement of the women's correctional facility at Shakopee as directed by the legislature.
- The supervision of the health care and education activities for all department institutions
- The supervision of sheriffs' expense reimbursement for delivering persons committed to the Commissioner of Corrections.

ACTIVITY STATISTICS: The transportation unit provides services to approximately 600 persons annually. The fugitive unit processes an annual average of 550 arrest warrants.

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Number of parole/supervised release violators transported per year:					
Adults					
Instate	246	241	250	260	270
Out-of-state	77	67	75	80	85
Juveniles					
Instate	119	114	110	115	120
Out-of-state	15	25	20	25	23
Average number of arrest warrants issued per year	524	588	608	620	632
Number of persons transported by sheriffs per year	1,170	1,510	1,600	1,700	1,800

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

BUDGET ISSUES: The demand for services offered by this program will increase proportionately to increases in institutional populations. However, no budget increases to reflect this probable heightened demand are requested at this time.

EXPLANATION OF BUDGET REQUESTS: No increases are requested except for those related to inflation.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: INSTITUTION SUPPORT SERV

PROGRAM: CORRECTIONAL INSTITUTIONS

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	131.5	139.7	165.9	165.3		165.3	165.3		165.3	165.3	165.3
-REGULAR UNCLASSIFIED	80.9	7.7									
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY	3.1	3.9	5.7	10.0		10.0	10.0		10.0	10.0	10.0
-MISCELLANEOUS PAYROLL		.9									
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	215.6	152.2	171.6	175.3		175.3	175.3		175.3	175.3	175.3
EXPENSES & CONTRACTUAL SERVICES	202.1	146.7	163.6	146.5		146.5	156.9		156.9	143.9	151.2
SUPPLIES & MATERIALS	19.1	3.7	.5	.5		.5	.6		.6	.5	.6
EQUIPMENT	42.5	.1									
REAL PROPERTY	52.2										
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	531.5	302.7	335.7	322.3		322.3	332.8		332.8	319.7	327.1
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	202.6	256.2	309.1	322.3		322.3	332.8		332.8	319.7	327.1
DEDICATED APPROPRIATIONS:											
FEDERAL	328.9	46.5	26.6								
TOTAL FINANCING	531.5	302.7	335.7	322.3		322.3	332.8		332.8	319.7	327.1
POSITIONS BY FUND											
GENERAL	4.0	5.0	5.0	5.0		5.0	5.0		5.0	5.0	5.0
FEDERAL	7.0										
TOTAL POSITIONS	11.0	5.0	5.0	5.0		5.0	5.0		5.0	5.0	5.0

PROGRAM: COMMUNITY SERVICES
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM PURPOSE: This program provides a broad range of correctional services in the community. Included are jail and local facilities inspection and standards enforcement; probation, parole, work release and investigative services; Community Corrections Act administration and technical assistance, administration of subsidies to counties not participating in the Community Corrections Act; community residential programs and programs for victims of crime. The objectives of these services are: protection of the public, the control of anti-social criminal behavior, the development of the skills offenders require to function in a normal community setting, assistance to victims of crime and increased compliance with standards relating to local correctional facilities.

OPERATION: This program encompasses the following operations:

1. Planning and programming for over 8,000 adults and juveniles annually through the use of probation, parole and work release services, direct operation of a residential facility, contracts for services at 8 or more residential facilities, and contracts with 2 organizations for non-residential services.
2. Implementation and administration of the Community Corrections Act including assisting in the process of developing local correctional services to reduce utilization of state correctional services.
3. Provision of services to victims of crime; victims of battering, victims of sexual assault, pilot programs for the treatment of batterers, and public and professional education regarding victimization.
4. Inspection and monitoring of approximately 220 holding facilities, lockups, jails, adult correctional facilities, and juvenile and adult residential facilities. Providing technical assistance and training to jail operators.

CLIENTELE: The program supervises parolees, supervised releasees, probationers, and work releasees; provides investigative services to courts; supervises and monitors the implementation of the Community Corrections Act; serves victims of crimes; licenses and inspects county jails, juvenile detention facilities, adult halfway houses, correctional group homes and juvenile residential facilities; trains and provides technical assistance to jail staff and administrators.

BUDGET ISSUE: In recent years adult parole and probation caseloads of state agents have increased dramatically. The average caseload for state agents handling adult cases is in excess of 90. This has been brought about by average annual client increases in the past 3 years of approximately 15 percent. In order to deal with dramatic and ongoing population growth, the department has implemented a number of time and cost saving measures. However, it is impossible to maintain satisfactory levels of service to the courts and supervision of clientele without additional staff and funding. It is probable that populations will continue to grow at a rate of from 10 to 20 percent annually in the parole and probation area.

EXPLANATION OF BUDGET REQUEST: Change levels requested for this program are as follows: Restoration of \$15,000 each year is requested for badly needed physical plant upkeep and improvements for battered women shelters. Also, restoration of funding for residential contracts in the amount of \$74,200 for the biennium is requested. Five percent inflation increases, totaling \$30,400 for the biennium, are requested for crime victim centers and the foster group care program.

GOVERNOR'S RECOMMENDATION:

The Governor recommends program increases for:

- 1) Restoration of funding for residential contracts.
- 2) Inflation adjustments for Victim Service grants.
- 3) Inflation adjustments for foster group care.
- 4) Base adjustment for Hennepin and Ramsey County Victim Crisis Centers.

In addition to the increases above, the Governor recommends reductions of funding for the Northwestern Juvenile Training Center, and the West Central Juvenile Detention Center.

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: COMMUNITY SERVICES

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
NON METRO EAST PROB & PRLE	858.4	1,028.2	1,134.5	1,166.2		1,166.2	1,181.0		1,181.0	1,162.5	1,172.8
NON METRO WEST PROB & PRLE	1,229.7	1,452.8	1,698.2	1,741.0		1,741.0	1,762.3		1,762.3	1,735.8	1,750.0
COMMUNITY SERVICES SUPPORT	1,324.5	1,254.5	1,374.0	1,450.7	29.7	1,480.4	1,524.4	44.5	1,568.9	1,461.1	1,527.1
COMMUNITY CORRECTIONS ACT	10,222.1	11,126.3	14,722.3	12,569.8		12,569.8	12,569.8		12,569.8	12,569.8	12,569.8
FACILITIES LIC & INSPECT	349.7	203.5	194.6	197.9		197.9	200.5		200.5	197.2	198.9
VICTIM SERVICES	2,073.3	2,494.8	2,438.2	2,412.5	19.3	2,431.8	2,369.4	23.7	2,393.1	2,534.5	2,604.8
NON CCA SUBSIDIES	1,571.1	1,722.8	1,868.4	1,868.4	5.8	1,874.2	1,868.4	11.6	1,880.0	1,709.6	1,715.4
TOTAL	17,628.8	19,282.9	23,430.2	21,406.5	54.8	21,461.3	21,475.8	79.8	21,555.6	21,370.5	21,538.8
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	2,828.1	2,918.0	3,100.7	3,129.7		3,129.7	3,124.9		3,124.9	3,129.7	3,124.9
EXPENSES & CONTRACTUAL SERVICES	1,134.9	1,178.3	1,466.3	1,560.8	29.7	1,590.5	1,670.2	44.5	1,714.7	1,554.1	1,643.3
SUPPLIES & MATERIALS	43.1	30.6	58.4	63.7		63.7	68.1		68.1	63.2	66.9
EQUIPMENT	2.9	2.8	12.4	12.3		12.3	13.0		13.0	12.1	12.5
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	13,619.8	15,153.2	18,792.4	16,640.0	25.1	16,665.1	16,599.6	35.3	16,634.9	16,611.4	16,691.2
OTHER EXP ITEMS											
TOTAL EXPENDITURES	17,628.8	19,282.9	23,430.2	21,406.5	54.8	21,461.3	21,475.8	79.8	21,555.6	21,370.5	21,538.8
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	17,344.1	19,225.3	23,302.9	21,307.9	54.8	21,362.7	21,419.6	79.8	21,499.4	21,271.9	21,482.6
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMENT	22.9	27.0	35.0	36.3		36.3	38.9		38.9	36.3	38.9
AGENCY	5.0	.8	2.0	2.1		2.1	2.3		2.3	2.1	2.3
GIFTS AND DEPOSITS	1.3	5.7	30.1								
FEDERAL	255.5	24.1	60.2	60.2		60.2	15.0		15.0	60.2	15.0
TOTAL FINANCING	17,628.8	19,282.9	23,430.2	21,406.5	54.8	21,461.3	21,475.8	79.8	21,555.6	21,370.5	21,538.8
POSITIONS BY FUND:											
GENERAL	116.1	118.5	120.0	111.1		111.1	111.1		111.1	111.1	111.1
GIFTS AND DEPOSITS			1.0								
FEDERAL	8.5										
TOTAL POSITIONS	124.6	118.5	121.0	111.1		111.1	111.1		111.1	111.1	111.1

ACTIVITY: NON-METRO EAST PROBATION & PAROLE
 Program: COMMUNITY SERVICES
 Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The eastern region of the community services program is comprised of 27 counties with district offices in Stillwater, Rochester and Mankato. Of the 27 counties, 7 are currently under the Community Corrections Act. In those 20 counties not under the Act, agents of the Department of Corrections supervise a monthly average of approximately 1,900 adult and juvenile offenders. About 90 percent of these offenders are on court-ordered probation, with the remainder on parole or supervised release. This activity also completes investigations and reports required by the courts and releasing authorities; administers the Community Corrections Act and monitors local correctional programs under the Act; assists in the inspection and licensing of jails, lockups, detention facilities and group homes, and in the investigation of complaints made against them. Effective 7-1-82, supervisory staff of the region became responsible for conducting adult parole revocation hearings and imposition of sanctions against those found to be in violation of conditions of parole or supervised release.

ACTIVITY STATISTICS:

While there is some evidence that juvenile workloads are stabilizing, the number of adult offenders placed under supervision continues to increase at a higher rate than anticipated. Significant statistics include the following:

	<u>F.Y. 1981</u>	<u>F.Y. 1982</u>	<u>F.Y. 1983</u>	<u>F.Y. 1984</u>	<u>F.Y. 1985</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>
Juvenile/County Court (1 County):					
Total cases served(juvenile)	193	199	200	200	200
Monthly average caseload(juvenile)	95	99	99	99	99
Monthly average caseload(misdemeanor)	67	112	120	135	150
District Court					
Prob/Parole/Supv. Release (20 Counties):					
Total cases served(adult)	3,101	3,112	3,300	3,500	3,500
Monthly average caseload(adult)	1,621	1,715	1,856	2,009	2,175
Cost per case for supv. (adult)	\$336	\$403	\$403	\$372	\$344
No. of presentence invest.(PSI)	917	1,100	1,300	1,500	1,700
Cost per PSI	\$113	\$119	\$119	\$103	\$91
Reports/investigations	2,830	2,635	2,890	3,000	3,100
No. of revocation hearings held					
(parole/supv. release)	N/A	N/A	24	30	30

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	<u>F.Y. 1981</u>	<u>F.Y. 1982</u>	<u>F.Y. 1983</u>	<u>F.Y. 1984</u>	<u>F.Y. 1985</u>
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	72.0	82.5	127.0	139.7	153.6

BUDGET ISSUES:

Caseload increases have been and continue to be the result of increased activity in the district courts. The department's inability to effectively absorb this growth may result in delays in court dispositions with a potential for the overcrowding of local jails with those offenders awaiting sentencing. Meeting basic minimum surveillance and supervision needs and ensuring the prompt and thorough completion of pre-sentence investigations would require additional parole and probation staff. Nine staff at a biennial cost of \$461,200 would be needed to meet basic requirements.

EXPLANATION OF BUDGET REQUEST:

This request allows for no increases in staff or funds with the exception of inflation.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: NON METRO EAST PROB & PRLE

PROGRAM: COMMUNITY SERVICES

AGENCY: CORRECTIONS,OPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	710.6	862.9	942.1	951.7		951.7	951.7		951.7	951.7	951.7
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	3.6	6.0	5.0	9.0		9.0	9.0		9.0	9.0	9.0
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.8										
TOTAL PERSONAL SERVICES	715.0	868.9	947.1	960.7		960.7	960.7		960.7	960.7	960.7
EXPENSES & CONTRACTUAL SERVICES	141.9	158.0	183.6	201.4		201.4	216.0		216.0	197.7	208.0
SUPPLIES & MATERIALS	.2	.1	1.5	1.6		1.6	1.7		1.7	1.6	1.6
EQUIPMENT	1.3	1.2	2.3	2.5		2.5	2.6		2.6	2.5	2.5
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	858.4	1,028.2	1,134.5	1,166.2		1,166.2	1,181.0		1,181.0	1,162.5	1,172.8
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	858.4	1,028.2	1,134.5	1,166.2		1,166.2	1,181.0		1,181.0	1,162.5	1,172.8
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	858.4	1,028.2	1,134.5	1,166.2		1,166.2	1,181.0		1,181.0	1,162.5	1,172.8
POSITIONS BY FUND											
GENERAL	31.3	35.3	35.3	34.3		34.3	34.3		34.3	34.3	34.3
TOTAL POSITIONS	31.3	35.3	35.3	34.3		34.3	34.3		34.3	34.3	34.3

ACTIVITY: NON-METRO WEST PROBATION AND PAROLE
 Program: COMMUNITY SERVICES
 Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The western region of the community services program is comprised of 59 counties with district offices in Duluth, St. Cloud, Willmar, Detroit Lakes and Bemidji. Of the 59 counties, 19 are currently under the Community Corrections Act. In those 40 counties not under the Act, agents of the Department of Corrections supervise a monthly average of approximately 2,800 adult and juvenile offenders. About 90 percent of these offenders are on court-ordered probation, with the remainder on parole or supervised release. This activity also completes investigations and reports required by the courts and releasing authorities; administers the Community Corrections Act and monitors local correctional programs under the Act; assists in the inspection and licensing of jails, lockups, detention facilities and group homes, and in the investigation of complaints made against them. Effective 7-1-82, supervisory staff of the region became responsible for conducting adult parole revocation hearings and imposition of sanctions against those found to be in violation of conditions of parole or supervised release.

ACTIVITY STATISTICS:

While there is some evidence that juvenile workloads are stabilizing, the number of adult offenders placed under supervision continues to increase at a higher rate than anticipated. The increase in average monthly caseload in F.Y. 1982 was 12 percent compared to the predicted 10 percent, and there are no indications that these increases are subsiding. Significant statistics include the following:

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Juvenile/County Court (9 Counties):					
Total cases served (juvenile)	610	676	680	680	680
Monthly average caseload (juvenile)	250	261	275	275	275
Monthly average caseload (misdemeanor)	15	20	35	50	65
District Court Prob/Parole/Supv Release (40 Counties):					
Total cases served (adult)	3,676	3,498	3,918	4,388	4,914
Monthly average caseload (adult)	1,940	2,241	2,510	2,811	3,148
Cost per case for supv. (adult)	\$399	\$428	\$450	\$402	\$359
No. of presentence invest. (PSI)	1,137	1,113	1,250	1,400	1,550
Cost per PSI	\$132	\$117	\$135	\$116	\$105
Reports/investigations	3,039	3,620	4,050	4,500	5,000
No. of revocation hearings held (parole/supv. release)	N/A	N/A	45	55	65

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$126,300	\$138,900	\$149,400	\$163,400	\$178,400

BUDGET ISSUES:

Caseload increases have been and continue to be the result of increased activity in the district courts. The department's inability to effectively absorb this growth may result in delays in court dispositions with a potential for the overcrowding of local jails with those offenders awaiting sentencing. Meeting basic minimum surveillance and supervision needs and ensuring the prompt and thorough completion of pre-sentence investigations would require additional parole and probation staff. Ten and one half staff at a biennial cost of \$544,800 would be needed to meet basic requirements.

EXPLANATION OF BUDGET REQUEST:

This request allows for no increases in staff or funds with the exception of inflation.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: NON METRO WEST PROB & PRLE

PROGRAM: COMMUNITY SERVICES

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	1,022.8	1,206.9	1,411.5	1,430.9		1,430.9	1,430.9		1,430.9	1,430.9	1,430.9
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	2.5	.1	1.0	4.0		4.0	4.0		4.0	4.0	4.0
-PREMIUM PAY											
-OVERTIME PAY	.8	.6	.6	.8		.8	.8		.8	.8	.8
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	1.0										
TOTAL PERSONAL SERVICES	1,027.1	1,207.6	1,413.1	1,435.7		1,435.7	1,435.7		1,435.7	1,435.7	1,435.7
EXPENSES & CONTRACTUAL SERVICES	202.1	243.6	278.3	298.0		298.0	318.8		318.8	292.9	306.8
SUPPLIES & MATERIALS	.3	.9	2.3	2.5		2.5	2.6		2.6	2.5	2.5
EQUIPMENT	.2	.7	4.5	4.8		4.8	5.2		5.2	4.7	5.0
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	1,229.7	1,452.8	1,698.2	1,741.0		1,741.0	1,762.3		1,762.3	1,735.8	1,750.0
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	1,229.7	1,452.8	1,698.2	1,741.0		1,741.0	1,762.3		1,762.3	1,735.8	1,750.0
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	1,229.7	1,452.8	1,698.2	1,741.0		1,741.0	1,762.3		1,762.3	1,735.8	1,750.0
POSITIONS BY FUND											
GENERAL	44.2	48.7	53.2	51.8		51.8	51.8		51.8	51.8	51.8
TOTAL POSITIONS	44.2	48.7	53.2	51.8		51.8	51.8		51.8	51.8	51.8

ACTIVITY: COMMUNITY SERVICES SUPPORT
 Program: COMMUNITY SERVICES
 Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: Community Services Support: 1) directly operates 1 residential facility - Anishinabe Longhouse (for American Indian offenders); 2) contracts for services at 8 or more community residential facilities meeting special needs of offenders; 3) purchases non-residential community services from 2 or more organizations providing job placements, support service and referrals for offenders needing such assistance; 4) provides by contract for such other specialized community services as may be needed by Department of Corrections' clients.

All of the above responsibilities are designed to assist the reintegration of offenders entering community life by providing them with practical work experience, educational and vocational assistance, chemical dependency/alcohol treatment, cultural experiences, therapeutic treatment and supervised living opportunities. These services are designed to provide community programming while minimizing risk to the public.

<u>ACTIVITY STATISTICS:</u>	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
	Actual	Actual	Estimated	Estimated	Estimated
<u>Anishinabe Longhouse:</u>					
Number of residents served	71	74	75	75	75
Average cost per day	\$52.33	\$51.00	\$52.00	\$53.00	\$54.00
Percent satisfactorily terminated	64.4%	71%	70%	70%	70%
Percent participating without felony involvement while in program	99%	99%	99%	99%	99%
<u>Work Release:</u>					
Number of residents served	90	112	137	150	150
Average cost per day	\$50.89	\$40.78	\$30.50	\$33.70	\$37.10
Total amount paid toward cost care by clients	\$15,740	\$28,687	\$39,045	\$48,000	\$55,250
Percent participating without felony involvement while in program	97.3%	96.5%	96.0%	96.0%	96.0%
Amount of taxes paid by residents	\$21,941	\$32,700	\$34,250	\$40,000	\$42,500
<u>Residential Programs Contracted:</u>					
Number of residents served	150	215	200	200	200
Average cost per day	\$27.50	\$26.14	\$28.75	\$31.63	\$34.80
Percent completing program	43%	45%	50%	50%	50%
Percent participating without felony involvement while in program	100%	99.2%	97.0%	97.0%	97.0%

BUDGET ISSUES: The impact of the Minnesota Sentencing Guidelines on the work release program is a major budget issue. Under the guidelines, work release is the only opportunity for early release of institution inmates which may result in greatly increased demand on this program. In addition, with rising institution populations, it may be necessary for the work release program to accommodate additional releasees to relieve or prevent overcrowding.

The impact of Minnesota Sentencing Guidelines on the need for contracted residential services for supervised releasees is unknown at this time. It is predicted that the net effect will be minimal, and that is reflected in the budget request.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

The Department of Corrections does not currently have audit capability for monitoring the fiscal practices of agencies and jurisdictions receiving money through grants and contracts. Because of the numerous recipients and the large sum of money involved, it is felt by the department that audit capability is imperative and an auditor position is included in the department's request for the fiscal services activity.

EXPLANATION OF BUDGET REQUEST: Budget cuts in F.Y. 1982-83 were made to funds used for purchasing residential services for releasees; the change level request of \$29,700 for F.Y. 1984 and \$44,500 for F.Y. 1985 reflects restoration of these funds.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: COMMUNITY SERVICES SUPPORT

PROGRAM: COMMUNITY SERVICES

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	552.1	496.9	381.0	387.1		387.1	387.1		387.1	387.1	387.1
-REGULAR UNCLASSIFIED	45.4										
-PART-TIME/SEAS./OTHER		.2									
-PREMIUM PAY	3.0	3.6	2.0	2.2		2.2	2.2		2.2	2.2	2.2
-OVERTIME PAY	4.8	5.2	2.1	4.2		4.2	4.2		4.2	4.2	4.2
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	17.8	3.0									
TOTAL PERSONAL SERVICES	623.1	508.9	385.1	393.5		393.5	393.5		393.5	393.5	393.5
EXPENSES & CONTRACTUAL SERVICES	665.0	717.7	932.4	998.7	29.7	1,028.4	1,068.4	44.5	1,112.9	1,009.6	1,072.1
SUPPLIES & MATERIALS	35.3	27.7	52.4	54.6		54.6	58.4		58.4	54.2	57.6
EQUIPMENT	1.1	.2	4.1	3.9		3.9	4.1		4.1	3.8	3.9
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	1,324.5	1,254.5	1,374.0	1,450.7	29.7	1,480.4	1,524.4	44.5	1,568.9	1,461.1	1,527.1
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	1,228.7	1,227.5	1,339.0	1,414.4	29.7	1,444.1	1,485.5	44.5	1,530.0	1,424.8	1,488.2
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	22.9	27.0	35.0	36.3		36.3	38.9		38.9	36.3	38.9
FEDERAL	72.9										
TOTAL FINANCING	1,324.5	1,254.5	1,374.0	1,450.7	29.7	1,480.4	1,524.4	44.5	1,568.9	1,461.1	1,527.1
POSITIONS BY FUND											
GENERAL	26.1	21.5	20.5	14.0		14.0	14.0		14.0	14.0	14.0
FEDERAL	2.0										
TOTAL POSITIONS	28.1	21.5	20.5	14.0		14.0	14.0		14.0	14.0	14.0

GRANTS AND AIDS ANALYSIS FOR: COMMUNITY CORRECTIONS ACT

1983-85 Biennial Budget

Activity: COMMUNITY CORRECTIONS ACT
Program: COMMUNITY SERVICES
Agency: CORRECTIONS, DEPARTMENT OF
Statutory References: M.S. 401.01 - 401.16

PURPOSE: The Community Corrections Act allows the Commissioner of Corrections to make subsidy grants to a county or group of counties electing to provide local correctional services. Those services include crime prevention programs, diversion programs, probation and parole services, community corrections centers, and facilities to detain, confine and treat offenders of all age groups.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: The grants are available to counties and groups of contiguous counties with a combined population of at least 30,000. Participating counties must establish a corrections advisory board composed of representatives from law enforcement, the judiciary, the prosecution, education, corrections, racial minorities, social welfare services, and the lay citizenry. Participating counties must develop a local comprehensive plan which identifies correctional needs and defines programs designed to meet those needs. The comprehensive plan is presented to the board of county commissioners for approval and is forwarded to the Department of Corrections for review by department staff and the Commissioner of Corrections. Approval by the Commissioner is granted if the plan includes:

1. development and implementation of an information system;
2. development and implementation of evaluation/research designs and processes;
3. training programs to meet the needs of staff, the advisory board, and major components of the local criminal justice system and community at large;
4. provision of service to all interstate and intrastate probation and parole clients;
5. evidence of utilization whenever possible of agencies and organizations established in the community to deliver medical and mental health care, education, counseling and rehabilitative services, employment services and other similar services;
6. clear evidence to demonstrate that existing services are either inappropriate or unavailable to meet identified correctional needs if services or programs will be developed by the county correctional program which duplicate those already existing in the community;
7. assurances that all clients of programs or projects under its jurisdiction have access to the same services, activities, and opportunities available to citizens generally, provided that this access is consistent with the demonstrated needs of the program and the necessity to protect the public safety;
8. a clear relationship between the programs included in the plan and correctional objectives; and
9. development and dissemination to program directors of written rules, policies, and procedures relating to intake criteria, client case reporting, rights of offenders, and compliance with state, federal, and local laws and regulations.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: The subsidy formula is specified in M.S. 401.10. It includes factors that reflect both the correctional needs of the county and the county's financial resources available to meet those needs. Specifically, the formula operates in the following manner:

Step 1: For each participating county, 4 separate ratio's are calculated:

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:410-20-25-000-01
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES FY1984	FY1985	RECOMMENDATIONS FY1984	FY1985
G & A TO COUNTIES GENERAL	10,222.1	11,126.3	14,722.3	12,569.8	12,569.8	12,569.8	12,569.8
SUBTOTAL	10,222.1	11,126.3	14,722.3	12,569.8	12,569.8	12,569.8	12,569.8

ALL RECIPIENTS BY FUND GENERAL	10,222.1	11,126.3	14,722.3	12,569.8	12,569.8	12,569.8	12,569.8
TOTAL	10,222.1	11,126.3	14,722.3	12,569.8	12,569.8	12,569.8	12,569.8

CRITERIA AND FORMULAS (continued):

- a. the county's per capita income is divided into the 87 county average;
- b. the county's per capita taxable value is divided into the 87 county average;
- c. the county's per capita expenditure for correctional purposes is divided by the 87 county average;
- d. the county's percent of county population aged 6 through 30 is divided by the 87 county average.

Step 2: For each county, the 4 ratios calculated in step 1 are summed and the result is divided by 4.

Step 3: For each county, the amount calculated in step 2 is multiplied by the total county population.

Step 4: Each participating county's share of the total appropriation for community corrections grants is the ratio of its step 3 score to the sum of the step 3 scores for all participating counties.

SIGNIFICANT STATISTICS:	C.Y. 1980 Actual	C.Y. 1981 Actual	C.Y. 1982 Estimated	C.Y. 1983 Estimated	C.Y. 1984 Estimated
Number of participating counties	27	27	27	27	27
Population of participating counties (thousands)	2,437	2,437	2,437	2,437	2,437
Total cases active in participating counties at year end	11,417	11,988	12,587	13,217	13,877
Sources of revenue for correctional services in participating counties (\$ in thousands)					
State subsidy	\$9,757	\$10,739	\$11,701	\$12,135	\$12,570
County funds	\$27,591	\$29,698	\$31,777	\$32,956	\$34,136
Total - state and county	\$37,348	\$40,437	\$43,478	\$45,091	\$46,706

EXPLANATION OF BUDGET REQUEST: This request allows for no inflationary increase in funding.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: COMMUNITY CORRECTIONS ACT

PROGRAM: COMMUNITY SERVICES

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED											
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES											
EXPENSES & CONTRACTUAL SERVICES											
SUPPLIES & MATERIALS											
EQUIPMENT											
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	10,222.1	11,126.3	14,722.3	12,569.8		12,569.8	12,569.8		12,569.8	12,569.8	12,569.8
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	10,222.1	11,126.3	14,722.3	12,569.8		12,569.8	12,569.8		12,569.8	12,569.8	12,569.8
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	10,222.1	11,126.3	14,722.3	12,569.8		12,569.8	12,569.8		12,569.8	12,569.8	12,569.8
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	10,222.1	11,126.3	14,722.3	12,569.8		12,569.8	12,569.8		12,569.8	12,569.8	12,569.8
POSITIONS BY FUND											
TOTAL POSITIONS											

ACTIVITY: FACILITIES LICENSING AND INSPECTION
Program: COMMUNITY SERVICES
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This unit inspects and licenses secure and non-secure correctional facilities on a statewide basis. Facilities under the inspection and licensing responsibility of this unit include: jails, lockups, holding facilities, adult correctional facilities including workhouses/workfarms, correctional group foster homes, adult halfway houses, secure juvenile detention facilities and juvenile residential facilities such as county home schools. This unit provides training and technical assistance to the staff overseeing secure correctional facilities; develops and enforces standards for correctional facilities in accordance with legislative directives and the administrative rule-making process; maintains and analyzes statistical data on approximately 75-85,000 admissions annually in local secure correctional facilities, and acts as a statewide clearinghouse in accordance with statutory requirements for the review and approval of remodeling, renovation or new construction related to secure county correctional facilities.

ACTIVITY STATISTICS:

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Inspections completed on an annual basis	220	234	240	240	240
Hours of training conducted	10,175	4,880	4,976	5,000	5,000
Persons receiving training annually	764	504	598	600	600
Local units of government receiving technical assistance annually	10	8	10	8	8
Construction plans reviewed	11	9	10	10	10

BUDGET ISSUES:

During the 1981-83 biennium significant budget reductions have been made with respect to staff and operating funds provided to the facilities planning and inspection unit. These reductions have resulted in a reassessment of unit responsibilities and staff workloads. Staff training of local jail personnel and provisions for intensive technical assistance to counties have been reduced.

Staff reductions have also resulted in insufficient clerical services. A request to restore these positions and dollars is not made at this time due to economic factors and higher department priorities.

ACTIVITY GENERATES NON-DEDICATED REVENUE <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	ACTUAL F.Y. 1981 -0-	ACTUAL F.Y. 1982 -0-	ESTIMATE F.Y. 1983 -0-	ESTIMATE F.Y. 1984 -0-	ESTIMATE F.Y. 1985 -0-
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EXPLANATION OF THE BUDGET REQUEST:

This request allows for no increases in staff or funds with the exception of inflation.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: FACILITIES LIC & INSPECT

PROGRAM: COMMUNITY SERVICES

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	240.6	175.0	159.7	160.6		160.6	160.6		160.6	160.6	160.6
-REGULAR UNCLASSIFIED	38.1										
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.3										
TOTAL PERSONAL SERVICES	279.0	175.0	159.7	160.6		160.6	160.6		160.6	160.6	160.6
EXPENSES & CONTRACTUAL SERVICES	66.1	28.4	33.9	34.1		34.1	36.5		36.5	33.5	35.0
SUPPLIES & MATERIALS	4.4	.1	.5	3.2		3.2	3.4		3.4	3.1	3.3
EQUIPMENT	.2		.5								
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	349.7	203.5	194.6	197.9		197.9	200.5		200.5	197.2	198.9
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	205.2	203.5	194.6	197.9		197.9	200.5		200.5	197.2	198.9
DEDICATED APPROPRIATIONS:											
FEDERAL	144.5										
TOTAL FINANCING	349.7	203.5	194.6	197.9		197.9	200.5		200.5	197.2	198.9
POSITIONS BY FUND											
GENERAL	7.0	7.0	5.0	5.0		5.0	5.0		5.0	5.0	5.0
FEDERAL	5.0										
TOTAL POSITIONS	12.0	7.0	5.0	5.0		5.0	5.0		5.0	5.0	5.0

ACTIVITY: VICTIM SERVICES
 Program: COMMUNITY SERVICES
 Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The victim services section provides programs and services for crime victims throughout the state in 3 categories: 1) The battered women unit administers funds for emergency shelters, support services for battered women, community organization, public education on issues of battering, staff training, coordination of programs, and training on violent partner treatment models; provides technical assistance to local battered women's programs; and collects and compiles information on the incidence of battering within the state to assure the availability of emergency shelter services as well as support and public education to increase public awareness and ultimately reduce the incidence of battering; 2) The sexual assault program administers a statewide advocacy program, provides funding and technical assistance to local programs, trains professionals and volunteers in order to develop sensitive standardized methods to assist victims, educates the public on the nature and scope of sexual assault, and develops and disseminates resource materials throughout the state to increase the availability of sensitive competent assistance for victims and to increase public awareness; 3) The victim services activity administers the contracts for the operation of crime victim centers in Hennepin, Ramsey and Mower counties as mandated by law.

ACTIVITY STATISTICS:

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
<u>Battered Women:</u>					
Women sheltered	2,175	2,375	3,000	3,050	3,100
Children sheltered	2,450	3,175	4,250	4,300	4,350
Women served but not sheltered	N/A	5,600	4,225	4,300	4,350
Phone calls on crisis lines	26,000	29,600	39,000	39,500	40,000
Men served in treatment programs	192	285	260	270	270
Number of mandatory data collection forms analyzed	4,700	4,700	4,500	4,500	4,500
Workshop seminar attendance	56,000	43,000	28,000	29,000	30,000
<u>Sexual Assault:</u>					
Victims served	2,590	2,998	3,300	3,600	3,900
Professional training participants	10,249	9,680	10,300	10,800	11,300
Community education participants	45,629	61,811	70,000	78,000	85,000
Materials distributed	N/A	69,100	75,000	81,000	85,000
<u>Crime Victim Centers:</u>					
Victims served	2,941	2,158	2,265	2,380	2,500
Calls received	6,757	5,877	6,170	6,480	6,800

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

BUDGET ISSUES:

Pursuant to Laws of 1981 Chapter 360, Section 4, Subdivision 4, the Battered Women's Task Force expires 6-30-83.

Funds for shelter rehabilitation were eliminated due to budget cuts during the F.Y. 1981-83 biennium. Facilities continue to require funds for physical plant improvements to meet code requirements.

EXPLANATION OF BUDGET REQUEST:

This request includes \$7,500 each year to continue funding of the Battered Women's Task Force.

A change level to restore \$15,000 for battered women shelter rehabilitation in each year of the biennium is requested. In addition, \$4,300 is requested for F.Y. 1984 and \$8,700 for F.Y. 1985 to cover inflation costs associated with the crime victim centers.

No inflationary increases are allowed for other grant funds.

GOVERNOR'S RECOMMENDATION:

The Governor recommends increases to the agency's request for a 5% inflation adjustment and a base adjustment for Victim Crisis Centers in Hennepin and Ramsey Counties. The Governor makes no recommendation for the Battered Womens' Task Force since by law it is required to sunset as of 6-30-83.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: VICTIM SERVICES

PROGRAM: COMMUNITY SERVICES

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	92.8	115.0	129.8	130.0		130.0	130.0		130.0	130.0	130.0
-REGULAR UNCLASSIFIED	77.8	29.2	50.0	33.2		33.2	33.2		33.2	33.2	33.2
-PART-TIME/SEAS./OTHER	12.5	12.7	15.9	16.0		16.0	11.2		11.2	16.0	11.2
-PREMIUM PAY											
-OVERTIME PAY	.3	.7									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.5										
TOTAL PERSONAL SERVICES	183.9	157.6	195.7	179.2		179.2	174.4		174.4	179.2	174.4
EXPENSES & CONTRACTUAL SERVICES	59.8	30.6	38.1	28.6		28.6	30.5		30.5	20.4	21.4
SUPPLIES & MATERIALS	2.9	1.8	1.7	1.8		1.8	2.0		2.0	1.8	1.9
EQUIPMENT	.1	.7	1.0	1.1		1.1	1.1		1.1	1.1	1.1
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	1,826.6	2,304.1	2,201.7	2,201.8	19.3	2,221.1	2,161.4	23.7	2,185.1	2,332.0	2,406.0
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	2,073.3	2,494.8	2,438.2	2,412.5	19.3	2,431.8	2,369.4	23.7	2,393.1	2,534.5	2,604.8
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	2,028.9	2,464.2	2,345.9	2,350.2	19.3	2,369.5	2,352.1	23.7	2,375.8	2,472.2	2,587.5
DEDICATED APPROPRIATIONS:											
AGENCY	5.0	.8	2.0	2.1		2.1	2.3		2.3	2.1	2.3
GIFTS AND DEPOSITS	1.3	5.7	30.1								
FEDERAL	38.1	24.1	60.2	60.2		60.2	15.0		15.0	60.2	15.0
TOTAL FINANCING	2,073.3	2,494.8	2,438.2	2,412.5	19.3	2,431.8	2,369.4	23.7	2,393.1	2,534.5	2,604.8
POSITIONS BY FUND											
GENERAL	7.5	6.0	6.0	6.0		6.0	6.0		6.0	6.0	6.0
GIFTS AND DEPOSITS			1.0								
FEDERAL	1.5										
TOTAL POSITIONS	9.0	6.0	7.0	6.0		6.0	6.0		6.0	6.0	6.0

GRANTS AND AIDS ANALYSIS FOR: SEXUAL ASSAULT SERVICES

1983-85 Biennial Budget

Activity: VICTIM SERVICES
Program: COMMUNITY SERVICES
Agency : CORRECTIONS, DEPARTMENT OF
Statutory References: M.S. 241.55, 241.62; Laws 1980, Ch. 336

PURPOSE: To provide funds to community organizations for one or more of the following:

1. direct crisis intervention to victims of sexual attack;
2. support services provided by trained volunteers during hospital examination, police investigation, and court proceedings;
3. referral of victims of sexual attack to public and private agencies offering the services desired by the victims;
4. the establishment of volunteer counseling groups for the victims of sexual attack;
5. the development of training programs and the standardization of proceedings for law enforcement, hospital, legal, and special service personnel to enable them to respond appropriately to the needs of the victim;
6. the coordination of services which are being provided by existing agencies;
7. education of the public about the nature and scope of sexual assault and the services which are available; and
8. development of services to meet the needs of special populations.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Cities, counties, and private non-profit agencies are eligible to submit grant applications. Grants are awarded on a competitive basis after review and evaluation by the Department of Corrections. In selecting grant recipients the Department of Corrections will award grants in as many locations throughout the state as possible and also give priority to meeting the needs of special populations. Selection is additionally based on the following factors:

1. ability of the grant applicant to implement the proposed program;
2. soundness of the grant applicant's approach to service delivery;
3. nature and type of services to be delivered;
4. competence of personnel to be assigned to the program by the grant applicant;
5. determination of the reasonableness of the line item budget and total budget as well as the relevance of costs to program objectives;
6. support and cooperation from potentially interested or relevant community agencies or groups such as law enforcement agencies, courts, social services agencies, and schools.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Grant applicants are required to submit a proposed budget detailing expenditure of requested state funds by category. They are also required to submit estimates of expenditures from other funding sources. The amount of the grant is dependent on the budget request and evaluations of that request by department staff.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:410-20-27-000-01
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
GENERAL	97.6	109.7	91.0	91.0	91.0	95.6	100.4
FEDERAL		5.1	11.2	11.2	2.7	11.2	2.7
SUBTOTAL	97.6	114.8	102.2	102.2	93.7	106.8	103.1
G & A TO NONGOVT ORGHZTNS							
GENERAL	142.6	194.3	224.1	224.1	224.1	235.3	247.0
FEDERAL		19.0	42.0	42.1	10.2	42.1	10.2
SUBTOTAL	142.6	213.3	266.1	266.2	234.3	277.4	257.2

ALL RECIPIENTS BY FUND							
GENERAL	240.2	304.0	315.1	315.1	315.1	330.9	347.4
FEDERAL		24.1	53.2	53.3	12.9	53.3	12.9
TOTAL	240.2	328.1	368.3	368.4	328.0	384.2	360.3

SIGNIFICANT STATISTICS:

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Victims Served	2,590	2,998	3,300	3,600	3,900
Professional training participants	10,249	9,680	10,300	10,800	11,300
Community education participants	45,629	61,811	70,000	78,000	85,000
Materials distributed	N/A	69,100	75,000	81,000	85,000
Source of Funds (\$ in thousands)	(%)	(%)	(%)	(%)	(%)
State (Dept. of Corrections)	\$240 (39)	\$304 (37)	\$315 (32)	\$315 (31)	\$315 (31)
State (Other)	\$ 41 (7)	\$ 46 (6)	\$ 67 (7)	\$ 67 (7)	\$ 67 (7)
Federal (Dept. of Corrections)	-	\$ 24 (3)	\$ 53 (5)	\$ 53 (5)	\$ 13 (1)
Federal (CETA)	\$ 6 (1)	-	-	-	-
Local	\$207 (34)	\$265 (32)	\$299 (31)	\$320 (32)	\$342 (34)
Private foundations and donations	\$104 (17)	\$164 (20)	\$221 (23)	\$236 (23)	\$253 (25)
Fees, sales	\$ 10 (2)	\$ 16 (2)	\$ 15 (2)	\$ 16 (2)	\$ 17 (2)
Total	\$608	\$819	\$970	\$1,007	\$1,007

EXPLANATION OF BUDGET REQUEST: The request for sexual assault programs reflects the same level of funding as the previous biennium and allows for no increase for inflation.

GOVERNOR'S RECOMMENDATION:

The Governor recommends a biennial increase in agency funding (a 5% inflation factor) to achieve the 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: CRIME VICTIM CENTERS

1983-85 Biennial Budget

Activity: VICTIM SERVICES
Program: COMMUNITY SERVICES
Agency: CORRECTIONS, DEPARTMENT OF
Statutory References: M.S. 241.55, 241.62; Laws 1980, Ch. 336

PURPOSE: To provide funds to 3 community organizations for the operation of crime victim centers providing crisis intervention counseling, advocacy for victims in the court process, emergency referral to appropriate community services, information services, neighborhood organizing activities, and liaison with law enforcement, prosecution, and court systems.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: There has been no expansion in the area of crime victim center funding and thus no expansion of the programming. The previously funded grantees are eligible to reapply for continued funding. Programs currently exist in Hennepin, Ramsey and Mower County as mandated by law. Programs are operated by Correctional Services of Minnesota in Hennepin and Ramsey counties and by county authorities in Mower county.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Currently funded grantees are eligible to apply for funds appropriated by the legislature in amounts proportional to previous years funding. They are required to submit detailed budget proposals and evidence of progress toward goals during the preceding year. The specific amount of the grant is dependent on the budget request and the past history of the operating centers.

SIGNIFICANT STATISTICS:

	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
	Actual	Actual	Estimated	Estimated	Estimated
Victims served	2,941	2,158	2,265	2,380	2,500
Calls received	6,757	5,877	6,170	6,480	6,800
Source of Funds (\$ in thousands)	(%)	(%)	(%)	(%)	(%)
Department of Corrections	\$220.6(80)	\$194.5(82)	\$ 88.1(48)	\$ 92.4(65)	\$ 97.0(66)
Private foundations and donations	\$ 18 (7)	\$ 12 (5)	\$ 63 (34)	\$ 10 (7)	\$ 10 (7)
United Way	\$ 36 (13)	\$ 30 (13)	\$ 34 (18)	\$ 39 (28)	\$ 39 (27)
Total	\$274.6	\$236.5	\$185.1	\$141.4	\$146.0

EXPLANATION OF BUDGET REQUEST: The request for crime victim centers reflects funding at the F.Y. 1983 level plus 5% inflation, totaling \$4,300 in F.Y. 1984 and \$8,700 in F.Y. 1985.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:410-20-27-000-02	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO NONGOV'T ORGNZTNS							
GENERAL	207.7	193.8	86.9	91.2	95.6	98.2	103.1
SUBTOTAL	207.7	193.8	86.9	91.2	95.6	98.2	103.1

ALL RECIPIENTS BY FUND							
GENERAL	207.7	193.8	86.9	91.2	95.6	98.2	103.1
TOTAL	207.7	193.8	86.9	91.2	95.6	98.2	103.1

GOVERNOR'S RECOMMENDATION:

The Governor recommends increases for:

- 1) Inflation adjustment of 5%.
- 2) Base adjustment for Hennepin and Ramsey Counties.

GRANTS AND AIDS ANALYSIS FOR: BATTERED WOMEN SERVICES

1983-85 Biennial Budget

Activity: VICTIM SERVICES
 Program: COMMUNITY SERVICES
 Agency: CORRECTIONS, DEPARTMENT OF
 Statutory References: M.S. 241.55, 241.62; Laws 1980, Ch. 336

PURPOSE: (1) To maintain emergency shelters which include secure crisis shelters and housing networks for battered women; (2) To maintain support services including advocacy, counseling, information, referral, transportation, child care, and other services needed by battered women and their families; (3) To coordinate funded programs, community education and staff training by the State Coalition for Battered Women; (4) To encourage replication of violent partner treatment programs.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA:

NEW GRANTS: Cities, counties, and non-profit corporations are eligible to apply for grants. New grants are awarded on a competitive basis after screening and evaluation of grant applications by the State Advisory Task Force on Battered Women, Department of Corrections staff and the Commissioner of Corrections. Grant applicants must demonstrate that they will be able to plan and implement emergency shelter and support services for battered women or treatment programs for violent partners and that they will develop a working relationship with various service providers in the community so that these services are delivered effectively and sensitively to abused women and their children. More specifically, the following factors are considered in selecting new grant recipients:

1. Goals and Objectives
 - a. Appropriateness of program objectives for achieving the goals of the project.
 - b. Measurability and quantifiability of goals and objectives.
 - c. Thoroughness, soundness, and clarity of proposed methodology.
 - d. Realism of approach and timeline for making project operational.
2. Budget
 - a. Reasonableness of estimated cost.
 - b. Compatibility with work plan.
3. Area to be served

Priority is given to projects located in areas in which access to equivalent services provided by a shelter program or other program is limited either by distance or high utilization of existing programs.
4. Personnel

Qualifications of personnel who will be assigned to the project are assessed by experience and/or background in relationship to specific job descriptions.
5. Ability to implement the project

Emphasis is placed on the soundness of the contractor's approach to the project including project plans and schedules as well as soundness of the management structure.
6. Benefits

The extent to which this project will benefit battered women will be assessed.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:

REF:410-20-27-000-03

	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO NONGOV'T ORGNZTNS							
GENERAL	1,378.7	1,782.2	1,746.5	1,761.5	1,761.5	1,849.6	1,942.6
SUBTOTAL	1,378.7	1,782.2	1,746.5	1,761.5	1,761.5	1,849.6	1,942.6

ALL RECIPIENTS BY FUND							
GENERAL	1,378.7	1,782.2	1,746.5	1,761.5	1,761.5	1,849.6	1,942.6
TOTAL	1,378.7	1,782.2	1,746.5	1,761.5	1,761.5	1,849.6	1,942.6

CONTINUATION GRANTS: Grants for continued funding are awarded on a non-competitive basis upon positive evaluation of goal achievement and grant proposals as reviewed by the State Advisory Task Force on Battered Women, department staff and the Commissioner of Corrections.

The following factors are considered in maintaining currently funded programs:

1. Thorough and timely achievement of past year's goals and objectives.
2. Effective management of the program.
3. Budget expenditures in line with grant agreements.
4. Shelters must meet minimum standards as outlined in grant agreements. On-site visits are conducted biennially by department staff to evaluate compliance.
5. Submission of an acceptable proposal which outlines measurable goals and objectives for the next year, a complete budget and a budget narrative.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Grant applicants are required to submit a proposed budget detailing expenditures of requested Department of Corrections funds by category. They are also required to submit estimates of expenditures from other funding sources. The amount of the grant is dependent upon the budget request and evaluation of that request by department staff.

SIGNIFICANT STATISTICS:

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Battered Women					
Women sheltered	2,175	2,375	3,000	3,050	3,100
Children sheltered	2,450	3,175	4,250	4,300	4,350
Women served but not sheltered	N/A	5,600	4,225	4,300	4,350
Phone calls on crisis lines	26,000	29,600	39,000	39,500	40,000
Men served in treatment programs	192	285	260	270	270
No. of grant appl. reviewed	46	50	35	35	35
No. of local projects requiring compliance monitoring	46	38	26	26	26

GRANTS AND AIDS ANALYSIS FOR: BATTERED WOMEN SERVICES 1983-85 Biennial Budget
(Continuation)

Activity: VICTIM SERVICES
Program: COMMUNITY SERVICES
Agency: CORRECTIONS, DEPARTMENT OF

Source of Funds (\$ in thousands)	(%)	(%)	(%)	(%)	(%)
Department of Corrections	\$1,379(44)	\$1,782(43)	\$1,747(38)	\$1,762(37)	\$1,762(36)
Per diem(cty. welfare payments)	\$ 820(26)	\$1,050(25)	\$1,250(27)	\$1,340(28)	\$1,440(29)
County purchase of service	\$ 40(1)	\$ 450(11)	\$ 530(11)	\$ 530(11)	\$ 530(11)
United Way and private foundations	\$ 480(15)	\$ 540(13)	\$ 730(16)	\$ 810(17)	\$ 830(17)
Federal (CDBG, HUD Title XX, CETA)	\$ 290(10)	\$ 120(3)	\$ 150(3)	\$ 80(2)	\$ 80(2)
Payment for services and donations	\$ 130(4)	\$ 200(5)	\$ 230(5)	\$ 240(5)	\$ 270(5)
Total	\$3,139	\$4,142	\$4,637	\$4,762	\$4,912

EXPLANATION OF BUDGET REQUEST: The battered women program increase reflects restoration of funds cut in the 1981-83 biennium for shelter physical plant improvements, which assist facilities to meet various code requirements. This increase is \$15,000 each year. No increases for inflation are allowed for this program.

GOVERNOR'S RECOMMENDATION:

The Governor recommends a biennial increase in agency funding (5% inflation factor) to achieve the 1983-85 objective.

GRANTS AND AIDS ANALYSIS FOR: COUNTY PROBATION REIMBURSEMENT 1983-85 Biennial Budget

Activity: NON-CCA SUBSIDIES
Program: COMMUNITY SERVICES
Agency : CORRECTIONS, DEPARTMENT OF
Statutory References: M.S. 260.311, Subdivision 5

PURPOSE: To reimburse the counties under the laws of 1959, Chapter 698, for costs they incur providing probation and parole services to juvenile wards of the Commissioner of Corrections and to aid counties in providing probation services for the county courts.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Currently all 60 counties not participating in the Community Corrections Act are eligible. Standards set forth by M.S. 260.311 require that: counties have a population of not more than 200,000; fringe benefit payments not exceed those paid to state civil service employees, counties provide an annual estimate of costs; county probation officers' salaries must be commensurate with salaries paid comparable positions in classified state service.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: M.S. 260.311, Subdivision 5 provides for 50% reimbursement of county probation officers' salaries. If the appropriation is insufficient, reimbursement shall be prorated. County courts submit budget and personnel estimates. New positions to be eligible for reimbursement require approval of the Commissioner of Corrections. Actual reimbursement is based upon either the actual costs incurred or the estimated expenditures - whichever is less.

SIGNIFICANT STATISTICS:	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
	Actual	Actual	Estimated	Estimated	Estimated
Counties receiving subsidy					
not under CCA	60	60	60	60	60
Percent Paid	47.3%	46%	45%	43%	41%
Funds paid	\$1,245,200	\$1,386,800	\$1,519,364	\$1,519,400	\$1,519,400
Agent positions funded	140	144	149	154	160

Remainder of funding is provided by county government.

EXPLANATION OF BUDGET REQUEST: This request reflects same level funding with no inflation increases.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:410-20-28-000-01	
	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
GENERAL	1,245.2	1,386.8	1,519.4	1,519.4	1,519.4	1,519.4	1,519.4
SUBTOTAL	1,245.2	1,386.8	1,519.4	1,519.4	1,519.4	1,519.4	1,519.4

ALL RECIPIENTS BY FUND							
GENERAL	1,245.2	1,386.8	1,519.4	1,519.4	1,519.4	1,519.4	1,519.4
TOTAL	1,245.2	1,386.8	1,519.4	1,519.4	1,519.4	1,519.4	1,519.4

GRANTS AND AIDS ANALYSIS FOR: FOSTER GROUP CARE

1983-85 Biennial Budget

Activity: NON-CCA SUBSIDIES
Program: COMMUNITY SERVICES
Agency: CORRECTIONS, DEPARTMENT OF
Statutory References: M.S. 260.185, Subd. 1(c)5, MS. 260.251, Subd. 1(a)

PURPOSE: To provide reimbursement to counties providing group foster care to children adjudicated delinquent by the county court and placed in a licensed group home.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: The subsidy is paid to county social services departments upon verification of their billing by Corrections' staff. Counties must identify the individual and length of stay in a group home and receive approval from the county probation officer.

The grant reimburses up to 50% of costs, not to exceed \$7.50/day to the county social services department for placement costs in either public or private foster homes. These homes are licensed either by the Department of Corrections or the Department of Public Welfare.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: M.S. 260.251 provides that where a child is placed in a group foster care facility, the state shall reimburse counties 50% of costs not paid by federal funds or other state aids and grants. Reimbursement shall be prorated if the appropriation is insufficient. Payments for F.Y. 1982 were prorated and amounted to approximately 25%.

SIGNIFICANT STATISTICS:

	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
	Actual	Actual	Estimated	Estimated	Estimated
No. of counties participating in program	26	30	35	40	45
No. of children placed	436	469	547	625	703
Funds paid	\$100,000	\$105,170	\$116,012	\$121,800	\$127,600
No. of group homes	50	50	52	55	57

The remainder of funding is provided by county government or other sources.

EXPLANATION OF BUDGET REQUEST: The request for foster group care reflects funding at the F.Y. 1983 level plus 5% inflation for each year.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:410-20-28-000-02	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
GENERAL	100.0	105.2	116.0	121.8	127.6	121.8	127.6
SUBTOTAL	100.0	105.2	116.0	121.8	127.6	121.8	127.6

ALL RECIPIENTS BY FUND							
GENERAL	100.0	105.2	116.0	121.8	127.6	121.8	127.6
TOTAL	100.0	105.2	116.0	121.8	127.6	121.8	127.6

GRANTS AND AIDS ANALYSIS FOR: COMMUNITY CORRECTIONS CENTERS 1983-85 Biennial Budget

Activity: NON-CCA SUBSIDIES
Program: COMMUNITY SERVICES
Agency : CORRECTIONS, DEPARTMENT OF
Statutory References: M.S. 241.31

PURPOSE: To subsidize community corrections programs for the purpose of providing housing, supervision, treatment, or other correctional services for persons convicted of crime and placed on probation, or persons adjudicated delinquent under Chapter 260, to demonstrate the effectiveness of community corrections programs and promote the development of such programs.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Two programs are presently receiving grants under M.S. 241.31:

- (1) The Northwest Juvenile Training Center, a non-profit corporation, operates under a joint power agreement and serves 8 counties. The program provides treatment services for those adjudicated delinquent and unable to return to their own homes and also non-secure detention for those awaiting court disposition. It is co-educational and is licensed by the Department of Corrections.
- (2) Leech Lake Youth Lodge which is licensed by the Leech Lake Reservation Business Committee. The lodge provides a substitute home environment for hard to place pre-disposition Indian youth and those on probation or parole.

Both programs provide services to pre-delinquent and delinquent children.

CRITERIA AND FORMULAS DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: Historically, the account was to aid communities to promote the development of such programs and to demonstrate the effectiveness of community corrections programs. The Commissioner of Corrections may, out of funds appropriated, make grants not to exceed 65% of operating cost or 100% of such programs operated by the Indian Reservation Business Committee.

SIGNIFICANT STATISTICS:	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
	Actual	Actual	Estimated	Estimated	Estimated
Northwest Juvenile Training Center:					
Number of counties served	8-12	8-12	8-12	8-14	8-14
Number of beds - center	28	28	28	28	28
No. of beds - satellite homes	14	14	14	19	19
Number of children served	44	66	100	105	110
Percent of budget from this grant	45.8%	44.8%	35.1%	N/A	N/A
Funds paid	\$129,850	\$135,024	\$135,874	\$135,874	\$135,874

Remainder of financing is through county funds.

Leech Lake Youth Lodge:					
Number of counties served	7	7	7	7	7
Number of beds	8	8	8	8	8
Number of children served	23	24	24	24	24
Percent of budget	49.9%	43.2%	53.6%	N/A	N/A
Funds paid	\$68,240	\$67,900	\$68,326	\$68,326	\$68,326

Remainder of financing is through federal and county funds.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:410-20-28-000-03	
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *		RECOMMENDATIONS	
				AGENCY ESTIMATES		FY1984	FY1985
G & A TO NONGOV'T ORGNZTNS							
GENERAL	198.1	202.9	204.2	204.2	204.2	68.4	68.4
SUBTOTAL	198.1	202.9	204.2	204.2	204.2	68.4	68.4

ALL RECIPIENTS BY FUND							
GENERAL	198.1	202.9	204.2	204.2	204.2	68.4	68.4
TOTAL	198.1	202.9	204.2	204.2	204.2	68.4	68.4

EXPLANATION OF BUDGET REQUEST: This request reflects same level funding with no inflation increases.

GOVERNOR'S RECOMMENDATION:

The Governor recommends funding of the Leech Lake Youth Lodge as requested to achieve 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: DETENTION FACILITIES

1983-85 Biennial Budget

Activity: NON-CCA SUBSIDIES
Program: COMMUNITY SERVICES
Agency : CORRECTIONS, DEPARTMENT OF
Statutory References: M.S. 241.022, Subdivision 3

PURPOSE: To assist in provision of secure juvenile detention services.

RECIPIENT IDENTIFICATION AND ELIGIBILITY CRITERIA: Specific appropriations are made to finance beds in designated facilities. The West Central Juvenile Detention Center is operated as part of the Clay County Jail and is financed primarily by county funds. The Center is licensed by the Department of Corrections. In addition to Clay County this center is used by many counties in western Minnesota for secure detention of juveniles.

CRITERIA AND FORMULA DETERMINING AMOUNT OF PAYMENT TO RECIPIENT: M.S. 241.022, Sub-division 3 prescribes \$3,200 per juvenile bed. The remainder of the financing is provided by the county.

SIGNIFICANT STATISTICS: West Central Juvenile Detention Center is the only facility funded through this appropriation. Only 3 other counties in Minnesota provide this service.

	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>
Number of beds	9	9	9	9	9
State funding	\$27,800	\$27,936	\$28,800	\$28,800	\$28,800
Number served	314	256	222	N/A	N/A
Average daily population	7.31	5.28	3.45	N/A	N/A

Nine beds are subsidized at \$3,200 per bed per year.

EXPLANATION OF BUDGET REQUEST: This request reflects same level funding with no inflation increases.

GOVERNOR'S RECOMMENDATION:

The Governor recommends no funding for this grant request.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:410-20-28-000-04	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
GENERAL	27.8	27.9	28.8	28.8	28.8		
SUBTOTAL	27.8	27.9	28.8	28.8	28.8		

ALL RECIPIENTS BY FUND							
GENERAL	27.8	27.9	28.8	28.8	28.8		
TOTAL	27.8	27.9	28.8	28.8	28.8		

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: NON CCA SUBSIDIES

PROGRAM: COMMUNITY SERVICES

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED											
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES											
EXPENSES & CONTRACTUAL SERVICES											
SUPPLIES & MATERIALS											
EQUIPMENT											
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	1,571.1	1,722.8	1,868.4	1,868.4	5.8	1,874.2	1,868.4	11.6	1,880.0	1,709.6	1,715.4
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	1,571.1	1,722.8	1,868.4	1,868.4	5.8	1,874.2	1,868.4	11.6	1,880.0	1,709.6	1,715.4
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	1,571.1	1,722.8	1,868.4	1,868.4	5.8	1,874.2	1,868.4	11.6	1,880.0	1,709.6	1,715.4
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	1,571.1	1,722.8	1,868.4	1,868.4	5.8	1,874.2	1,868.4	11.6	1,880.0	1,709.6	1,715.4
POSITIONS BY FUND											
TOTAL POSITIONS											

PROGRAM: POLICY AND PLANNING
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM PURPOSE: The policy and planning program is responsible for developing and analyzing departmental policies, programs and plans in order to achieve departmental goals and objectives. This program plans and executes special studies and projects requested by the commissioner, the legislature and the Governor's Office. This program is also responsible for developing legislative proposals and for providing appropriate liaison with the legislature. In addition to policy analysis, planning and legislative activities, this program administers departmental research and information systems and a variety of special support activities including the recently established office of adult release.

OPERATION:

1. The Special Support activity includes the following:

Women's Programs Planning which is responsible for identifying needs and plans new programs for women offenders statewide, provides consultation and technical assistance to institution staff, field staff and other agencies regarding programming for women offenders and acts as liaison between the department and other local and state agencies concerned with issues of the female offender.

Interstate and Federal Compacts Section which administers interstate and federal reciprocal agreements relative to transfer of prisoners, supervision of parolees and probationers and disposition of interstate and intrastate detainers. Also administers recordkeeping for statewide probation matters and monitors probation services for District Courts.

Hearings and Appeals Section which provides hearing officer services in all adult correctional institutions to comply with District Court orders for due process inmate disciplinary hearings.

Juvenile and Adult Release Office which provides hearing officer services for release, revocation of parole and discharge for juveniles and adults committed to the Commissioner of Corrections.

2. The research and information systems activity provides operational and management information for department staff, other criminal justice agencies, and public groups which require factual information regarding the clientele and operation of the department. The information produced by this activity is maintained in the form of inmate records, a computerized management information system and analytical research reports.

CLIENTELE: This program provides research, information, technical assistance and planning for the department's administrators and managers. Administration of interstate and federal reciprocal compacts involves the supervision of approximately 2,000 clients annually and the hearings and appeals activity provides over 800 due process and probable cause hearings a year. Juvenile and adult release, revocations and discharge activity involve over 3,000 hearings per year.

EXPLANATION OF BUDGET REQUEST: This request provides the department with special support services as well as research and information services. A change level increase is requested to provide MCF-Oak Park Heights with data processing services and to maintain research and information services within the department. This change level totals \$157,100 in F.Y. 1984, \$175,900 in F.Y. 1985, and 1.0 position for the biennium.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: POLICY & PLANNING

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
SPECIAL SUPPORT	596.4	445.4	567.3	563.2		563.2	575.7		575.7	553.7	562.2
RESEARCH & INFORMATION SYS	874.4	699.6	743.3	762.1	157.1	919.2	783.3	175.9	959.2	911.7	941.9
TOTAL	1,470.8	1,145.0	1,310.6	1,325.3	157.1	1,482.4	1,359.0	175.9	1,534.9	1,465.4	1,504.1
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	965.1	728.3	858.6	841.8	30.0	871.8	841.8	30.0	871.8	871.8	871.8
EXPENSES & CONTRACTUAL SERVICES	499.6	412.4	446.0	479.8	127.1	606.9	513.3	145.9	659.2	589.9	628.5
SUPPLIES & MATERIALS	4.2	4.2	2.0	2.1		2.1	2.2		2.2	2.1	2.1
EQUIPMENT	1.9	.1	4.0	1.6		1.6	1.7		1.7	1.6	1.7
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXP ITEMS											
TOTAL EXPENDITURES	1,470.8	1,145.0	1,310.6	1,325.3	157.1	1,482.4	1,359.0	175.9	1,534.9	1,465.4	1,504.1
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	1,257.8	1,145.0	1,310.6	1,325.3	157.1	1,482.4	1,359.0	175.9	1,534.9	1,465.4	1,504.1
DEDICATED APPROPRIATIONS:											
FEDERAL	213.0										
TOTAL FINANCING	1,470.8	1,145.0	1,310.6	1,325.3	157.1	1,482.4	1,359.0	175.9	1,534.9	1,465.4	1,504.1
POSITIONS BY FUND:											
GENERAL	35.3	26.8	28.8	27.8	1.0	28.8	27.8	1.0	28.8	28.8	28.8
FEDERAL	12.0										
TOTAL POSITIONS	47.3	26.8	28.8	27.8	1.0	28.8	27.8	1.0	28.8	28.8	28.8

ACTIVITY: SPECIAL SUPPORT
Program: POLICY AND PLANNING
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY DESCRIPTION:

This activity includes: 1) the administration of interstate and federal reciprocal agreements regarding transfer of prisoners, supervision of parolees and probationers and disposition of inmate detainees; 2) hearing officer services for disciplinary hearings in adult institutions; 3) hearing officer services for release and revocation of parole and discharge of juveniles and adults committed to the Commissioner of Corrections (This function relating to adults was previously conducted by the Minnesota Corrections Board, which was abolished); 4) the staffing for the Advisory Task Force on Women Offenders and planning for women's correctional programs statewide as mandated by the 1981 Legislature.

ACTIVITY STATISTICS:

1. Administration of interstate and federal reciprocal compacts involves the processing and supervision of approximately 2,000 clients annually.
2. Hearings and appeals function involves over 800 due process disciplinary hearings and appeals each year.
3. Juvenile release, revocation and discharge activity involves over 2,000 hearings a year.
4. Adult revocation activity involves over 1,000 hearings a year.

BUDGET ISSUES:

The 1981 Legislature abolished the Minnesota Corrections Board (MCB) effective 6-30-82 and appropriated \$100,000 for F.Y. 1983 to the Department of Corrections to assume the duties and responsibilities of the MCB. This has resulted in a net savings to the State of \$185,000 per year for adult release activity.

In the hearings and appeals section, 1.0 position has been eliminated due to budget reductions in the previous biennium.

The Advisory Task Force on Women Offenders expires on 6-30-83.

EXPLANATION OF BUDGET REQUEST:

This request includes \$6,000 each year to continue funding the Advisory Task Force on Women Offenders and also allows continuance of current levels of special support services to the Department with no increase in staff or funding except for inflation.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts. Furthermore, the Governor makes no recommendation for the Advisory Task Force on women offenders since by law it is required to sunset as 6-30-83.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: SPECIAL SUPPORT

PROGRAM: POLICY & PLANNING

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	305.1	254.5	309.5	293.2		293.2	293.2		293.2	293.2	293.2
-REGULAR UNCLASSIFIED	65.3	44.5	88.3	88.7		88.7	88.7		88.7	88.7	88.7
-PART-TIME/SEAS./OTHER	2.4										
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.2	14.4									
TOTAL PERSONAL SERVICES	373.0	313.4	397.8	381.9		381.9	381.9		381.9	381.9	381.9
EXPENSES & CONTRACTUAL SERVICES	223.2	132.0	166.7	181.0		181.0	193.5		193.5	171.5	180.0
SUPPLIES & MATERIALS	.2		.3	.3		.3	.3		.3	.3	.3
EQUIPMENT			2.5								
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	596.4	445.4	567.3	563.2		563.2	575.7		575.7	553.7	562.2
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	596.4	445.4	567.3	563.2		563.2	575.7		575.7	553.7	562.2
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	596.4	445.4	567.3	563.2		563.2	575.7		575.7	553.7	562.2
POSITIONS BY FUND											
GENERAL	13.3	9.8	11.8	10.8		10.8	10.8		10.8	10.8	10.8
TOTAL POSITIONS	13.3	9.8	11.8	10.8		10.8	10.8		10.8	10.8	10.8

ACTIVITY: RESEARCH AND INFORMATION SYSTEMS
Program: POLICY AND PLANNING
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY DESCRIPTION:

Research and information systems provides computerized data processing services, research support and central records management services to department operational and management staff. This activity provides department staff, other criminal justice agencies and the public with accurate and timely information regarding the department's clientele and operations. Information systems provides the central management for the department's automated data processing systems which include automated support for inmate records, inmate accounting, automated sentence computation, inmate classification and count control. The research component produces program evaluations, statistical reports and policy analyses for agency managers and other public authorities. The demand for services, particularly computer support, is increasing rapidly as the department continues efforts to modernize its management practices.

<u>ACTIVITY STATISTICS:</u>	<u>F.Y. 1981</u> <u>Actual</u>	<u>F.Y. 1982</u> <u>Actual</u>	<u>F.Y. 1983</u> <u>Estimated</u>	<u>F.Y. 1984</u> <u>Estimated</u>	<u>F.Y. 1985</u> <u>Estimated</u>
No. of on-site operations computers	0	7	7	7	7
No. of direct access terminals	15	62	62	78	82
No. of functional areas supported by automated data processing	7	10	12	15	17
No. of research requests processed	750	800	800	850	850
No. of paper documents converted to microfilm	240,000	200,000	210,000	225,000	250,000

BUDGET ISSUES:

The addition of Minnesota Correctional Facility-Oak Park Heights to the state correctional institutional system has required the installation of a new computer system at that site. This system necessitates additional expenditures for equipment, maintenance and supplies.

The financial commitments made in accord with the original appropriations for the department's information system require a funding level greater than the F.Y. 1983 budget. The only way to maintain existing systems for F.Y. 1984-85 is to fund them at the level originally appropriated for that purpose. Failure to fund these systems in F.Y. 1984-85 at a level consistent with original plans and appropriations will necessitate the dismantling of operational systems in correctional institutions and the transfer of these functions back to older labor-intensive manual procedures. This would be impossible at the current institutional staffing levels.

Cuts in staff which have occurred in recent years make it impossible for the department's remaining 3 person central information system staff to maintain present systems while responding to emerging needs. An additional analyst is essential if this area is to meet commitments.

EXPLANATION OF BUDGET REQUEST:

A change level increase of \$51,400 for F.Y. 1984 and \$55,000 for F.Y. 1985 is requested to provide data processing services to the Minnesota Correctional Facility-Oak Park Heights. One additional position and \$105,700 in F.Y. 1984 and \$120,900 in F.Y. 1985 is requested for new data processing applications, a programmer analyst, maintenance, microfilming and payments to the Bureau of Criminal Apprehension for telecommunications services.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: RESEARCH & INFORMATION SYS

PROGRAM: POLICY & PLANNING

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	475.4	403.4	460.8	459.9	30.0	489.9	459.9	30.0	489.9	489.9	489.9
-REGULAR UNCLASSIFIED	111.6										
-PART-TIME/SEAS./OTHER	5.0										
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.1	11.5									
TOTAL PERSONAL SERVICES	592.1	414.9	460.8	459.9	30.0	489.9	459.9	30.0	489.9	489.9	489.9
EXPENSES & CONTRACTUAL SERVICES	276.4	280.4	279.3	298.8	127.1	425.9	319.8	145.9	465.7	418.4	448.5
SUPPLIES & MATERIALS	4.0	4.2	1.7	1.8		1.8	1.9		1.9	1.8	1.8
EQUIPMENT	1.9	.1	1.5	1.6		1.6	1.7		1.7	1.6	1.7
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	874.4	699.6	743.3	762.1	157.1	919.2	783.3	175.9	959.2	911.7	941.9
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	661.4	699.6	743.3	762.1	157.1	919.2	783.3	175.9	959.2	911.7	941.9
DEDICATED APPROPRIATIONS:											
FEDERAL	213.0										
TOTAL FINANCING	874.4	699.6	743.3	762.1	157.1	919.2	783.3	175.9	959.2	911.7	941.9
POSITIONS BY FUND											
GENERAL	22.0	17.0	17.0	17.0	1.0	18.0	17.0	1.0	18.0	18.0	18.0
FEDERAL	12.0										
TOTAL POSITIONS	34.0	17.0	17.0	17.0	1.0	18.0	17.0	1.0	18.0	18.0	18.0

PROGRAM: MANAGEMENT SERVICES
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM PURPOSE: This program includes the office of the commissioner and the functions of fiscal services, office management, personnel, staff training and correctional industries coordination. The program provides specialized administrative support throughout the Department of Corrections. This includes implementing the policies of the commissioner and administering the rules and regulations that emanate from the Governor's Office, Department of Finance, Administration, Employee Relations, etc. A basic responsibility is to ensure that staff operate within the laws that pertain to the Department of Corrections.

The primary goal of this program is to provide management direction that will contribute to fulfilling the department's mission.

OPERATION: There are 6 functions within this program.

1. The office of the Commissioner establishes major policy for the department and provides executive leadership to over 1,600 employees.
2. The fiscal services section maintains the fiscal records of the department and directs the formulation of budgets and financial reports. All transactions are conducted to ensure that sound financial management policies are followed. This section also monitors subsidy grants to counties and to other programs within the criminal justice system.
3. The personnel section coordinates recruiting and selection of new employees, and all personnel transactions with the Department of Employee Relations. This section administers the department's affirmative action program and represents the department in labor negotiations. All personnel records are maintained within this section.
4. The staff training section operates a training program for new employees and is responsible for providing in-service training programs throughout the Department of Corrections.
5. The office management section provides support services within the department for a variety of services and functions including: state vehicle use, mailroom, photocopying, word processing and equipment and office space assignments.
6. The correctional industries section coordinates correctional industries activities within the department's institutions to ensure that a viable work program is provided for the inmate population. The goal of this activity is to assist the institution industry programs to provide work for as many inmates as possible.

CLIENTELE: The centralization of these specialized activities allows program professionals in the department to devote their time and efforts to areas of direct inmate treatment.

In essence, clientele served by this program include all departmental employees, the inmate population, various state agencies, the Governor's Office, correctional agencies, the legislature, the general public, and any governmental unit that receives funding from the Department of Corrections.

EXPLANATION OF BUDGET REQUEST: This request provides executive leadership, fiscal services, office management, personnel services, staff training, and industry coordination for the department. This program request includes same level funding except for allowed inflation and a fiscal services change request. An auditor position is requested in the fiscal services activity to restore the audit function in the Department of Corrections. This change request totals \$30,500 in F.Y. 1984 and \$31,000 in F.Y. 1985.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: MANAGEMENT SERVICES

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
OFFICE OF THE COMMISSIONER	438.7	551.3	617.3	605.0		605.0	607.6		607.6	604.4	605.9
FISCAL SERVICES	262.3	301.2	331.2	332.5	30.5	363.0	332.9	31.0	363.9	362.8	363.5
MINNESOTA CORRECTIONS BOARD	285.5	279.4									
ADMINISTRATIVE SERVICES	553.2	533.5	513.7	534.6		534.6	562.8		562.8	527.2	547.0
PERSONNEL	214.8	237.7	242.1	246.4		246.4	246.6		246.6	246.4	246.5
TRAINING	266.7	38.8	71.3	42.0		42.0	42.0		42.0	42.0	42.0
INDUSTRIES COORDINATION	226.8	154.0	117.2	108.2		108.2	108.7		108.7	108.1	108.5
TOTAL	2,248.0	2,095.9	1,892.8	1,868.7	30.5	1,899.2	1,900.6	31.0	1,931.6	1,890.9	1,913.4
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	1,697.7	1,650.1	1,398.2	1,403.7	23.7	1,427.4	1,403.7	23.7	1,427.4	1,427.4	1,427.4
EXPENSES & CONTRACTUAL SERVICES	447.5	424.0	463.3	442.4	6.8	449.2	472.9	7.3	480.2	441.2	462.8
SUPPLIES & MATERIALS	40.8	18.3	26.5	19.5		19.5	20.7		20.7	19.2	20.0
EQUIPMENT	62.0	3.5	4.8	3.1		3.1	3.3		3.3	3.1	3.2
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXP ITEMS											
TOTAL EXPENDITURES	2,248.0	2,095.9	1,892.8	1,868.7	30.5	1,899.2	1,900.6	31.0	1,931.6	1,890.9	1,913.4
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	2,082.6	1,888.1	1,736.1	1,843.3	30.5	1,873.8	1,875.2	31.0	1,906.2	1,865.5	1,888.0
DEDICATED APPROPRIATIONS:											
GIFTS AND DEPOSITS			.5	.4		.4	.4		.4	.4	.4
PRISON REVOLVING	10.2	.7	5.5								
FEDERAL	155.2	207.1	150.7	25.0		25.0	25.0		25.0	25.0	25.0
TOTAL FINANCING	2,248.0	2,095.9	1,892.8	1,868.7	30.5	1,899.2	1,900.6	31.0	1,931.6	1,890.9	1,913.4
POSITIONS BY FUND:											
GENERAL	61.9	50.2	42.2	39.2	1.0	40.2	39.2	1.0	40.2	40.2	40.2
FEDERAL	2.8	1.8	.8	.8		.8	.8		.8	.8	.8
TOTAL POSITIONS	64.7	52.0	43.0	40.0	1.0	41.0	40.0	1.0	41.0	41.0	41.0

ACTIVITY: OFFICE OF COMMISSIONER
Program: MANAGEMENT SERVICES
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The office of the Commissioner establishes major policy for the department and provides executive leadership to over 1,600 employees working in 9 institutions, 35 field offices, and numerous support service areas throughout the State. This includes administrative direction and review, management decision making, and development of both internal and external communication. The primary mission of this office is to effectively plan, organize, direct and administer the activities of the department. This activity provides leadership to the department by:

1. Implementing the department's mission statement; regularly reevaluating existing uses of departmental institutions and modifying their use as inmate populations shift.
2. Organizing the department's divisions through delegation of authority and assignment of responsibility to agency managers.
3. Setting policy and establishing the procedures necessary to implement policies on a departmentwide basis.
4. Planning major department activities; integrating these plans into the department's budget structure, evaluating progress and correcting problem areas.
5. Reviewing department budgets regularly, adjusting expenditures as required and studying possible revenue generating activities.
6. Maintaining a high level of agency participation in criminal justice policy-making activities on the state and local levels.
7. Maintaining interaction with the Office of the Governor and the legislature as well as the state's other agencies including the Department of Public Welfare, Administration, Employee Relations and Finance.
8. Providing top management direction and support to the department's affirmative action plan.

To measure the accomplishments of the objectives listed above, management reviews of program objectives are conducted regularly.

The office of the Commissioner has responsibility for the policies, procedures, and decisions regarding the release of adults and juveniles from correctional institutions including those inmates serving life sentences.

EXPLANATION OF BUDGET REQUEST:

This request allows no increase in staff or funding with the exception of inflation.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: OFFICE OF THE COMMISSIONER

PROGRAM: MANAGEMENT SERVICES

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	62.2	56.1	90.0	92.0		92.0	92.0		92.0	92.0	92.0
-REGULAR UNCLASSIFIED	336.4	376.8	398.3	406.6		406.6	406.6		406.6	406.6	406.6
-PART-TIME/SEAS./OTHER	.2										
-PREMIUM PAY											
-OVERTIME PAY	.2	.7									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	9.3	82.1	70.0	65.6		65.6	65.6		65.6	65.6	65.6
TOTAL PERSONAL SERVICES	408.3	515.7	558.3	564.2		564.2	564.2		564.2	564.2	564.2
EXPENSES & CONTRACTUAL SERVICES	28.4	34.3	56.3	38.3		38.3	40.8		40.8	37.7	39.2
SUPPLIES & MATERIALS	2.0	1.3	2.7	2.5		2.5	2.6		2.6	2.5	2.5
EQUIPMENT											
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	438.7	551.3	617.3	605.0		605.0	607.6		607.6	604.4	605.9
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	427.6	483.6	526.3	605.0		605.0	607.6		607.6	604.4	605.9
DEDICATED APPROPRIATIONS:											
FEDERAL	11.1	67.7	91.0								
TOTAL FINANCING	438.7	551.3	617.3	605.0		605.0	607.6		607.6	604.4	605.9
POSITIONS BY FUND											
GENERAL	13.0	11.0	11.0	11.0		11.0	11.0		11.0	11.0	11.0
TOTAL POSITIONS	13.0	11.0	11.0	11.0		11.0	11.0		11.0	11.0	11.0

ACTIVITY: FISCAL SERVICES
 Program: MANAGEMENT SERVICES
 Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

Fiscal services monitors and measures all fiscal activities within the department and reports the economic effect to managers and employees. It collects, classifies, records and summarizes financial transactions and data. A primary responsibility is to provide managers with information necessary for planning and controlling operations on a day-to-day basis. Fiscal services include budgeting, payroll, position control, institution accounting coordination, federal grant administration, accounting and coordination, subsidy accounting and coordination, internal audit function, purchasing and disbursements, billings and receipts, travel audits, cost analysis, cost reporting, management and financial reporting, contract coordination and investment of industry funds.

ACTIVITY STATISTICS:

Much of the fiscal effort is directed towards preparing an accurate workable budget and assisting managers to control program expenditures, thereby increasing the efficiency and effectiveness of the Department of Corrections. Fiscal services provides the information by which department managers can make informed decisions.

	<u>F.Y. 1981</u> <u>Actual</u>	<u>F.Y. 1982</u> <u>Actual</u>	<u>F.Y. 1983</u> <u>Estimated</u>	<u>F.Y. 1984</u> <u>Estimated</u>	<u>F.Y. 1985</u> <u>Estimated</u>
Total biennial budget	\$69,324,300	\$72,800,900	\$87,365,400	\$92,739,600	\$94,069,200
Payment transactions	51,800	51,800	52,000	52,000	52,000
Federal funds expended/ requested	\$1,755,000	\$907,700	\$776,400	\$610,000	\$564,800
Subsidy funds expended/ requested	\$1,571,100	\$1,722,800	\$1,868,400	\$1,874,200	\$1,880,000
Audits conducted	8	-0-	-0-	10	12

BUDGET ISSUES:

During the previous biennium, fiscal services established an internal audit function upon the recommendation of the legislative auditor to review and appraise the operations and financial management of correctional programs including over \$16,000,000 in grants and contracts per year. The auditor position was eliminated in a budget reduction during the 1981-83 biennium. A request to restore this position is made at this time.

EXPLANATION OF BUDGET REQUEST:

To provide an audit function for the review of community corrections, victim services, residential programs, and correctional institutions monies, restoration of an auditor position and \$30,500 in F.Y. 1984 and \$31,000 in F.Y. 1985 is requested.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: FISCAL SERVICES

PROGRAM: MANAGEMENT SERVICES

AGENCY: CORRECTIONS,DPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	247.9	279.5	318.1	322.1	23.7	345.8	322.1	23.7	345.8	345.8	345.8
-REGULAR UNCLASSIFIED	11.5	4.8	1.6								
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.4	1.1									
TOTAL PERSONAL SERVICES	259.8	285.4	319.7	322.1	23.7	345.8	322.1	23.7	345.8	345.8	345.8
EXPENSES & CONTRACTUAL SERVICES	1.9	9.2	7.1	6.7	6.8	13.5	7.0	7.3	14.3	13.3	13.9
SUPPLIES & MATERIALS	.4	4.6	2.8	2.7		2.7	2.8		2.8	2.7	2.8
EQUIPMENT	.2	2.0	1.6	1.0		1.0	1.0		1.0	1.0	1.0
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	262.3	301.2	331.2	332.5	30.5	363.0	332.9	31.0	363.9	362.8	363.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	245.0	263.8	302.9	307.1	30.5	337.6	307.5	31.0	338.5	337.4	338.1
DEDICATED APPROPRIATIONS:											
GIFTS AND DEPOSITS			.5	.4		.4	.4		.4	.4	.4
FEDERAL	17.3	37.4	27.8	25.0		25.0	25.0		25.0	25.0	25.0
TOTAL FINANCING	262.3	301.2	331.2	332.5	30.5	363.0	332.9	31.0	363.9	362.8	363.5
POSITIONS BY FUND											
GENERAL	12.2	11.2	11.2	11.2	1.0	12.2	11.2	1.0	12.2	12.2	12.2
FEDERAL	.8	.8	.8	.8		.8	.8		.8	.8	.8
TOTAL POSITIONS	13.0	12.0	12.0	12.0	1.0	13.0	12.0	1.0	13.0	13.0	13.0

ACTIVITY: MINNESOTA CORRECTIONS BOARD
Program: MANAGEMENT SERVICES
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY DESCRIPTION:

In the past, the Minnesota Corrections Board's (MCB) budget request was included with the Department of Corrections budget and the Department was directed by statute to act as the fiscal agent for the MCB. The 1981 Legislature abolished the MCB effective 6-30-82, and appropriated \$100,000 for F.Y. 1983 to the Department of Corrections to assume the duties and responsibilities of the MCB. This function is now reflected in the special support activity budget which is part of the policy and planning program budget.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: MINNESOTA CORRECTIONS BOARD

PROGRAM: MANAGEMENT SERVICES

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	96.4	63.1									
-REGULAR UNCLASSIFIED	169.0	199.0									
-PART-TIME/SEAS./OTHER	.5										
-PREMIUM PAY											
-OVERTIME PAY	.5										
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	1.7										
TOTAL PERSONAL SERVICES	268.1	262.1									
EXPENSES & CONTRACTUAL SERVICES	17.3	17.0									
SUPPLIES & MATERIALS	.1	.3									
EQUIPMENT											
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	285.5	279.4									
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	285.5	279.4									
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	285.5	279.4									
POSITIONS BY FUND											
GENERAL	9.5	7.0									
TOTAL POSITIONS	9.5	7.0									

ACTIVITY: ADMINISTRATIVE SERVICES
Program: MANAGEMENT SERVICES
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY DESCRIPTION:

The administrative services section provides specialized support and coordination to the department's central office in the areas of word processing, leasing office space, communications, motor pool, printing and duplicating. This section also provides services to the central office and the community services division in the areas of office supplies, furniture, equipment, telephones and use of state cars. It is responsible for specialized forms on a department-wide basis.

ACTIVITY STATISTICS:

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Motor pool cars coordinated for central office and community services division	50	43	42	41	41
Reportable fixed assets, central office and community services division	1,885	1,801	1,746	1,760	1,760
Pieces of mail handled annually in central office	112,000	100,000	95,000	95,000	95,000
Office Square Footage (central office)	28,671	22,920	20,930	20,930	20,930

BUDGET ISSUES:

Two positions which provided fixed asset inventory and central office receptionist/typist services were eliminated in a budget reduction in the 1981-83 biennium. A request to restore these positions is not made at this time due to economic factors and higher department priorities; however, there is a recognized problem in the provision of fixed asset inventory and clerical services.

EXPLANATION OF BUDGET REQUEST:

This request allows for no increase in staff or funding with the exception of inflation.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: ADMINISTRATIVE SERVICES

PROGRAM: MANAGEMENT SERVICES

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	202.1	187.5	138.0	132.6		132.6	132.6		132.6	132.6	132.6
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	4.1										
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	206.3	187.5	138.0	132.6		132.6	132.6		132.6	132.6	132.6
EXPENSES & CONTRACTUAL SERVICES	324.0	332.9	360.7	386.0		386.0	413.0		413.0	378.9	397.9
SUPPLIES & MATERIALS	15.3	11.7	13.0	13.9		13.9	14.9		14.9	13.6	14.3
EQUIPMENT	7.6	1.4	2.0	2.1		2.1	2.3		2.3	2.1	2.2
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	553.2	533.5	513.7	534.6		534.6	562.8		562.8	527.2	547.0
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	553.2	483.5	513.7	534.6		534.6	562.8		562.8	527.2	547.0
DEDICATED APPROPRIATIONS:											
FEDERAL		50.0									
TOTAL FINANCING	553.2	533.5	513.7	534.6		534.6	562.8		562.8	527.2	547.0
POSITIONS BY FUND											
GENERAL	10.2	9.0	8.0	6.0		6.0	6.0		6.0	6.0	6.0
TOTAL POSITIONS	10.2	9.0	8.0	6.0		6.0	6.0		6.0	6.0	6.0

ACTIVITY: PERSONNEL
Program: MANAGEMENT SERVICES
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY DESCRIPTION:

The personnel unit provides the department's administration and managers with information, consultation, and direction concerning interpretation of personnel policies, grievance disputes, discipline matters, staffing patterns and the formulation of personnel policies and union negotiation positions. The unit monitors departmental personnel transactions to ensure equity and consistency with established policies. Professional personnel staff are stationed in the larger correctional institutions to service the needs of those individual facilities. The camps and smaller institutions perform these duties through assignment to other staff with coordination from the central office unit.

The department has employees in 12 of the 16 bargaining units authorized by the legislature and must administer 7 collective bargaining agreements. The personnel unit plays a key role in interpreting contracts as well as in negotiations, grievance and arbitration matters. The unit also has responsibility for developing plans and assisting institution administrators to ensure that the department is prepared for possible employee strike action.

ACTIVITY STATISTICS:	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Job audits and reallocation of positions	168	169	150	130	100
Grievances filed heard and processed	77	80	75	75	75
Labor relations training sessions with managers and supervisors	13	6	11	11	11
Personnel transactions (hires, transfers, promotions, separations, etc.)	1,177	1,174	1,175	1,175	1,175

BUDGET ISSUES:

The increased volume of work with the implementation of new labor contracts, the opening of the new facility at Oak Park Heights and the reassignment and consolidation of responsibilities as positions were cut have placed greater demands upon the personnel staff. Two positions were eliminated in budget reductions during the 1981-83 biennium with a third transferred to the new facility. Because of the tight economic situation and other departmental priorities, a request to restore these positions is not included in this budget request.

EXPLANATION OF BUDGET REQUEST:

This request allows no increase in staff or funding except for that related to inflation.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: PERSONNEL

PROGRAM: MANAGEMENT SERVICES

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	209.6	235.1	238.1	242.1		242.1	242.1		242.1	242.1	242.1
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.2										
TOTAL PERSONAL SERVICES	209.8	235.1	238.1	242.1		242.1	242.1		242.1	242.1	242.1
EXPENSES & CONTRACTUAL SERVICES	5.0	2.5	3.5	4.0		4.0	4.2		4.2	4.0	4.1
SUPPLIES & MATERIALS		.1	.5	.3		.3	.3		.3	.3	.3
EQUIPMENT											
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	214.8	237.7	242.1	246.4		246.4	246.6		246.6	246.4	246.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	214.8	237.7	242.1	246.4		246.4	246.6		246.6	246.4	246.5
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	214.8	237.7	242.1	246.4		246.4	246.6		246.6	246.4	246.5
POSITIONS BY FUND											
GENERAL	9.0	8.0	8.0	7.0		7.0	7.0		7.0	7.0	7.0
TOTAL POSITIONS	9.0	8.0	8.0	7.0		7.0	7.0		7.0	7.0	7.0

4-1071

ACTIVITY: TRAINING
Program: MANAGEMENT SERVICES
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY DESCRIPTION:

The staff training section provides pre-service and in-service training to employees in order to develop practical, job related skills. Although orientation and in-service training sessions are made available to staff on a department-wide basis, the primary focus of this section is to meet the unique training needs of Correctional Counselors (guards). Adequate training of Correctional Counselors who work in sensitive positions with direct inmate contact is essential to institutional security as well as the safety of staff and inmates. Basic training is currently provided in a much abbreviated 2-week academy for Correctional Counselors who are beginning work at the department's adult institutions. Training topics include institutional security, contraband control, hostage negotiation and legal liabilities.

ACTIVITY STATISTICS:

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Correctional Counselor academy graduates (reduced from 6 to 2 week academy in F.Y. 1982)	100	121	125	125	125
Academy training hours provided	1,440	560	480	480	480
In-service training sessions	16	18	20	20	20

BUDGET ISSUES:

Funding for the department's pre-service training academy for Correctional Counselors was eliminated during the 1981 Legislative session as a result of budget reductions. During F.Y. 1982 the 6-week academy was drastically reduced to an abbreviated 80-hour training program which has enabled only a minimal presentation of basic information needed by new Correctional Counselors. Many important training areas such as human relations, communication, working with minority groups, etc. have been discontinued. The majority of the professional Correctional Counselors who now work in Minnesota's system are graduates of the 6-week program and in order to maintain this high quality of staff the academy should be reinstated. Deficiencies caused by the reduction in training efforts are likely to become more apparent as the number of staff who are graduates of the abbreviated 2-week program increases. The reinstatement of this essential program would require 2.0 positions and \$190,900 in F.Y. 1984 and \$192,300 in F.Y. 1985.

EXPLANATION OF BUDGET REQUEST:

This request allows for no increase in staff or funding with the exception of inflation.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: TRAINING

PROGRAM: MANAGEMENT SERVICES

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	97.8	36.2	38.4	40.9		40.9	40.9		40.9	40.9	40.9
-REGULAR UNCLASSIFIED	1.2										
-PART-TIME/SEAS./OTHER	77.4										
-PREMIUM PAY											
-OVERTIME PAY	.1										
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	41.9	1.6									
TOTAL PERSONAL SERVICES	218.4	37.8	38.4	40.9		40.9	40.9		40.9	40.9	40.9
EXPENSES & CONTRACTUAL SERVICES	47.2	1.0	29.8	1.1		1.1	1.1		1.1	1.1	1.1
SUPPLIES & MATERIALS	.6		1.9								
EQUIPMENT	.5		1.2								
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	266.7	38.8	71.3	42.0		42.0	42.0		42.0	42.0	42.0
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	266.7	38.8	39.4	42.0		42.0	42.0		42.0	42.0	42.0
DEDICATED APPROPRIATIONS:											
FEDERAL			31.9								
TOTAL FINANCING	266.7	38.8	71.3	42.0		42.0	42.0		42.0	42.0	42.0
POSITIONS BY FUND											
GENERAL	5.0	1.0	1.0	1.0		1.0	1.0		1.0	1.0	1.0
TOTAL POSITIONS	5.0	1.0	1.0	1.0		1.0	1.0		1.0	1.0	1.0

ACTIVITY: INDUSTRIES COORDINATION
Program: MANAGEMENT SERVICES
Agency: CORRECTIONS, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY DESCRIPTION:

The central office industries function provides overall coordination for the Department of Corrections industrial operation. This section develops short and long range planning, provides technical assistance to various institution industry programs, coordinates sales and assists in new product development. It also monitors and reports system wide data regarding fiscal and marketing problems for all correctional industries. Industries coordination also maintains liaison with the private sector and monitors operations in terms of compliance with existing state and federal legislation.

ACTIVITY STATISTICS:

In keeping with the above responsibilities, there are several factors which are viewed as a measurement of the overall success of this program. Also they are utilized as projections for the establishment of future goals and objectives.

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Estimated	F.Y. 1984 Estimated	F.Y. 1985 Estimated
Number of new industry programs	1	2	3	4	4
Industry gross sales (excluding license plates)	\$4,679,332	\$4,616,165	\$5,039,000	\$6,705,000	\$8,120,000
Dollar volume of private industry subcontract work	\$520,000	\$944,175	\$1,179,225	\$1,554,225	\$1,819,225
Dollars in state agency business	\$1,221,000	\$1,404,000	\$1,535,628	\$1,995,628	\$2,305,628
Total number of inmates employed	465	435	546	678	715

BUDGET ISSUES:

Industries at the Minnesota Correctional Facility - Stillwater has experienced a financial decline in recent years, and this has led to a serious cash flow problem. A plan to deal with this issue and a change level request appear in the MCF-Stillwater budget narrative.

EXPLANATION OF BUDGET REQUEST:

This request allows no increase in staff or funding except for inflationary increases.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: INDUSTRIES COORDINATION

PROGRAM: MANAGEMENT SERVICES

AGENCY: CORRECTIONS,DPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	88.0	97.6	105.7	101.8		101.8	101.8		101.8	101.8	101.8
-REGULAR UNCLASSIFIED	38.1	28.9									
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.9										
TOTAL PERSONAL SERVICES	127.0	126.5	105.7	101.8		101.8	101.8		101.8	101.8	101.8
EXPENSES & CONTRACTUAL SERVICES	23.7	27.1	5.9	6.3		6.3	6.8		6.8	6.2	6.6
SUPPLIES & MATERIALS	22.4	.3	5.6	.1		.1	.1		.1	.1	.1
EQUIPMENT	53.7	.1									
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	226.8	154.0	117.2	108.2		108.2	108.7		108.7	108.1	108.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	89.8	101.3	111.7	108.2		108.2	108.7		108.7	108.1	108.5
DEDICATED APPROPRIATIONS:											
PRISON REVOLVING	10.2	.7	5.5								
FEDERAL	126.8	52.0									
TOTAL FINANCING	226.8	154.0	117.2	108.2		108.2	108.7		108.7	108.1	108.5
POSITIONS BY FUND											
GENERAL	3.0	3.0	3.0	3.0		3.0	3.0		3.0	3.0	3.0
FEDERAL	2.0	1.0									
TOTAL POSITIONS	5.0	4.0	3.0	3.0		3.0	3.0		3.0	3.0	3.0

AGENCY: SENTENCING GUIDELINES COMMISSION

1983-85 Biennial Budget

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.


Agency Head

9/2/82
Date

AGENCY DESCRIPTION:

The commission consists of 10 appointed members that represent the criminal justice system and public. The commission is required to develop, implement, and modify guidelines for sentencing convicted felons whose offenses occurred on or after 5-1-80. The guidelines are a major reform designed to increase sentencing uniformity and proportionality by indicating when state imprisonment is proper and provide a fixed presumptive sentence which is reduced only by good time.

The commission is required to monitor sentences imposed for felon offenders. The commission is also required to evaluate the effectiveness of the guidelines; study their impact on criminal justice system resources and processes, including plea negotiations; make recommendations to the Legislature regarding improvements in criminal justice; serve as a clearinghouse for the collection, analysis, and dissemination of information on sentencing practices; and provide ongoing training in the use of the guidelines. The commission is authorized, but not required, to establish guidelines for nonimprisonment sanctions.

AGENCY PRIORITIES:

The guidelines have been modified on 4 occasions since they were implemented on 5-1-80. A preliminary report evaluating the impact of the sentencing guidelines was published in July, 1982. Agency priorities for the 1983-85 biennium include:

1. Modify and improve the guidelines as needed. A minimum of one annual revision of the guidelines effective every August 1 will occur in order to rank the severity of offenses created from the preceding legislative session.
2. Monitor sentences imposed for felon offenders, approximately 6,000 annually.
3. Evaluate the impact of the sentencing guidelines as applied during the first two and one half years of guidelines operation, including evaluation of plea negotiation practices. Prepare major evaluation report in 1983 and prepare evaluation reports annually after 1983.
4. The Sentencing Guidelines Commission determined in July, 1982 that nonimprisonment guidelines should not be developed at that time; if the commission should subsequently alter its position and determine during the biennium that nonimprisonment guidelines are advisable, then such guidelines would be developed; and the commission would then conduct necessary training, and design and implement a monitoring system.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

5. Respond to specific requests for information on sentencing from the Legislature, judges, county attorneys, defense attorneys, corrections administrators, and the public.

PROGRAM CHANGES/ISSUES:

The major issues confronting the Legislature and commission concerning sentencing is whether nonimprisonment guidelines, i.e., guidelines for the use of jails and workhouses, should be developed and implemented. There is demonstrated disparity in the use of jails and workhouses; on the other hand, there are varying jail and workhouse resources around the state which makes uniformity more difficult to accomplish than with the use of state prisons. A second issue is whether sentencing disparity has merely been displaced to the charging and negotiating stage of case processing. If such displacement is demonstrated in the evaluation, guidelines on standards for charging and negotiating would be necessary to effect reductions in sentence disparity.

EXPLANATION OF BUDGET REQUEST:

The commission is requesting general fund appropriations for the 1983-85 biennium at the same level of funding as for F.Y. 1983. This level of funding reduces staff, increases data processing, travel, and meeting costs. Data processing costs are increased due to a larger data base and increased automation in the monitoring system, where as the travel and meeting costs are related to the commission being increased from 9 to 10 members.

The budget request is predicated on the assumption that the Legislature did not intend to sunset the commission. The sunset provision of the 1979 Laws, Chapter 336, Section 5 was not codified nor was the provision included in the subsequent appropriation bill. The commission requests confirmation that a sunset provision is not in effect, coupled with the budget request.

GOVERNOR'S RECOMMENDATION:

The Governor makes no specific recommendation for this agency since by law it is required to sunset as of 6-30-1983.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: MN SENTNCING GUIDELINE COMM

PROGRAM: MN SENTNCING GUIDELINE COMM

AGENCY: SENTENCING GUIDELINES COMM

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED											
-REGULAR UNCLASSIFIED	147.0	195.2	102.9	96.2		96.2	96.2		96.2		
-PART-TIME/SEAS./OTHER	7.1	10.3	6.4	6.5		6.5	6.5		6.5		
-PREMIUM PAY											
-OVERTIME PAY	.5	.1									
-MISCELLANEOUS PAYROLL	3.3	1.9	1.2	3.5		3.5	3.5		3.5		
-OTHER BENEFITS	.3	1.6	18.0								
TOTAL PERSONAL SERVICES	158.2	209.1	128.5	106.2		106.2	106.2		106.2		
EXPENSES & CONTRACTUAL SERVICES	42.5	56.3	39.9	45.6		45.6	48.8		48.8		
SUPPLIES & MATERIALS	.7	1.8	.5	.5		.5	.6		.6		
EQUIPMENT	1.4	2.3	1.6	1.7		1.7	1.8		1.8		
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	202.8	269.5	170.5	154.0		154.0	157.4		157.4		
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	202.3	205.1	149.0	154.0		154.0	157.4		157.4		
DEDICATED APPROPRIATIONS:											
GIFTS AND DEPOSITS		3.5	21.5								
FEDERAL	.5	60.9									
TOTAL FINANCING	202.8	269.5	170.5	154.0		154.0	157.4		157.4		
POSITIONS BY FUND											
GENERAL	7.0	6.0	4.0	3.5		3.5	3.5		3.5		
FEDERAL		6.0									
TOTAL POSITIONS	7.0	12.0	4.0	3.5		3.5	3.5		3.5		

AGENCY: OMBUDSMAN FOR CORRECTIONS

1983-85 Biennial Budget

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.

Robert L. Battle
Agency Head

1/20/83
Date

AGENCY DESCRIPTION:

The Ombudsman for Corrections is a complaints handling agency. The Ombudsman investigates, on complaint or his own initiative, acts of the Department of Corrections affecting residents and/or staff at its various institutions and programs and central administration plus regional and county programs and facilities covered under the Community Corrections Act (MS401).

AGENCY OBJECTIVES:

1. To investigate acts of the agency that may be contrary to law, unreasonable, unfair, oppressive or inconsistent with any policy or judgment of the agency or any act that may be mistaken in law or arbitrary in ascertainment of facts; or any act that may be unclear or inadequately explained when reasons should have been revealed; or any act inefficiently performed.
2. To make recommendations that may strengthen procedures and practices which lessen the risk that objectionable actions of the agency will occur.
3. To serve as guardian ad litem for inmates from Minnesota Correctional Facility - Oak Park Heights Mental Health Unit at their mentally ill commitment hearing in Washington County Court.

ACCOMPLISHMENTS AND PERFORMANCE INDICATORS:

Objective No.	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
1 Total contacts:	3,429	3,211	3,506	3,600	3,700
1 Contacts investigated:	2,719	2,589	2,825	2,844	2,923
1-2 Contacts fully or partially resolved:	2,164	2,116	2,309	2,324	2,389
1 Contacts resolved 0-15 days:	1,600	1,642	1,792	1,808	1,853

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACCOMPLISHMENTS AND PERFORMANCE INDICATORS: (Contd.)

Objective No.	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
1 Interview same day of contact:	1,500	1,394	1,521	1,531	1,574
2 Policy recommendation:	26	17	20	20	22
2 Policy recommendation accepted:	20	13	15	15	17
3 Commitment hearings:	-0-	20	21	20	20

EXPLANATION OF BUDGET REQUEST:

Same - allows for a continuation of the same level of service with full investigations and quick responses to complaints.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for same level of funding to achieve the F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: OMBUDSMAN-CORRECTIONS

PROGRAM: OMBUDSMAN-CORRECTIONS

AGENCY: OMBUDSMAN FOR CORRECTIONS

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	29.3	32.8	35.3	37.1		37.1	37.1		37.1	37.1	37.1
-REGULAR UNCLASSIFIED	149.8	153.2	165.1	165.7		165.7	165.7		165.7	165.7	165.7
-PART-TIME/SEAS./OTHER	21.9	20.1	24.9	25.2		25.2	25.2		25.2	25.2	25.2
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	3.0										
TOTAL PERSONAL SERVICES	204.0	206.1	225.3	228.0		228.0	228.0		228.0	228.0	228.0
EXPENSES & CONTRACTUAL SERVICES	28.7	29.4	37.3	39.8		39.8	42.7		42.7	39.1	41.1
SUPPLIES & MATERIALS	1.2	.9	2.2	2.4		2.4	2.5		2.5	2.4	2.4
EQUIPMENT	.1		.5	.5		.5	.6		.6	.5	.6
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	234.0	236.4	265.3	270.7		270.7	273.8		273.8	270.0	272.1
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	234.0	236.4	265.3	270.7		270.7	273.8		273.8	270.0	272.1
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	234.0	236.4	265.3	270.7		270.7	273.8		273.8	270.0	272.1
POSITIONS BY FUND											
GENERAL	8.0	7.0	7.0	7.0		7.0	7.0		7.0	7.0	7.0
TOTAL POSITIONS	8.0	7.0	7.0	7.0		7.0	7.0		7.0	7.0	7.0

1983-85 BIENNIAL BUDGET
PROGRAM STRUCTURE

AGENCY: HEALTH, DEPARTMENT OF

PROGRAMS

		AGENCY REQUEST ALL FUNDS (Dollars in Thousands)		
		F.Y. 1984	F.Y. 1985	PAGE
PREVENTIVE AND PERSONAL HEALTH SERVICES	Disease Prevention and Control	\$ 1,981.4	\$ 1,917.9	4-3013
	Medical Laboratories	1,981.8	2,010.7	4-3021
	Environmental Health	4,833.3	4,894.6	4-3024
	Maternal and Child Health Services	23,443.5	23,013.2	4-3028
	Services for Children with Handicaps (SCH)	4,812.5	5,104.5	4-3039
PROGRAM TOTAL		<u>\$37,052.5</u>	<u>\$36,940.9</u>	
HEALTH SYSTEMS QUALITY ASSURANCE	Health Manpower Credentialing	\$ -0-	\$ -0-	4-3046
	Health Services Quality Assurance	3,059.4	3,138.8	4-3048
	Health Facilities Regulation	2,721.3	2,844.4	4-3057
PROGRAM TOTAL		<u>\$ 5,780.7</u>	<u>\$ 5,983.2</u>	
HEALTH SUPPORT SERVICES	General Support	\$ 2,569.9	\$ 2,650.9	4-3065
	Health Information	1,616.4	1,698.5	4-3067
	Local Support Services	15,440.3	16,179.2	4-3070
PROGRAM TOTAL		<u>\$19,676.6</u>	<u>\$20,528.6</u>	
AGENCY TOTAL		<u>\$62,509.8</u>	<u>\$63,452.7</u>	

POSITION RECONCILIATION		
AUTHORITY:	CURRENT F.Y. 83	REQUESTED FOR 6-30-85
Legislative Authorized		
General fund	260.0	253.4
Special revenue	129.0	125.3
Federal	263.9	260.9
Trunk highway	9.0	9.0
Budgetary Authorized		
Special revenue	1.0	-0-
LAC Authorized		
Federal	6.0	-0-
Special Revenue	1.1	-0-
Transfers In/Out (Net)	-0-	-0-
TOTAL PERMANENT POSITIONS	<u>670.0</u>	<u>648.6</u>
Other Compliment (FTE)	30.0	30.0
TOTAL AUTHORIZED POSITIONS	<u>700.0</u>	<u>678.6</u>
Employees on 6-29-82	631.0	

DEPARTMENT OF HEALTH
Organization Chart
Current as of 10/28/82

DEPARTMENT OF HEALTH POSITION SUMMARY	
CURRENT POSITIONS	670.0

OFFICE OF THE COMMISSIONER	
Current Positions	7.0
State	(1.0)
New Positions Requested	2.0
Total	8.0

OFFICE OF HEALTH FACILITY COMPLAINTS	
CURRENT POSITIONS	5.0
STATE	(1.0)
TOTAL	4.0

OFFICE OF COMMUNITY DEVELOPMENT	
CURRENT POSITIONS	7.0

BUREAU OF HEALTH SERVICES	
CURRENT POSITIONS	1.0

BUREAU OF ADMINISTRATION	
CURRENT POSITIONS	138.5
STATE	(2.0)
FEDERAL	(2.0)
TOTAL	134.5

MEDICAL LABORATORIES DIVISION	
CURRENT POSITIONS	66.0
STATE	(1.0)
TOTAL	65.0

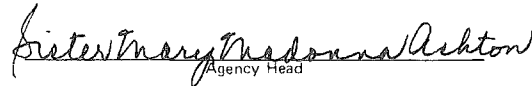
SERVICES FOR CHILDREN WITH HANDICAPS DIVISION	
CURRENT POSITIONS	57.1

ENVIRONMENTAL HEALTH DIVISION	
CURRENT POSITIONS	143.0
NEW POSITIONS REQUESTED	1.0
SPECIAL REVENUE	(.5)
FEDERAL	(1.5)
TOTAL	142.0

DISEASE PREVENTION AND CONTROL DIVISION	
CURRENT POSITIONS	100.1
STATE	(3.6)
SPECIAL REVENUE	(1.1)
FEDERAL	(3.2)
TOTAL	92.2

HEALTH SYSTEMS DIVISION	
CURRENT POSITIONS	145.3
STATE	(1.5)
SPECIAL REVENUE	(4.0)
FEDERAL	(2.0)
TOTAL	137.8

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.


Agency Head

1/19/83
Date

AGENCY PURPOSE:

It is the purpose of the Minnesota Department of Health (MDH) to protect, maintain and improve the health of the citizens of the state. This purpose is accomplished through the development and maintenance of an organized system of programs and services carried out by both state and community agencies with the cooperation of non-governmental entities. The 3 parts working together - state, local, non-governmental - is the state's public health system.

The role of the state described in this budget request, is to provide leadership and support to community and non-governmental agencies, to provide direct services when that can be done most effectively at the state level, and to maintain minimum quality standards for the health systems of the state.

PROGRAM CHANGES:

The first Board of Health was created in 1872 to combat the spread of communicable disease. Cholera, tuberculosis, smallpox and other communicable diseases made the average life expectancy of a newborn infant at the turn of the century 47 years. An infant born in 1978 can expect to reach the age of 73, an increase of 26 years of life. This gain was accomplished in large part by the application of preventive health measures, immunizations, sanitation and improved living conditions.

Control of communicable diseases have led to a different set of health problems for our population. Cancer and stroke have replaced tuberculosis and influenza as leading causes of death. The major public health problems are no longer caused by infectious agents but rather by actions we initiate ourselves.

As the causes of our health problems have changed, so must the programs designed to combat those problems. It is necessary to maintain immunization and sanitation programs in order to avoid slipping backward, but new emphasis must be placed on programs to reduce the harm we do ourselves in everyday living. The thrust of this budget is to continue that transition toward combating chronic diseases using the organized state's public health system.

Another continuing change is in the organization of the state's public health system. The Community Health Services Act of 1976 set the stage for growth in delivery of direct public health services by community agencies. Since 1975, 71 percent of the growth in the Minnesota Department of Health budget has been expended by community agencies. State funding of community agencies has grown from virtually nothing in 1975, to over \$11 million for 1983. At the same time that state support has increased, total health expenditures at the community level have increased from \$28 million in 1975 to \$76 million in 1981. This growth in community health services capacity has changed the role of the Minnesota Department of Health from a service provider to leader and technical resource in many activities.

The third major change that has occurred is the form and amount of federal grants to the state. Beginning in October of 1981, the Congress consolidated categorical grants into 2 block grants and reduced federal funding by approximately 20 percent. This change has required that the federal priorities used to assign these funds to various activities be re-evaluated by the state's public health system. This was done with the cooperation of the State Community Health Services Advisory Committee and the Maternal and Child Health Task Force during 1982. This process resulted in the following policies that are reflected in the recommended block grant expenditures contained in this budget.

1. Federal block grants will be defined as consisting of 3 components: 1) Services for Children with Handicaps (SCH), 2) Other Minnesota Department of Health (MDH) expenditures, and 3) Grants to local entities. Changes in funding levels from the federal government will be shared proportionately based on current allocations to all 3 categories.
2. No shifting of proportion of funds assigned to SCH will occur until alternative options for provision of service to children with handicaps are operative. Such service options must be developed with funds other than those designated for treatment of handicapped children.
3. The MDH will continue to involve others including those that are a part of the public health system in identifying statewide priorities. These priorities will serve as the basis for choosing public health programs for which block grant funds will be expended. Criteria for selecting specific projects to be funded within the program areas will be developed cooperatively by people representing state and local interests.
4. Funds will be made available to local health services providers to be expended for programs required by federal block grant legislation or identified statewide priorities. Funding for projects within the program areas will be timed to coincide with Community Health Services (CHS) subsidy planning and implementation schedules and application for funds will be a part of the CHS biennial plan submission except when the grantee is not a CHS Agency (e.g., regional Emergency Medical Services (EMS), family planning agencies). Whenever possible, project funds will be made available to the CHS Agency as the preferred grantee in a geographic area. When grants are awarded to another entity, the Local Board of Health will be requested to review and comment on the proposal.

AGENCY: HEALTH, DEPARTMENT OF
(Continuation)

1983-85 Biennial Budget

5. In order to assure minimum disruption to existing projects, federal block grant funds will be expended initially for programs required by federal block grant legislation or identified statewide priorities in a approximately equal ratio by state and local public health entities after the SCH funds are deducted. This ratio will be reviewed biennially in concert with the state's biennial planning process and with consideration of established statewide priorities.
6. Existing projects (except EMS and Hypertension*) will be given priority consideration in awarding funds for 1984 and 1985. They will be funded at 75 percent of prorated current levels for these 2 years in addition to being eligible to receive a portion of the remainder of the grant funds. Existing projects will be made a part of the statewide funding process after 1985.
7. Block grant funds will be used to continue the planning and development of multi-county EMS. Criteria for funding such planning and development will be based on the recommendations of the EMS Task Force.

*Hypertension funds are the subject of more directive federal policy.

EXPLANATION OF BUDGET REQUEST:

With the following exceptions, the Minnesota Department of Health is requesting a state general fund budget that reflects the same level of effort experienced in F.Y. 1983:

Changed Level of Effort (000)

	Grants		Treatment		MDH Programs		Total Biennium
	1984	1985	1984	1985	1984	1985	
Community Health Subsidy	\$621.9	\$869.1					\$1,491.0
Family Planning	65.2	134.9					200.1
Migrant Health	6.6	13.6					20.2
Native Americans Health	11.2	23.1					34.3
Poison Information Center	125.0	125.0					250.0
Services for Children with Handicaps			\$263.9	\$554.2			818.1
Microfilming Records					\$ 24.0		24.0
Laboratory Equipment					97.0	\$104.8	201.8
Health Promotion Initiative					75.0	75.0	150.0
TOTAL	\$829.9	\$1,165.7	\$263.9	\$554.2	\$196.0	\$179.8	\$3,189.5

The change level request in state grants funds, with the exception of the Poison Information Center, represents a 5 percent increase over the same level for the biennium. The increase in funds for the Poison Information Center is for an activity authorized by M.S. 145.93 which was not funded with state funds due to budget constraints in 1982 and 1983. The increase for Services for Children with Handicaps is an inflationary increase of 10 percent each year consistent with the projected rise in medical care costs.

The change level request for the General Fund - LCMR (including one position) is requested for purposes of initiating an organic chemical survey of community public water supplies and has been given preliminary approval by the Legislative Commission on Minnesota Resources (LCMR).

The program increases for 2 categories (Microfilming Records and Laboratory Equipment) are necessary expenditures to maintain existing level and quality of services.

The increase for Health Promotion Initiative (including 2 positions) is to respond to the changing needs of public health programs in the state. This is the only new initiative contemplated in this budget.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding with the following exceptions:

1. Adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.
2. The Governor recommends increases for: 5% inflation adjustments for the Community Health subsidy, family planning, migrant health, and Native American grants; a 10% inflation adjustment for handicapped children medical care; vital records micro-filming; and laboratory equipment replacement.
3. The Governor's recommendations for LCMR are included in total in the LCMR budget request. Therefore, although funding and positions are included in this agency request, the Governor makes no recommendation in this agency.
4. The Governor makes no specific recommendations for the Plumbing Code and Examinations Advisory Council, and the Nursing Home Advisory Council since by law these groups are required to sunset as of 6-30-83.
5. The Governor recommends that federal funds be used to fund the Minnesota Poison Information Center.

AGENCY FISCAL SUMMARY - BIENNIAL BUDGET

AGENCY: HEALTH,DEPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY PROGRAM:											
PREVENTIVE & PERSONL HLTH SV	35,026.5	33,403.4	36,045.1	36,852.1	200.4	37,052.5	36,708.3	232.6	36,940.9	36,880.2	36,754.5
HLTH SYSTMS-QUALITY ASSRNC	5,776.0	6,968.7	6,365.8	5,820.8	40.1-	5,780.7	6,023.3	40.1-	5,983.2	5,722.1	5,916.6
HEALTH SUPPORT SERVICES	17,574.3	16,991.8	16,529.8	18,467.1	1,209.5	19,676.6	18,771.4	1,757.2	20,528.6	17,565.4	18,260.4
TOTAL	58,376.8	57,363.9	58,940.7	61,140.0	1,369.8	62,509.8	61,503.0	1,949.7	63,452.7	60,167.7	60,931.5
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	15,225.6	15,403.8	16,595.3	17,441.6	81.0	17,522.6	17,970.3	96.0	18,066.3	17,425.7	17,956.4
EXPENSES & CONTRACTUAL SERVICES	4,412.3	4,378.4	4,354.5	4,339.6	24.6	4,364.2	4,415.2	9.0	4,424.2	4,256.7	4,266.2
SUPPLIES & MATERIALS	622.3	603.7	627.5	622.0	20.0	642.0	639.0	25.3	664.3	562.4	578.8
EQUIPMENT	433.1	84.2	52.3	125.8	150.4	276.2	125.4	104.8	230.2	229.9	225.6
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	37,683.5	36,893.6	37,311.1	38,611.0	1,093.8	39,704.8	38,353.1	1,714.6	40,067.7	37,693.0	37,904.5
OTHER EXP ITEMS		.2									
TOTAL EXPENDITURES	58,376.8	57,363.9	58,940.7	61,140.0	1,369.8	62,509.8	61,503.0	1,949.7	63,452.7	60,167.7	60,931.5
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	24,986.2	24,044.8	23,671.9	25,515.3	1,289.8	26,805.1	25,749.8	1,899.7	27,649.5	24,544.3	25,181.3
GENERAL FUND - LCHP	2.6				80.0	80.0		50.0	50.0		
SPEC REV/APPORTIONMT		31.9									
TRUCK HIGHWAY	289.6	341.9	375.7	387.3		387.3	392.7		392.7	386.0	389.7
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	2,917.8	3,274.2	3,623.3	3,884.7		3,884.7	4,109.3		4,109.3	3,884.7	4,109.3
GIFTS AND DEPOSITS	9.7	12.4									
FEDERAL	30,170.9	29,653.7	31,269.8	31,352.7		31,352.7	31,251.2		31,251.2	31,352.7	31,251.2
TOTAL FINANCING	58,376.8	57,363.9	58,940.7	61,140.0	1,369.8	62,509.8	61,503.0	1,949.7	63,452.7	60,167.7	60,931.5
POSITIONS BY FUND:											
GENERAL	315.8	281.4	260.0	250.4	3.0	253.4	250.4	3.0	253.4	250.4	250.4
SPEC REV/APPORTIONMT	142.3	129.8	131.1	125.3		125.3	125.3		125.3	125.3	125.3
TRUCK HIGHWAY	10.0	10.0	9.0	9.0		9.0	9.0		9.0	9.0	9.0
FEDERAL	335.1	296.2	269.9	261.9		261.9	260.9		260.9	260.9	259.9
TOTAL POSITIONS	803.2	717.4	670.0	646.6	3.0	649.6	645.6	3.0	648.6	645.6	644.6

4-3005

1983-85 Biennial Budget

Fiscal Summary for Federal Block Grants Dollars in Thousands (137,522 = 137.5)

Agency: Health, Department of
Federal Grant Title: Maternal and Child Health Block Grant
State Legal Authority: M.S. 144.05

Anticipated Receipt Dates:

It is anticipated that the federal appropriations for federal fiscal years 1983, 1984, and 1985 will remain constant. The federal fiscal year begins on October 1 and ends on September 30 of each year. Dollar amounts contained in this document reflect estimates based on the state fiscal year.

Grant Objectives:

The purpose of this grant is to enable each state:

1. to assure mothers and children (in particular those with low income or with limited availability of health services) access to quality maternal and child health services;
2. to reduce infant mortality and the incidence of preventable diseases and handicapping conditions among children, to reduce the need for inpatient and long-term care services, to increase the number of children (especially preschool children) appropriately immunized against disease and the number of low income children receiving health assessments and follow-up diagnostic and treatment services, and otherwise to promote the health of mothers and children (especially by providing preventive and primary care services for low income children, and prenatal, delivery, and postpartum care for low income mothers);
3. provide rehabilitation services for blind and disabled individuals under the age of 16 receiving benefits under Title XVI of this Act;
4. provide services for locating, and for medical, surgical, corrective, and other services, and care for, and facilities for diagnosis, hospitalization, and aftercare for, children who are crippled or who are suffering from conditions leading to crippling.

Federally Permitted Uses and Use Restrictions:

This block grant must be administered by the state health agency.

Funds may not be used for:

1. Cash payments to intended recipients of health services.
2. Capital expenditures.
3. Satisfying matching requirements of other federally funded programs.

Funds must be used for:

1. "Special consideration" must be given to the continuation of the funding of special projects previously funded.
2. A "reasonable proportion" must be used to continue activities previously funded.

Grant Use	Actual F.Y. 1981*	Actual F.Y. 1982*	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
I. Financial Assistance to Individuals or Political Subdivisions					
Budget Activity: Maternal and Child Health	2,743.0	2,377.8	2,360.7	2,139.2	1,836.6
Budget Activity: Services for Children with Handicaps	731.3	450.0	359.8	96.1	7.4
Budget Activity: Local Support Services	<u>150.0</u>	<u>-0-</u>	<u>-0-</u>	<u>351.9</u>	<u>657.6</u>
Subtotal	3,624.3	2,827.8	2,720.5	2,587.2	2,501.6
II. State Agency Operations					
Budget Activity: Disease Prevention and Control	51.9	85.1	77.5	96.2	102.3
Budget Activity: Medical Laboratories	145.0	157.3	140.5	151.5	139.7
Budget Activity: Maternal and Child Health	557.0	606.5	602.8	649.0	598.5
Budget Activity: Services for Children with Handicaps	1,589.5	1,530.6	1,522.3	1,650.4	1,739.0
Budget Activity: General Support	-0-	-0-	30.7	48.7	5.0
Budget Activity: Health Information	53.0	54.3	34.9	40.0	42.8
Budget Activity: Local Support Services	<u>235.5</u>	<u>277.1</u>	<u>299.4</u>	<u>289.4</u>	<u>338.5</u>
Subtotal	2,631.9	2,710.9	2,708.1	2,925.2	2,965.8
Total \$ This Grant	6,256.2	5,538.7	5,428.6	5,512.4	5,467.4
Required State-Local Match	3,163.1	3,731.3	4,071.4	4,134.3	4,100.5
Agency Complement (FTE) Funded by This Grant	106.8	106.4	95.2	94.7	94.2

* The amounts reflected for years before the Block Grant existed are the amounts from categorical grants consolidated into the Block Grant.

1983-85 Biennial Budget

Fiscal Summary for Federal Block Grants:

Maternal and Child Health Block Grant
(Continuation)

Agency: Health, Department of
State Legal Authority: M.S. 144.05

F.Y. 1981 and F.Y. 1982 Grants to State of Minnesota Consolidated Into This Grant:

This block grant consolidates the categorical programs of Maternal and Child Health, Crippled Children Services, Social Security Insurance (SSI) for Disabled Children, Lead Paint Poisoning, Genetic Disease, Sudden Infant Death Syndrome, Hemophilia Treatment, and Adolescent Pregnancy Services.

Allocation Recommended by Agency:

See "Block Grant Policies" contained in agency narrative.

1983-85 Biennial Budget

Fiscal Summary for Federal Block Grants Dollars in Thousands (137,522 - 137.5)

Agency: Health, Department of
Federal Grant Title: Preventive Health and Health Services Block Grant
State Legal Authority: M.S. 144.05

Anticipated Receipt Dates:

The department anticipates that federal appropriations will remain constant in federal fiscal years 1983, 1984 and 1985. The federal fiscal year begins on October 1 and ends on September 30. Dollar amounts contained in this document reflect estimates based on the state fiscal year.

Grant Objectives:

These block grant funds are intended by federal law to be used for the following:

1. Preventive health service programs for the control of rodents and community and school-based fluoridation programs.
2. Establishing and maintaining preventive health service programs for screening for, the detection, diagnosis, prevention, and referral for treatment of, and follow-up on compliance with treatment prescribed for, hypertension.
3. Community-based programs for the purpose of demonstrating and evaluating optimal methods for organizing and delivering comprehensive preventive health services to defined populations, comprehensive programs designed to deter smoking and the use of alcoholic beverages among children and adolescents, and other risk reduction and health education programs.
4. Comprehensive public health services.
5. Demonstrate the establishment of home health agencies (as defined in section 1861(m) of the Social Security Act) in areas where the services of such agencies are not available. Amounts provided for such agencies may not be used for the direct provision of health services.
6. Feasibility studies and planning for emergency medical services systems and the establishment, expansion, and improvement of such systems. Amounts for such systems may not be used for the costs of the operation of the systems or the purchase of equipment for the systems.
7. Providing services to rape victims and for rape prevention.

Federally Permitted Uses and Use Restrictions:

For federal fiscal year 1983 and beyond, the legislature must hold public hearings on the intended use of funds. Funds may not be used for: 1) inpatient services; 2) cash payment to intended recipients of health services; 3) capital expenditures; 4) satisfy matching requirements of other federal funds; 5) supplanting state, local and other non-federal funds; 6) direct provision of health services in home health agencies; 7) the purchase of equipment or the cost of operating emergency medical services systems.

Grant Use	Actual F.Y. 1981*	Actual F.Y. 1982*	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
I. Financial Assistance to Individuals or Political Subdivisions					
Budget Activity: Disease Prevention and Control	24.6	125.9	143.0	185.3	117.1
Budget Activity: Health Services Quality Assurance	877.6	2,205.9	1,455.0	525.0	525.0
Budget Activity: Health Information	120.4	214.9	21.4	-0-	-0-
Budget Activity: Local Support Services	-0-	169.7	283.0	466.5	466.5
Subtotal	1,022.6	2,716.4	1,902.4	1,176.8	1,108.6
II. State Agency Operations					
Budget Activity: Disease Prevention and Control	252.5	132.9	171.0	148.5	113.3
Budget Activity: Medical Laboratories	163.2	54.1	236.6	170.5	188.1
Budget Activity: Environmental Health	118.6	120.3	354.1	277.3	277.1
Budget Activity: Health Manpower Credentialing	1.3	-0-	-0-	-0-	-0-
Budget Activity: Health Services Quality Assurance	81.7	174.9	49.8	50.0	50.0
Budget Activity: Health Information	47.7	75.6	112.2	91.7	91.9
Budget Activity: Local Support Services	397.9	144.9	214.5	198.5	238.8
Subtotal	1,062.9	702.7	1,138.2	936.5	959.2
Total \$ This Grant	2,085.5	3,419.1	3,040.6	2,113.3	2,067.8
Required State-Local Match	1,941.9	1,938.1	826.2	-0-	-0-
Agency Complement (FTE) Funded by This Grant	56.8	10.5	25.5	25.4	25.9

* The amounts reflected for years before the Block Grant existed are the amounts from categorical grants consolidated into the Block Grant.

1983-85 Biennial Budget

Fiscal Summary for Federal Block Grants:
Preventive Health and Health Services Block Grant
(Continuation)

Agency: Health, Department of
State Legal Authority: M.S. 144.05

Federally Permitted Uses and Use Restrictions (continued):

Funds must be provided for: 1) providing services to rape victims and for rape prevention; 2) emergency medical services planning and development to each entity that received a grant in 1981 and would be eligible in 1982 under the categorical provisions; 3) hypertension equal to 75% of 1981 level in 1982, 70% in 1983 and 60% in 1984.

Funds are made available for a 2-year period. No more than 10% of the funds may be used for administration.

F.Y. 1981 and F.Y. 1982 Grants to State of Minnesota Consolidated Into This Grant:

This block grant consolidates the categorical programs of rodent control, fluoridation, hypertension, health education risk reduction, health incentive, home health and emergency medical services.

Allocation Recommended by Agency:

See "Block Grant Policies" contained in agency narrative.

PROGRAM: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM PURPOSE:

It is the purpose of activities within this program to reduce the incidence of preventable disease and to minimize the impact of illness when it occurs. This purpose is accomplished by controlling exposure to infectious agents or hazardous conditions, by detecting health problems at an early stage, and by correcting problems that, if left untreated, would lead to greater problems in the future.

PROGRAM DESCRIPTION:

This program consists of 5 activities each designed to serve the program purpose in a different way.

Disease Prevention and Control consists of services designed to reduce the incidence of both communicable and chronic diseases. Epidemiologic investigations, immunizations, contact follow-up and treatment, and public information and education are the primary methods employed in this activity. These methods are employed to control vaccine preventable diseases, sexually transmitted diseases, foodborne illness, tuberculosis, diseases of unknown origin, and chronic diseases. Much of the effort in this activity is done cooperatively with community health services agencies.

The Medical Laboratory activity provides diagnostic testing of biological specimens for individuals throughout the state. The work of the laboratory is primarily directed at 3 types of tests: tests that are difficult or unusual and cannot be performed efficiently in other labs, such as virus studies; tests which provide essential information about individual cases required for disease prevention and control such as gonorrhea and tuberculosis cultures; and tests that other laboratories do not perform with sufficient frequency to enable them to become proficient, such as examinations for parasites and certain serological tests. The personnel of this activity also provide proficiency testing services to private laboratories on a voluntary basis in order to improve the accuracy of laboratory results. Forty-five percent of the requested state appropriation in this activity is expected to be recovered in user fees deposited to the General Fund, this is up from 33% in the current biennium.

The Environmental Health activity deals with the impact of the environment, both natural and man-made, on human health. Efforts are made to reduce risks associated with exposure to hazardous environmental conditions by: regulation of places of work, food and lodging establishments, radiation sources, and recreational sites; training of individuals responsible for public and private water supplies; technical assistance to a wide variety of individuals and organizations which serve the public; provision of environmental laboratory data to the Health Department and other state agency programs; and analysis of environmental conditions with unknown health impacts.

The services provided by the Maternal and Child Health activity are designed to meet the special needs of this client group. Although this client group is served by other activities within the department, services in this activity are unique to mothers and children. Family planning, human genetics, supplemental foods for women, infants and children (WIC), comprehensive child screening and hearing and vision services make up this activity. Direct services are provided in most cases by community and non-governmental entities with the Health Department providing funds and technical assistance. A large share of the funds for these services come from federal block and categorical grants.

The Services for Children with Handicaps activity provides diagnostic and treatment services for children with handicapping conditions. Special clinics are held throughout the state and staffed by specialized medical personnel. Children are examined at these clinics and referred to medical care facilities for treatment of the handicapping condition. State funds are used to pay for the treatment services when no other source of funds is available. The purpose of this activity is to alleviate the handicapping condition at an early age to allow the child as normal a life as possible.

EXPLANATION OF BUDGET REQUEST:

The budget for this program is projected at the same level except for the following increase requests.

Inflationary increase for medical care costs for children with handicapping conditions of \$263.9 in F.Y. 1984 and \$554.2 in F.Y. 1985.

Inflationary increase in grants for providing family planning services of \$65.2 in F.Y. 1984 and \$134.9 in F.Y. 1985.

Equipment replacement in the environmental laboratories to allow for maintaining current level of laboratory analysis of \$97.0 in F.Y. 1984 and \$104.8 in F.Y. 1985.

An additional \$80.0 in F.Y. 1984 and \$50.0 in F.Y. 1985 and 1 position (General Fund LCMR) is requested for purposes of initiating an organic chemical survey of community public water supplies. This request has been given preliminary approval by the Legislative Commission on Minnesota Resources (LCMR).

GOVERNOR'S RECOMMENDATIONS:

The Governor recommends the same level of funding with the following exceptions:

Adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

PROGRAM: PREVENTIVE AND PERSONAL HEALTH SERVICES

1983-85 Biennial Budget

(Continuation)

Agency: HEALTH, DEPARTMENT OF

GOVERNOR'S RECOMMENDATION: (cont'd.)

The Governor recommends increases for:

1. Essential laboratory equipment to maintain current services; a 10% inflation allowance to maintain current medical care levels for children with handicaps; and a 5% inflation allowance for family planning grants.
2. The Governor's recommendations for LCMR are included in total in the LCMR budget request. Therefore, although funding and positions are included in this agency request, the Governor makes no recommendation in this program.
3. The Governor makes no specific recommendation for the Plumbing Code and Examinations Advisory Council since by law it is required to sunset as of 6/30/83.
4. The Governor recommends reallocation of federal funds from this program to the Health Systems Quality Assurance Program to fund the Minnesota Poison Information Center.

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: PREVENTIVE & PERSNL HLTH SV

AGENCY: HEALTH,DEPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
DIS PREVENTION & CONTROL	1,859.6	2,134.9	2,160.9	1,981.4		1,981.4	1,917.9		1,917.9	1,980.0	1,912.7
MEDICAL LABORATORY SERVICES	1,782.9	1,779.7	1,966.8	1,981.8		1,981.8	2,010.7		2,010.7	1,923.3	1,947.8
ENVIRONMENTAL HEALTH	4,301.3	4,053.2	4,567.1	4,656.3	177.0	4,833.3	4,739.8	154.8	4,894.6	4,744.7	4,826.2
MATERNAL & CHILD HEALTH SVC	21,589.4	20,362.9	22,617.9	23,684.0	240.5-	23,443.5	23,489.6	476.4-	23,013.2	23,424.9	22,973.8
SVC TO CHILDREN WITH HNDGPS	5,493.3	5,072.7	4,732.4	4,548.6	263.9	4,812.5	4,550.3	554.2	5,104.5	4,807.3	5,094.0
TOTAL	35,026.5	33,403.4	36,045.1	36,852.1	200.4	37,052.5	36,708.3	232.6	36,940.9	36,880.2	36,754.5
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	7,950.7	8,198.0	8,972.1	9,368.0	30.0	9,398.0	9,586.1	30.0	9,616.1	9,367.3	9,585.4
EXPENSES & CONTRACTUAL SERVICES	2,505.1	2,278.4	2,090.4	1,885.5		1,885.5	1,828.9		1,828.9	1,873.9	1,801.8
SUPPLIES & MATERIALS	479.4	490.0	497.1	484.2	20.0	504.2	504.6	25.3	529.9	424.9	445.2
EQUIPMENT	408.5	65.8	40.8	119.1	127.0	246.1	122.6	104.8	227.4	214.0	222.9
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	23,682.8	22,371.2	24,444.7	24,995.3	23.4	25,018.7	24,666.1	72.5	24,738.6	25,000.1	24,699.2
OTHER EXP ITEMS											
TOTAL EXPENDITURES	35,026.5	33,403.4	36,045.1	36,852.1	200.4	37,052.5	36,708.3	232.6	36,940.9	36,880.2	36,754.5
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	8,368.5	8,237.5	8,341.4	8,438.4	426.1	8,864.5	8,492.6	793.9	9,286.5	8,827.2	9,205.1
GENERAL FUND - LCMR	2.6				80.0	80.0		50.0	50.0		
SPEC REV/APPORTIONMT		31.9									
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	688.4	771.2	912.3	912.9		912.9	964.7		964.7	912.9	964.7
GIFTS AND DEPOSITS	9.7	12.4									
FEDERAL	25,957.3	24,350.4	26,791.4	27,500.8	305.7-	27,195.1	27,251.0	611.3-	26,639.7	27,140.1	26,584.7
TOTAL FINANCING	35,026.5	33,403.4	36,045.1	36,852.1	200.4	37,052.5	36,708.3	232.6	36,940.9	36,880.2	36,754.5
POSITIONS BY FUND:											
GENERAL	186.2	164.1	147.0	142.4	1.0	143.4	142.4	1.0	143.4	142.4	142.4
SPEC REV/APPORTIONMT	26.2	30.2	31.8	30.0		30.0	30.0		30.0	30.0	30.0
FEDERAL	202.5	184.7	180.9	177.4		177.4	176.4		176.4	177.4	176.4
TOTAL POSITIONS	414.9	379.0	359.7	349.8	1.0	350.8	348.8	1.0	349.8	349.8	348.8

ACTIVITY: DISEASE PREVENTION AND CONTROL
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

This Disease Prevention and Control activity monitors disease occurrence and conducts programs to control communicable disease, improve the health status of children and adults, and provide technical assistance and information to local health agencies, private physicians, and the public. Through this activity the department maintains statewide surveillance of communicable and chronic disease; identifies and investigates outbreaks or unusual disease problems; assures that prompt and appropriate control measures are instituted to control or eliminate the spread of disease; provides epidemiologic consultation, training, and information to physicians and other health workers; and conducts specific programs for control of vaccine preventable disease, venereal disease, tuberculosis, dental disease, cancer, hypertension and other conditions. This activity provides epidemiologic consultation, program direction and planning to the Maternal and Child Health and Public Health Nursing activities. In order to accomplish these functions, Disease Prevention and Control has been divided into the following components:

The Acute Disease Epidemiology Activity maintains statewide surveillance of acute communicable or environmentally related disease occurrence, investigates unusual problems or outbreaks promptly, assures that outbreak control measures are instituted, and provides epidemiologic consultation and training to health personnel.

The Immunization Activity prevents disease outbreaks and reduces sickness and disability associated with vaccine preventable disease in the population at large by achieving and maintaining high immunization levels against mumps, measles, rubella (German measles), polio, diphtheria, tetanus and pertussis (whooping cough). The activity works with schools, community health agencies and physicians, distributes vaccines which are obtained on a federal contract, develops and distributes educational materials, provides training and consultation concerning immunization clinics and the use of jet injectors, and maintains a surveillance system on the immunization levels among the school age population. Particular emphasis is placed on infants and young children, school enterers and school age children.

The Tuberculosis Activity maintains statewide surveillance of tuberculosis, assures that prompt and appropriate control measures are instituted to control or eliminate the spread of tuberculosis, provides epidemiologic consultation, training and information to physicians and health agencies regarding Indochinese and other Refugee public health problems including tuberculosis, leprosy, parasitic and other communicable diseases.

The Venereal Disease Control Activity reduces the occurrence of disease and disability resulting from person to person transmission of Venereal Diseases. It provides screening and surveillance to identify and treat infected persons who are unaware of their infection, case detection and prevention of spread of disease through contact follow-up, support to clinic and laboratory services, and support to venereal disease educational activities. The activity takes place statewide, although 80% of the reported cases are from the 7 county metropolitan area.

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

The Chronic Disease Epidemiology Activity identifies and quantifies patterns of chronic disease in the Minnesota population in relation to environmental and behavioral causes. The activity maintains surveillance of selected chronic diseases and conducts epidemiologic investigations of populations exposed to cancer-causing agents. It provides regular epidemiologic analysis of chronic disease patterns in the state and assists in the design of prevention and control programs.

The Chronic Disease Program Activity reduces the incidence of chronic diseases including cancer, heart disease, hypertension and diabetes by supporting community identification and control programs with financial and technical assistance. This activity, in conjunction with the Health Education activity, develops and implements programs designed to reduce chronic disease risk factors.

The Dental Health Activity supports local and statewide dental public health programs by providing coordination and technical information. The personnel of this activity develop and disseminate audio-visual material, manage grants and contracts, and provide technical consultation to schools, local health departments, voluntary agencies and health professionals. Analysis of dental disease in Minnesota and designing programs to control those diseases will be a major focus of this activity during the biennium. Technical assistance is provided to community service providers in the areas of fluoride rinse programs and the dental component of child screening programs.

The Nutrition Consultation Activity provides standards, training, and technical consultation to the nutrition education and counseling services of community health agencies, schools and voluntary agencies. The activity provides nutritional consultation to the Women, Infants and Children (WIC) supplemental food program, and to the Hypertension Program.

ACTIVITY OBJECTIVES:

The goal of this activity is to prevent and control communicable and chronic disease in the general public.

1. To maintain surveillance of communicable and chronic diseases throughout the state in order to detect outbreaks and describe patterns of preventable illness in adults and children.
2. To investigate disease outbreaks and institute control measures so that further illness is minimized.
3. To increase the capability of Community Health Services Agencies in disease prevention and control and maternal and child health and to provide information, technical consultation and training to local public health workers, physicians, and others.

ACTIVITY: DISEASE PREVENTION AND CONTROL

1983-85 Biennial Budget

(Continuation)

Program: PREVENTIVE AND PERSONAL HEALTH SERVICES

Agency: HEALTH, DEPARTMENT OF

4. To identify and plan for new or changing needs of mothers, children, families, and the ill, elderly and handicapped through assessment of information from local agencies and analysis of health statistics so that the activity can promote appropriate, cost effective and quality community health services available through local health agencies, schools and private providers.
5. To maintain, in conjunction with the Center for Health Statistics, comprehensive surveillance of disease patterns and risk factors in the state, with provision of appropriate quantitative information and interpretation to the health professions, the news media, and the public. To use these indicators to describe regularly and in easily understood terms:
 - a. The current impact of disease upon state and local populations, changes in disease impact over time and the relationship of disease to possible causes.
 - b. The prevalence of risk factors such as smoking, obesity, and other behavioral and environmental influences on disease.
6. To reduce the prevalence of disease-producing behavioral and environmental risk factors in the state by conducting specific programs in hypertension and smoking control.
7. To assure that referral, follow-up, treatment, laboratory services, and/or therapeutic drugs are provided to individuals as appropriate, to prevent disability to the individual and/or spread of the disease in the community.
8. To provide, in conjunction with the Health Education and Information Section, the best information available to consumers throughout the state to facilitate decision-making on health related activities.
9. To provide consultation and training to health personnel concerning disease outbreaks, treatment of specific diseases, and community program development.
10. To develop and test new programs for disease prevention and control in order to find cost-effective methods of maintaining a healthy population in a setting of rapid technological change.
11. To improve efficiency and effectiveness in the operation of the activity.

ACCOMPLISHMENTS AND PERFORMANCE INDICATORS:

Federal Block Grant Laws have substantially reduced the number of federal program regulations in this area. As the state is now free to design programs with little federal direction, there is a strong need for epidemiologic analysis to identify disease problems, their causes and effective control methods in specific populations in Minnesota. Development of useful program data and information to providers for the allocation of block grant funds will be a significant responsibility of this activity for the next several years.

The hypertension program was substantially restructured to distribute more federal funds to local communities for hypertension control programs. This activity prepared or assisted in the preparation of 8 federal grant applications and developed an immunization bill which was enacted by the 1980 legislature and has resulted in the virtual elimination of measles transmission in the state. Plans for a statewide cancer surveillance pilot project were prepared and a report was submitted to the legislature in 1981. New methods were developed for measuring disease impact and a streamlined but comprehensive disease surveillance program was pilot tested.

Epidemiologic investigations were conducted and control measures instituted for outbreaks and cases of hepatitis, encephalitis, giardiasis, salmonellosis, Reye's syndrome, toxic-shock syndrome, and several foodborne acute disease outbreaks. The activity conducted epidemiologic investigations of gastrointestinal and lung cancer rates through 1974 in Duluth and elevated rates of breast cancer in St. Louis Park.

Several programs were reviewed and restructured due to changes and budget reductions at the federal level including hypertension, venereal disease and tuberculosis control.

Epidemiologic analysis and investigation of diabetes in Minnesota was conducted by this activity under a cooperative agreement with the Centers for Disease Control.

ACTIVITY: DISEASE PREVENTION AND CONTROL
(Continuation)
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

Objective No.		Actual F.Y. 1981	Actual F.Y. 1982	Obj/Est F.Y. 1983	Obj/Est F.Y. 1984	Obj/Est. F.Y. 1985
Acute Disease Epidemiology						
2	Disease Outbreaks Investigated	184	220	260	300	320
2	Control Measures Implemented	171	194	220	240	260
1	Public Health Problems Identified and Investigated	118	136	150	175	200
2	Number of Major Long Term Epidemiologic Investigations Completed Regarding Acute Disease Problems in Minnesota	1	3	3	3	3
9	Consultations to Health Professional (Primarily by Phone) Regarding the Epidemiology of Acute Diseases.	4,159	5,364	5,800	6,200	6,400
Venereal Disease						
1	Gonorrhea Cases (G.C.) Reported	8,031	6,992	6,600	6,700	6,500
2	Number Interviewed/ Counseled	3,022	2,196	2,100	2,100	2,100
1	Infectious Syphilis Reported	147	285	200	175	150
2	Number interviewed	146	281	200	175	150
1	Number of Women Tested for G.C.	137,256	102,890	95,000	95,000	95,000
	Number Positive	2,770	2,028	1,900	1,850	1,800

Objective No.	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj/Est F.Y. 1984	Obj/Est. F.Y. 1985
Immunization					
1	Immunization Levels (%)				
	Grades K-9				
	Measles	98.9	99.3	99.0	99.0
	Rubella	99.2	99.4	99.0	99.0
	Poliomyelitis	96.7	98.4	99.0	99.0
	Diphtheria, Pertussis, Tetanus (DPT)	96.6	98.3	99.0	99.0
7	Number of Doses of Vaccine Distributed	421,795	354,886	300,000	300,000
2	Number of Cases Reported and Investigated				
	Measles	3	0	1	1
	Mumps	8	401	100	75
	Rubella	9	6	20	20
	Tetanus	2	3	1	1
	Pertussis	16	15	20	20
Tuberculosis					
1	Number of New T.B. Cases	188	180	175	170
6	Cases Under Supervision	375	350	340	330
2	Contacts Followed Up	1,100	1,050	1,020	990
7	Persons Receiving T.B. Drugs	1,720	1,515	1,410	1,305

ACTIVITY: DISEASE PREVENTION AND CONTROL

1983-85 Biennial Budget

(Continuation)

Program: PREVENTIVE AND PERSONAL HEALTH SERVICES

Agency: HEALTH, DEPARTMENT OF

Objective No.		Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Obj/Est F.Y. 1984	Obj/Est. F.Y. 1985
Chronic Disease						
10	Number of Community Hypertension Programs Supported	8	13	12	12	12
2	Number of Epidemiologic Investigations of Chronic Disease Problems	5	12	20	25	28
5	Number of Consultation and Analysis for Other Sections, Departments, and Health Organizations	20	30	40	45	60
Dental Health						
9	Dental Education/ Training Programs	36	12	11	11	11
8	Distribution of Dental Cards	108,295	127,500	125,200	125,000	125,000
9	Technical Consultation to Headstart, CHS Agencies, Schools	82	98	102	102	102
Nutrition						
8	No. of participants in Women, Infants, and Children (WIC) Program	37,333	38,990	44,000	46,200	46,200
9	WIC Nutritional Supplement Site Visits/Consultations	123	180	196	208	220
9	WIC Projects Monitored	21	9	45	49	52

Maintaining epidemiologic capability to respond to communicable and chronic disease problems and extending epidemiologic assistance to problem/activity areas such as maternal and child health and the control of risk factors for heart disease, cancer, stroke and other chronic diseases will be a major task for the activity in the upcoming biennium.

RECENT BUDGET HISTORY

Reductions in federal and state funds have required this activity to reduce its efforts in certain disease control efforts. Specifically, school dental health education programs funded and managed by this activity have been eliminated. Reductions in gonorrhea screening activity and provision of tuberculosis drugs have also occurred. Substantial shifts of basic communicable disease activities from state funds to federal funds has occurred during the last biennium.

FEDERAL AND OTHER FUNDING:

This activity is heavily dependent on federal funds. Approximately 60% of the activity is supported with federal funds which have been reduced during the last biennium. Close surveillance of disease occurrence will have to be maintained during the next biennium in order to identify disease problems early and institute appropriate control activities.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested to carry out the above objectives.

GOVERNOR'S RECOMMENDATIONS:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: DIS PREVENTION & CONTROL

PROGRAM: PREVENTIVE & PERSNL HLTH SV

AGENCY: HEALTH,DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	1,166.7	1,179.9	1,360.2	1,343.2		1,343.2	1,398.3		1,398.3	1,343.2	1,398.3
-REGULAR UNCLASSIFIED	116.4	148.3	123.6	102.8		102.8	88.6		88.6	102.8	88.6
-PART-TIME/SEAS./OTHER	30.9	7.4	2.0	4.1		4.1	4.1		4.1	4.1	4.1
-PREMIUM PAY	1.3	3.3									
-OVERTIME PAY	7.1	5.4									
-MISCELLANEOUS PAYROLL		1.0	14.3								
-OTHER BENEFITS	.2										
TOTAL PERSONAL SERVICES	1,322.6	1,345.3	1,500.1	1,450.1		1,450.1	1,491.0		1,491.0	1,450.1	1,491.0
EXPENSES & CONTRACTUAL SERVICES	305.1	292.1	251.7	216.7		216.7	225.5		225.5	215.8	221.9
SUPPLIES & MATERIALS	87.2	88.4	79.1	81.4		81.4	84.3		84.3	80.9	82.7
EQUIPMENT	7.0	1.8	1.5								
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	137.7	407.3	328.5	233.2		233.2	117.1		117.1	233.2	117.1
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	1,859.6	2,134.9	2,160.9	1,981.4		1,981.4	1,917.9		1,917.9	1,980.0	1,912.7
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	883.4	831.1	882.6	867.7		867.7	878.8		878.8	866.3	873.6
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	11.4	39.1	74.4	54.3		54.3	54.3		54.3	54.3	54.3
GIFTS AND DEPOSITS	2.3	2.0									
FEDERAL	962.5	1,262.7	1,203.9	1,059.4		1,059.4	984.8		984.8	1,059.4	984.8
TOTAL FINANCING	1,859.6	2,134.9	2,160.9	1,981.4		1,981.4	1,917.9		1,917.9	1,980.0	1,912.7
POSITIONS BY FUND											
GENERAL	32.6	29.0	27.7	24.1		24.1	24.1		24.1	24.1	24.1
SPEC REV/APPORTIONMT		1.0	2.6	1.5		1.5	1.5		1.5	1.5	1.5
FEDERAL	37.3	36.9	33.8	32.1		32.1	31.6		31.6	32.1	31.6
TOTAL POSITIONS	69.9	66.9	64.1	57.7		57.7	57.2		57.2	57.7	57.2

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GRANTS AND AIDS ANALYSIS FOR: VENEREAL DISEASE PROGRAM 1983-85 Biennial Budget

Activity: DISEASE PREVENTION AND CONTROL
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF
Statutory References:

Purpose:

These grant funds were provided to local community health service agencies in order that they could operate a program that systematically screened asymptomatic female patients for gonorrhea. These patients are screened by both public agencies and clinics as well as participating private physicians. By identifying asymptomatic women infected by gonorrhea, epidemiologic identification of their contacts can be initiated, thereby reducing the gonorrhea infection pool within a community. This is part of a national program, funded by the Public Health Service since 1972.

Recipient Identification and Eligibility Criteria:

These grants have been made available to health agencies which possess an adequate microbiologic laboratory to process more than 60,000 gonorrhea culture specimens yearly and the treatment facilities to examine, interview and counsel the infected patients and their contacts. In the past the only health department which met both these criteria was the Minneapolis Health Department. A staff investigator, trained in venereal disease epidemiology was necessary to conduct interviews of patients and the subsequent epidemiologic follow-up of their contacts. Data collection and screening site evaluation had to be periodically collected and analyzed before quarterly submission to the Department. Such data included figures on eligible women tested per site, number, and percentage positive, and the number and percent located, interviewed and treated.

Criteria and Formulas Determining Performance:

Contractors must have had the laboratory capability to process no fewer than 60,000 gonorrhea cultures and maintain appropriate records for program participation and evaluation of the gonorrhea screening effort. Individual sites were evaluated monthly for correct procedures, and those sites not maintaining a positivity level of at least one percent were re-evaluated or discontinued. The contractor provided the full-time equivalent of an epidemiologic investigator, trained in STD interviewing and control.

The contractor for the surveillance and evaluation portion of grant assistance maintained patient data on clinic populations averaging over fifty patients per clinic workday. Reports were collected from patients on entry into the program, and periodically after that, according to a stated formula. While maintaining patient confidentiality, reports were made on a quarterly basis to the Department.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:					REF:430-01-11-000-01		
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO CITIES & TOWNS							
FEDERAL	73.0	37.2					
SUBTOTAL	73.0	37.2					
G & A TO COUNTIES							
FEDERAL	10.0	10.0					
SUBTOTAL	10.0	10.0					

ALL RECIPIENTS BY FUND							
FEDERAL	83.0	47.2					
TOTAL	83.0	47.2					

Significant Statistics:	F.Y.1981	F.Y.1982	EST.	EST.	EST.
	ACTUAL	ACTUAL	F.Y.1983	F.Y.1984	F.Y.1985
Number of women tested					
- Mpls. lab	57,308	22,121	0	0	0
- MDH lab	70,443	109,749	98,000	90,000	90,000
Number positive	2,664	2,511	2,300	2,200	2,100
Percent treated	94%	99%	97%	97%	98%
Grant/contracts					
- Mpls.	\$ 73,000	\$ 37,200	0	0	0
- Hennepin Co.	\$ 10,000	\$ 10,000	0	0	0

Explanation of Agency Estimates:

These grant/contracts expired during the current biennium and were not renewed because of reductions in this federally funded program. The Department absorbed the necessary laboratory and investigative work associated with this activity.

GRANTS AND AIDS ANALYSIS FOR: HYPERTENSION COMMUNITY PROJECT 1983-85 Biennial Budget

Activity: DISEASE PREVENTION AND CONTROL
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF
Statutory References:

Purpose:

Hypertension Control Project Grants are made to local community health services agencies in order to initiate, develop and implement new high blood pressure control projects of a demonstration nature. The grants are generally made for a 2 year period during which time the community can review, evaluate, restructure and improve its ongoing or existing high blood pressure control programs.

Recipient Identification and Eligibility Criteria:

The grants are available to community health services agencies and non-profit or voluntary associations. Projects should be innovative, or of a demonstration nature to receive funding and must be one of the following types:

1. Projects which establish tracking/compliance education programs in the community for the detection and control of high blood pressure;
2. Projects which establish worksite-based high blood pressure detection and control programs, especially in medium or smaller size companies; and
3. Projects which serve minority populations with especially high prevalence of hypertension and demonstrated need for additional hypertension control programs.

The average size of each grant is \$15,000 per year and community health services agencies utilize the funds to coordinate high blood pressure control activities in the community and to provide services to individuals in the community with high blood pressure. Services provided include: screening certain populations in order to detect high blood pressure and referring those with elevated readings to a physician for follow-up and diagnosis; assisting physicians in developing tracking systems in order to insure those with high blood pressure remain under treatment; providing community and individual education regarding high blood pressure, its control and prevention.

Criteria and Formulas Determining Amount of Payment to Recipient:

Grants are awarded on a competitive basis to agencies which submit proposals. Proposals are ranked based on criteria specified in the "Request for Proposal". Such criteria have in the past included:

1. The innovativeness or demonstration nature of the project;
2. Whether the project is of the type desired (specified above in Recipient Identification Section);
3. The degree the project targets its activities and services to a population with a high risk of having uncontrolled high blood pressure;
4. The support of physicians in the community for the project;
5. Whether the project included an evaluation of the effectiveness of the project;
6. Evidence of community support, and in the case of an agency which is not a community health services agency, support from the Community Health Services Agency (CHSA) in that area.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:430-01-11-000-02	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
FEDERAL	24.6	125.9	143.0	185.3	117.1	185.3	117.1
SUBTOTAL	24.6	125.9	143.0	185.3	117.1	185.3	117.1

ALL RECIPIENTS BY FUND							
FEDERAL	24.6	125.9	143.0	185.3	117.1	185.3	117.1
TOTAL	24.6	125.9	143.0	185.3	117.1	185.3	117.1

Significant Statistics:

An estimated one-fifth to one quarter of Minnesotans have high blood pressure (hypertension). High blood pressure can lead to premature death or stroke or associated heart and organ disease. The proper use of anti-hypertension medication has been shown to reduce high blood pressure and lower mortality. Nutritional and lifestyle modifications such as weight loss and reduced salt intake can also lower blood pressure in some persons. Certain populations are at higher risk of having uncontrolled hypertension including blacks and working age males.

Many community health services agencies have existing programs to control high blood pressure. These programs are funded by local funds and/or state community health services subsidy. By utilizing the limited hypertension funds in the preventive block grant for demonstration projects and/or new initiatives in high blood pressure control, existing local agency resources can be redirected towards new methods for high blood pressure control which have been found to be effective. In Fiscal Year 1981, 8 community projects were funded. In Fiscal Year 1982, 13 were funded.

Explanation of Agency Estimates:

The agency estimates reflect the amount of preventive block grant funds which are required by federal law to be spent in hypertension control. Because the area of high blood pressure control and related risk factor prevention is changing dramatically, yearly, ongoing review and redirection of this program will be necessary in order to ensure that limited funds are expended in the most effective way.

Governor's Recommendations:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: REFUGEE PROGRAM

1983-85 Biennial Budget

Activity: DISEASE PREVENTION AND CONTROL
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF
Statutory References:

Purpose:

These grant funds are provided to local community health service agencies to provide health assessments to newly arrived refugees and address refugee health problems of public health concern. Health assessments of refugees are intended to identify and lead to the treatment of health conditions which could affect the public health or the personal well being of refugees and impede their effective resettlement.

Recipient Identification and Eligibility Criteria:

The grants are available to health agencies through two different mechanisms. Agencies having more than 150 refugees in their jurisdictional area receive funding through negotiated contracts at per capita rates. The required elements for participation include either direct contact or referral of each incoming refugee for health assessment and treatment, follow-up on all identified acute disease problems, collection of data which reflects health services provided and subsequent submission to the Department, and submission of quarterly narrative reports which address progress of the grantees. The second funding mechanism reimburses those agencies having fewer than 150 refugees within their jurisdictional areas. It is based on a fixed amount for each individual form submitted which documents a health assessment on a refugee.

Criteria and Formulas Determining Amount of Payment to Recipient:

The criterion used to determine the particular funding mechanism to the counties, i.e. contract or reimbursement per data form, is the number of Indochinese refugees residing within each community health service's jurisdictional area. Official estimates of the number of refugees in each county were provided to the Department by the Office of Refugee Resettlement, Department of Public Welfare. Each county having more than 150 refugees was allocated a portion of the total allotment of funds for this program based on their proportional share of the total number of refugees residing in the eligible counties. Execution of these contracts is dependent upon the acceptance by the health agency of the duties as referred to in the preceding section. Counties having fewer than 150 refugees receive a fixed amount per monthly data form submitted to the Department up to a maximum amount. Each county eligible for this mechanism has a pre-established ceiling on the total amount for which they would be eligible that is based on the proportional share of refugees in these less-populated counties.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:430-01-11-000-04	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
FEDERAL	30.1	234.2	185.5	47.9		47.9	
SUBTOTAL	30.1	234.2	185.5	47.9		47.9	

ALL RECIPIENTS BY FUND							
FEDERAL	30.1	234.2	185.5	47.9		47.9	
TOTAL	30.1	234.2	185.5	47.9		47.9	

Significant Statistics:	F.Y.1981	F.Y.1982	EST.	EST.	EST.
	ACTUAL	ACTUAL	F.Y.1983	F.Y.1984	F.Y.1985
Number of refugees screened	469	1,541	1,500	375	
Number of participating CHS agencies					
- contractual mechanism	7	7	7	7	0
- reimbursement per data form	3	11	12	6	0
Average grant to agency through					
- contractual mechanism	\$ 4,262	\$ 31,135	\$ 27,655	\$ 6,483	0
- reimbursement per data form	\$ 140	\$ 520	\$ 417	\$ 306	0

Explanation of Agency Estimates:

The funding for this program is provided through a Federal Public Health Service grant to the Department for the period October 1, 1980 through September 30, 1983. It is not expected to be extended; hence the projections are reduced for F.Y.1984 and eliminated for F.Y.1985.

Governor's Recommendations:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

ACTIVITY: MEDICAL LABORATORIES
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The Medical Laboratories activity provides: 1) testing services for infectious, chronic, metabolic and hereditary diseases as an integral part of the department's disease prevention and control programs; 2) reference and verification testing using sophisticated technology which is not generally available in hospital and clinical laboratories throughout the state; and 3) a statewide medical laboratory quality assurance and improvement program for 485 hospitals, clinics and other medical laboratories in the state. The Medical Laboratories directly serve approximately 300,000 patients in hospitals, clinics and doctors' offices in the state annually. Several times as many individuals are indirectly served through departmental disease prevention and control activities, and through the Clinical Laboratory Improvement Program. A major health problem for Minnesota which was addressed by the Commissioner's "Blue Ribbon Task Force" is the "maintenance of existing gains" in public health. The services provided by this activity address this subject by laboratory surveillance of disease producing agents, and reference and verification testing.

ACTIVITY OBJECTIVES:

1. Provide support for the department's disease prevention and control activities by performing, recording, tabulating and reporting 530,000 laboratory examinations for bacterial, fungal, parasitic, viral and rickettsial diseases involving more than 300,000 individuals in the state each year.
2. Provide reference and verification testing which is generally not available in hospital, clinical and other medical laboratories throughout the state.
3. Insure that more than 65,000 infants born in Minnesota each year are protected from the effects of treatable metabolically-determined diseases by providing 240,000 examinations for phenylketonuria (PKU), galactosemia, and neonatal hypothyroidism; and by providing 1,000 cytogenetic examinations for hereditary disorders each year.
4. Assure that the medical laboratory testing performed by 485 hospitals, clinics and other laboratories throughout the state meet acceptable quality standards by providing 22,500 proficiency testing specimens and 12,000 individual feedback reports each year for the specialties of clinical chemistry, hematology, immunohematology, serology, microbiology and urinalysis; and by providing workshops and audio-visual presentations for approximately 3,500 laboratory professionals each year.

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$402.5	\$526.5	\$678.5	\$684.0	\$684.0

ACCOMPLISHMENTS AND PERFORMANCE INDICATORS:

A continuing review and evaluation of the Medical Laboratories activity is being conducted. As a result of this internal study, several procedures deemed no longer productive have been eliminated and new procedures have been added. Studies by the Centers for Disease Control of the United States Department of Health and Human Services have shown that this activity continues to meet efficiency and effectiveness standards established for state public health laboratories nationally.

Electronic data processing (EDP) is currently being planned as a more efficient and effective alternative to the present manual system for recording, tabulating and reporting laboratory examinations; storage and retrieval of results; and statistical and selective recall of data for disease prevention and control programs. As a prelude to the implementation of an EDP system, a new Data and Specimen Handling (DASH) Section has been developed in order to provide centralization of specimen handling and reporting of examination results.

Objective No.	Actual F.Y. 1981	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
1 Number of Medical Laboratory Examinations:					
Bacterial Diseases					
Syphilis	101,092	50,595	50,000	50,000	50,000
Gonorrhea	109,704	114,285	132,000	132,000	132,000
Other	44,668	34,281	34,000	34,000	34,000
Fungal Diseases	23,673	23,714	24,000	24,000	24,000
Parasitic Diseases	22,531	13,646	13,000	13,000	13,000
Viral Diseases	54,178	35,653	35,000	35,000	35,000
3 Number of Examinations Performed and Reported for:					
Phenylketonuria	76,730	77,911	78,000	78,000	78,000
Galactosemia	79,279	78,139	78,000	78,000	78,000
Neonatal Hypothyroidism	79,946	83,355	85,000	85,000	85,000
3 Number of Examinations for Hereditary Disorders	1,182	985	1,000	1,000	1,000
1,2&3 Total Medical Laboratory Examinations	592,983	512,564	530,000	530,000	530,000
1,2&3 Number of Specimens Handled and Processed	361,303	286,351	300,000	300,000	300,000
4 Number of Participating Laboratories	475	485	485	485	485
4 Number of Proficiency Testing Specimens Provided	28,433	22,415	22,500	22,500	22,500

ACTIVITY: MEDICAL LABORATORIES
(Continuation)
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

Objective No.		Actual F.Y. 1981	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
4	Number of Individual Feedback Reports Provided	12,366	11,864	12,000	12,000	12,000
4	Number of Workshops/Participants	20/575	21/625	20/500	20/500	20/500
4	Number of Participants Receiving Audio-Visual Training	3,000	2,868	3,000	3,000	3,000
1&2	Average Cost Per Examination:					
	Bacterial Diseases					
	Syphilis	\$ 2.55	\$ 3.27	\$ 3.49	\$ 3.73	\$ 3.99
	Gonorrhea	2.76	3.45	3.69	3.94	4.21
	Other	6.79	7.21	7.71	8.24	8.81
	Fungal Diseases	6.15	6.58	7.04	7.53	8.05
	Parasitic Diseases	5.85	6.28	6.71	7.17	7.67
	Viral Diseases	3.20	7.29	7.80	8.34	8.92
3	Average Cost Per Examination for Phenylketonuria, Galactosemia, and Neonatal Hypothyroidism	.95	1.15	1.23	1.31	1.40
3	Average Cost Per Examination for Hereditary Disorders	49.00	50.00	53.50	57.24	61.24
4	Average Cost Per Proficiency Testing Specimen Provided and Individual Feedback Report	4.75	5.51	5.89	6.30	6.74
4	Average Cost Per Laboratorian Trained	14.41	20.30	21.72	23.24	24.86

RECENT BUDGET HISTORY:

In order to accommodate decreases in funding, it has been necessary for this activity to systematically reduce its workload from 592,983 examinations performed on 361,303 specimens received during F.Y. 1981 to an estimated 530,000 examinations on 300,000 specimens to be received in F.Y. 1983.

More specifically, this activity has been able to meet its obligations to the people of Minnesota only by curtailing the following services which have had the least impact upon their health, safety and well-being:

1. reduction of syphilis examinations from 101,092 performed in F.Y. 1981 to 50,000 per year;

2. reduction of other bacterial examinations from 44,668 performed in F.Y. 1981 to 34,000 per year;
3. reduction of parasite examinations from 22,531 performed in F.Y. 1981 to 13,000 per year;
4. reductions of examinations performed for virus diseases, including 19,000 prenatal rubella examinations, from 54,178 in F.Y. 1981 to 35,000 per year;
5. reduction of clinical laboratory improvement (quality assurance) services to the bare minimum needed to protect Minnesota's citizens from improperly performed medical laboratory tests and their consequences.

Further reductions in the services provided by the Medical Laboratories activity would seriously impair its role in supporting departmental disease prevention and control activities which are geared to maintain a certain level of health under normal conditions. The public health laboratory must also be ready to respond immediately to extra-occurrence of a natural disaster requiring public health intervention.

FEDERAL AND OTHER FUNDING:

Decreases in federal Preventive Block Grant funds have resulted in reductions in services described under the "Recent Budget History" section. When a portion of these funds was restored, it was decided to use these monies for an Electronic Data Processing (EDP) system to increase the effectiveness and efficiency of the Medical Laboratories activity.

Reductions in Maternal and Child Health Block Grant funds were absorbed by a reduction in rubella (German measles) testing from 29,018 examinations performed in F.Y. 1981 to 10,253 examinations performed in F.Y. 1982. This reduction in rubella testing was due to a change from prenatal screening to pre-pregnancy screening based upon recommendations from the Centers for Disease Control and the United States Department of Health and Human Services.

EXPLANATION OF BUDGET REQUEST:

Same level of funding is requested to meet the stated objectives.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

The Governor recommends that \$55.0 of the federal preventive health block grant funds allocated to this activity each year in the request be reallocated to fund the Poison Information Center (Health Services Quality Assurance Activity).

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: MEDICAL LABORATORY SERVICES

PROGRAM: PREVENTIVE & PERSONAL HEALTH SERVICES

AGENCY: HEALTH, DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	1,427.4	1,442.3	1,541.2	1,612.4		1,612.4	1,625.6		1,625.6	1,612.4	1,625.6
-REGULAR UNCLASSIFIED	2.3	7.5									
-PART-TIME/SEAS./OTHER	5.0										
-PREMIUM PAY											
-OVERTIME PAY	3.0	2.6									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	1,437.8	1,452.4	1,541.2	1,612.4		1,612.4	1,625.6		1,625.6	1,612.4	1,625.6
EXPENSES & CONTRACTUAL SERVICES	107.4	105.4	214.5	142.2		142.2	130.6		130.6	140.9	127.5
SUPPLIES & MATERIALS	233.4	217.6	211.1	227.2		227.2	254.5		254.5	170.0	194.7
EQUIPMENT	4.3	4.3									
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	1,782.9	1,779.7	1,966.8	1,981.8		1,981.8	2,010.7		2,010.7	1,923.3	1,947.8
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	1,377.8	1,424.8	1,438.7	1,498.7		1,498.7	1,513.3		1,513.3	1,495.2	1,505.4
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT		35.4	39.7	42.5		42.5	45.4		45.4	42.5	45.4
FEDERAL	405.1	319.5	488.4	440.6		440.6	452.0		452.0	305.6	397.0
TOTAL FINANCING	1,782.9	1,779.7	1,966.8	1,981.8		1,981.8	2,010.7		2,010.7	1,923.3	1,947.8
POSITIONS BY FUND											
GENERAL	63.1	58.1	52.0	51.0		51.0	51.0		51.0	51.0	51.0
SPEC REV/APPORTIONMT		1.0	2.0	2.0		2.0	2.0		2.0	2.0	2.0
FEDERAL	18.0	10.5	12.0	12.0		12.0	12.0		12.0	12.0	12.0
TOTAL POSITIONS	81.1	69.6	66.0	65.0		65.0	65.0		65.0	65.0	65.0

ACTIVITY: ENVIRONMENTAL HEALTH
 Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
 Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION: The Environmental Health activity exists to protect the public's health and safety through environmental control. It reduces illnesses and injuries which occur in the home, work and community environments through the enforcement of State and Federal standards, and the provision of highly specialized technical services. Program emphasis is placed on the maintenance of existing gains which have been achieved in minimizing environmental health hazards, as well as the identification of additional areas of significant health risk which are amenable to environmental control strategies. This latter effort is particularly important in view of technological changes which continue to introduce new hazards, such as potentially toxic chemical substances, into the human environment.

The activity inspects and licenses hotels, restaurants, children's camps, mobile home parks, recreational camping areas, and beverage establishments to ensure compliance with State standards. This effort is undertaken in order to maintain safe and sanitary conditions, minimize the spread of diseases, prevent accidental poisonings, and reduce risk of falls, burns, or other accidents while frequenting these premises.

The activity monitors, inspects and tests all public drinking water supplies in accordance with State and Federal standards. Engineering surveys and periodic water quality tests are conducted on all community water supplies and less frequently on smaller supplies which periodically serve the public (e.g., resorts and restaurants with their own supplies).

The activity inspects and registers all sources of ionizing radiation in Minnesota (except for those preempted by the Nuclear Regulatory Commission) in accordance with State and Federal standards in order to minimize population exposure to radiation. This involves registration of x-ray and other medical equipment which emits radiation, regulation of the shipment of radioactive materials, and off-site monitoring of emissions from nuclear power plants which are licensed by the Nuclear Regulatory Commission.

The activity includes investigations relative to the health component of the State Occupational Safety and Health Program. Technical occupational health evaluations are conducted by industrial hygienists with support provided by physicians and other health scientists in the Department. Results of compliance investigations are forwarded to the Department of Labor and Industry for enforcement action. A consultation unit provides evaluation of possible occupational health problems in the private sector by responding to employer's requests for assistance.

The activity provides analytical laboratory support to the Health Department as well as to the environmental monitoring programs of the Pollution Control Agency and the Department of Transportation, and to special projects of other State agencies. This centralized laboratory performs physical, chemical, bacteriological and radiological analyses on materials such as air, water, wastewater, sludge, sediment, soil, tissue, and hazardous wastes.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$ 761.4	\$ 611.7	\$ 1,233.5	\$ 1,087.7	\$ 1,205.7

The activity conducts investigations which quantitatively determine the level of human health risk associated with specific environmental exposures. These risk assessments are used by State and local agencies to make decisions concerning the need for various remedial actions.

The activity licenses plumbers, water conditioning contractors and installers, water well contractors and mineral explorers; registers monitoring well engineers; and, certifies water treatment plant operators. This effort reduces the probability that persons employed in these occupations will engage in practices resulting in the accidental chemical or microbiological contamination of water supplies.

The activity provides technical assistance, consultation and evaluation for Community Health Service Agencies in the planning, development and operation of locally administered environmental health programs.

ACTIVITY OBJECTIVES: The objectives are achieved through a combination of regulation, technical consultation, training, analytical laboratory services, and special studies.

1. To reduce the incidence of occupational-related diseases through enforcement of State and Federal occupational health standards and through the provision of a consultation program to evaluate possible occupational health problems in the private sector.
2. To promote the development of comprehensive environmental health programs in Community Health Service Agencies and to delegate the licensure and inspection responsibility for food, beverage and lodging establishments; children's camps; mobile home parks; and, recreational camping areas.
3. To better protect the public's health by conducting special investigations of environmental exposures which may pose serious health risks.
4. To minimize exposure to radiation through regulation of all sources of ionizing radiation (except for those sources preempted by the Nuclear Regulatory Commission).
5. To minimize outbreaks of waterborne illnesses: by regulation of 1,000 public community water supplies, 12,000 non-community public water supplies, 2,800 public swimming pools, 5,000 natural bathing places, 80 mineral exploration boring sites, 1,000 soil absorption sewage disposal system installations per year, and 14,000 new water wells per year.
6. To minimize outbreaks of infectious and communicable diseases and chemical contamination of food and beverages served to the public in Minnesota through enforcement of sanitation standards for food products, equipment, facilities, maintenance of water supply systems, and food preparation practices.
7. To reduce the risk of accidental injury due to falls, burns, or other physical factors while frequenting lodging, recreation, beverage or food establishments, through inspection and enforcement of administrative rules.

ACTIVITY: ENVIRONMENTAL HEALTH
(Continuation)

1983-85 Biennial Budget

Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF

8. To ensure the same level of protection for a safe and healthy environment to special populations, such as migrant laborers and their families and persons confined to correctional facilities through inspection, enforcement and technical consultation.
9. To provide quantitative and qualitative analytic laboratory services for monitoring air, drinking water, occupational conditions, radiation, water pollution, trace metals, and organic materials in accordance with program needs and contracts with other State agencies.
10. In order to reduce and minimize infectious or communicable diseases and risk of accidental exposure of hazardous chemicals, to provide technical consultation to the following groups:
 - a. Managers of food, beverage, and lodging establishments.
 - b. Managers of places of employment subject to occupational health and safety investigations.
 - c. Water treatment plant operators, and engineering firms designing such facilities.
 - d. Managers or operators of radiation-emitting devices or facilities.
 - e. Swimming pool operators.
 - f. Managers of recreation areas, including parks and private resorts.
 - g. Water well contractors, mineral explorers, plumbers, water conditioning contractors and installers, and monitoring well engineers.
11. To ensure safety of drinking water supplies through assuring personnel competency; to train, license, certify or register:
 - 5,000 plumbers
 - 400 water conditioning contractors and installers
 - 300 water well contractors
 - 3,000 water treatment plant operators
 - 20 mineral explorers
 - 26 monitoring well engineers
12. To minimize smoke in the indoor environment and provide a disincentive to smoking, through enforcement of the Minnesota Clean Indoor Air Act.
13. To initiate a survey of organic chemicals in community public water supplies in order to identify contaminated supplies and take appropriate remedial action to protect the public health.

ACCOMPLISHMENTS AND PERFORMANCE INDICATORS: Emphasis was placed on management control for purposes of further improving program efficiency and effectiveness. This was particularly important in view of significant reductions in Federal and State funding support for this activity during the past 2 years. Considerable effort was expended on several special projects including the development of formaldehyde rules, organization of heat pump/injection well permit system, development of a registration system for monitoring well engineers and providing staff support associated with the negotiation of a draft interstate compact on low-level radioactive waste. In addition, a separate consultation function was successfully planned and organized within the occupational health program.

Obj. No.		Actual F.Y. 1981	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
1	Number of occupational health investigations	381	345	485	515	515
2,6	Percentage of total licenses facilities which are regulated by local Community Health Service Agencies	39%	40%	41%	42%	43%
2	Evaluation surveys of programs conducted by local Community Health Service Agencies	12	5	10	12	14
4	Sources of radioactive material registered, biennial and new	8,209	283	8,600	310	8,800
5,6	Drinking water quality	2,543	2,785	2,740	2,740	2,740
&8	engineering surveys					
5,6	Number of hotels, resorts,	11,814	10,734	10,480	10,200	10,000
&7	restaurants, recreational areas licensed by the Minnesota Department of Health					
5,6,	Number of inspections	16,750	15,337	14,000	13,700	13,700
7,8	of facilities					
&12	above					
9	Number of analytical laboratory determinations	92,050	88,750	88,400	90,000	90,000

RECENT BUDGET HISTORY: This activity has experienced significant reductions in Federal and State funding support during the past 2 years. Funding cutbacks have resulted in staff reductions in the following program areas: public water supply; radiation control; environmental field services; analytical laboratory services; and, health risk assessment. Without the addition of Federal preventive block grant funds, the staffing reductions would have been even more severe.

FEDERAL AND OTHER FUNDING: In order to maintain the existing level of effort under the Federal Safe Drinking Water Act (P.L. 93-523), \$775,000 will be required during Federal F.Y. 1984 and \$852,500 during Federal F.Y. 1985. It is anticipated, however, that the Federal allocation will be only \$445,000 for each of these years. The resulting shortfall of \$330,000 and \$407,500, respectively, will necessitate a reduction of 10-13 of the existing 26 positions funded by this source.

In order to be certified by the Federal Department of Labor as a state meeting federal benchmarks for the appropriate number of Industrial Hygienists, the Department of Health would need one additional position in its Occupational Safety and Health activity.

ACTIVITY: ENVIRONMENTAL HEALTH

1983-85 Biennial Budget

(Continuation)

Program: PREVENTIVE AND PERSONAL HEALTH SERVICES

Agency: HEALTH, DEPARTMENT OF

EXPLANATION OF BUDGET REQUEST: An additional \$80,000 in F.Y. 1984 and \$50,000 in F.Y. 1985 and one position (General Fund-LCMR) is requested for purposes of initiating an organic chemical survey of community public water supplies. And, an additional \$97,000 in F.Y. 1984 and \$104,000 in F.Y. 1985 (General Fund) is requested for the replacement of laboratory equipment which was acquired several years ago and, due to extensive use, can no longer be maintained in a manner which assures its reliability.

GOVERNOR'S RECOMMENDATIONS:

The Governor recommends the same level of funding with the following exceptions:

1. Adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.
2. The Governor recommends an increase for replacement of essential laboratory equipment.
3. The Governor's recommendations for LCMR are included in total in the LCMR budget request. Therefore, although funding and positions are included in this agency request, the Governor makes no recommendation in this activity.
4. The Governor makes no specific recommendation for the Plumbing Code and Examinations Advisory Council since by law it is required to sunset as of 6/30/83.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: ENVIRONMENTAL HEALTH

PROGRAM: PREVENTIVE & PERSNL HLTH SV

AGENCY: HEALTH,DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	3,089.1	3,326.7	3,852.5	4,003.5	30.0	4,033.5	4,075.9	30.0	4,105.9	4,002.8	4,075.2
-REGULAR UNCLASSIFIED	33.2	35.4									
-PART-TIME/SEAS./OTHER	84.9	27.8	2.5								
-PREMIUM PAY	11.7	17.1									
-OVERTIME PAY	14.4	9.6									
-MISCELLANEOUS PAYROLL	.8	1.6									
-OTHER BENEFITS	1.2										
TOTAL PERSONAL SERVICES	3,240.3	3,418.2	3,855.0	4,003.5	30.0	4,033.5	4,075.9	30.0	4,105.9	4,002.8	4,075.2
EXPENSES & CONTRACTUAL SERVICES	581.2	471.2	525.6	419.9		419.9	431.0		431.0	415.2	420.0
SUPPLIES & MATERIALS	113.8	104.8	147.2	113.8	20.0	133.8	110.3	20.0	130.3	112.7	108.1
EQUIPMENT	366.0	59.0	39.3	119.1	127.0	246.1	122.6	104.8	227.4	214.0	222.9
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	4,301.3	4,053.2	4,567.1	4,656.3	177.0	4,833.3	4,739.8	154.8	4,894.6	4,744.7	4,826.2
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	2,334.8	2,368.0	2,393.0	2,443.4	97.0	2,540.4	2,470.1	104.8	2,574.9	2,531.8	2,556.5
GENERAL FUND - LCMR	2.6				80.0	80.0		50.0	50.0		
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONNT	646.8	696.7	763.3	781.2		781.2	830.1		830.1	781.2	830.1
FEDERAL	1,317.1	988.5	1,410.8	1,431.7		1,431.7	1,439.6		1,439.6	1,431.7	1,439.6
TOTAL FINANCING	4,301.3	4,053.2	4,567.1	4,656.3	177.0	4,833.3	4,739.8	154.8	4,894.6	4,744.7	4,826.2
POSITIONS BY FUND											
GENERAL	83.5	76.0	66.3	66.3	1.0	67.3	66.3	1.0	67.3	66.3	66.3
SPEC REV/APPORTIONNT	25.5	27.5	26.5	26.0		26.0	26.0		26.0	26.0	26.0
FEDERAL	52.5	42.0	50.2	48.7		48.7	48.7		48.7	48.7	48.7
TOTAL POSITIONS	161.5	145.5	143.0	141.0	1.0	142.0	141.0	1.0	142.0	141.0	141.0

ACTIVITY: MATERNAL AND CHILD HEALTH SERVICES
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The purpose of this activity is to improve the health status of children and youth, women and their families by providing technical and financial support services to local community health agencies, schools and voluntary organizations. Services include program planning, goal setting, technical consultation, professional education and training, and grants for specialized purposes. A large portion of the budget is for the purchase of supplemental foods for women, infants and children. The following activities are generally coordinated with one another at the service delivery site so that comprehensive maternal and child health services are provided to individuals.

The Women, Infants, and Children (WIC) activity, funded by the U.S. Department of Agriculture, provides nutritious supplemental foods and nutrition education to mothers, infants, and children to age five years who are at nutritional risk and enrolled in local WIC programs. The state staff provide standards, technical support, grants management and monitoring for local WIC agencies so that federal requirements are met and quality is assured. The state staff manages an automated financial management system for issuance and reconciliation of vouchers issued to program participants for purchase of foods at authorized grocery stores, drug stores and dairies.

The Human Genetics activity provides counseling for patients and family members with known or suspected genetic diseases, consultation, education and diagnostic support to physicians and other health professionals, and detection of metabolic diseases in newborns through screening. These services help persons manage genetic diseases and make informed decisions on future child-bearing.

The Child Health Screening activity promotes and provides technical support for accessible high quality health and developmental screening for all children in the state. The services are supported by combined state and federal funds provided through the State Departments of Health, Education, and Welfare and administered in communities.

The purpose of the Hearing and Vision Conservation activity is to assure that children with hearing or vision problems are identified at the earliest possible time and arrangements made for treatment and remediation. This is accomplished by local and regional personnel using state guidelines, technical consultation and training, and equipment calibration to assure quality service and cost efficiency. The staff provides public education concerning primary and secondary prevention of hearing and vision problems.

Personnel in the Family Planning activity work with local public and voluntary agencies to develop quality family planning services and prenatal, postnatal and perinatal services which increase the potential for healthy pregnancies and newborns. The activity administers family planning grants to community agencies, sets standards and provides technical support services to community programs. A particular focus of attention is the unplanned adolescent pregnancy.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY OBJECTIVES:

1. To identify and plan for new or changing needs of women, children, and their families through assessment of available statistics and information in collaboration with interested groups, so that the activity can promote appropriate, cost effective, and quality community health services available through local health agencies, schools, voluntary agencies and private providers.
2. To provide leadership in developing program guidelines for local programs so that services reflect current scientific and administrative knowledge.
3. To provide technical consultation and education for health professionals so that quality of maternal and child health program services is assured.
4. To monitor grantees, review local programs, and promote evaluation strategies to assure adherence to standards and quality of programs.

ACCOMPLISHMENTS AND PERFORMANCE INDICATORS:

Since the implementation of the Community Health Services Act of 1976 there has been an extension of maternal and child health services activities into 86 of 87 counties. An analysis of the CY 1982 CHS local plans indicates that on the average, 22.1% of local CHS agency expenditures are in maternal and child health. This increased level of effort by a significant clientele group of this activity has required increased planning and coordination of technical support to these agencies.

Objective No.	Actual F.Y. 1981	Actual F.Y. 1982	Obj/Est F.Y. 1983	Obj/Est F.Y. 1984	Obj/Est F.Y. 1985
1. No. of persons served through Activity/Local Agencies:					
-Title V Grant	25,205	23,000	23,000	23,000	23,000
-Child Health Screening	70,000	70,000	70,000	70,000	70,000
-Hearing & Vision Screening	341,275	337,870	326,300	322,500	322,500
-Genetic Counseling (Patients/families)	172/440	161/435	175/400	175/400	175/400
-Family Planning	30,000	27,000	27,000	25,000	25,000

ACTIVITY: MATERNAL AND CHILD HEALTH SERVICES
(Continuation)

1983-85 Biennial Budget

Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF

Objective No.	Actual F.Y. 1981	Actual F.Y. 1982	Obj/Est F.Y. 1983	Obj/Est F.Y. 1984	Obj/Est F.Y. 1985
-WIC Participants	37,333	38,990	44,000	46,200	46,200
-WIC Vendors (est.)	1,200	1,400	1,800	1,800	1,800
3. No. of Work-shops/Participants:					
-Family Planning	13/195	10/150	12/180	15/225	20/300
-Genetics	21/782	15/598	18/600	20/700	23/800
-Child Health Basic Screening Cont. Ed.	20/300	8/240	8/240	8/240	8/240
-Hearing and Vision	114/1244	87/854	85/900	85/900	85/900
3 No. of Technical Consultations:					
-Family Planning	658	600	700	750	800
-Family Planning Hotline Calls Received	903	1737	2000	2500	3000
-Genetics	532	496	500	500	500
-Child Health Screening	480	480	300	300	300
-Hearing and Vision Screening	1263	1122	1150	1150	1150
-WIC Site Visits	123	180	196	208	220
4. Monitoring/Plans Review:					
-CHS plans	43	-	43	-	43

Objective No.	Actual F.Y. 1981	Actual F.Y. 1982	Obj/Est F.Y. 1983	Obj/Est F.Y. 1984	Obj/Est F.Y. 1985
-Title V Projects Monitored	8	8	9	15	15
-Family Planning Grantees	32	43	43	43	43
-Child Health Screening Agency Reapprovals	42	45	47	49	51
-No. of Local Agencies	45	45	49	52	55

FEDERAL AND OTHER FUNDING:

This activity is funded primarily by WIC (\$19 million in 1984 and 85) and Maternal and Child Health (MCH) Block Grant Funds. The reductions in MCH funds and the removal of federal regulations will require this activity to review and evaluate its focus and methods. This review will be accomplished with substantial involvement from the MCH task force created by the 1982 legislature.

EXPLANATION OF BUDGET REQUEST:

The grant fund request for change level funding in F.Y. 84 (\$65,200) and F.Y. 85 (\$134,000) will permit an inflationary increase of 7% in the family planning grants program. Currently all the state family planning grant funds are awarded to local agencies. This increase would recognize the inflationary and increased service demand pressures on these local service providers. The change level reduction in federal funds reflects the transfer of federal block grant funds to the Local Support Activity consistent with the Department's block grant policies.

GOVERNOR'S RECOMMENDATIONS:

The Governor recommends the same level of funding with the following exceptions:

Adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

An adjustment has also been made to permit a 5% inflation increase each year for family planning grants.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: MATERNAL & CHILD HEALTH SVC

PROGRAM: PREVENTIVE & PERSNL HLTH SV

AGENCY: HEALTH,DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	691.7	729.7	761.5	859.7		859.7	862.6		862.6	859.7	862.6
-REGULAR UNCLASSIFIED	4.9										
-PART-TIME/SEAS./OTHER	10.2										
-PREMIUM PAY											
-OVERTIME PAY	6.3										
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.3										
TOTAL PERSONAL SERVICES	713.4	729.7	761.5	859.7		859.7	862.6		862.6	859.7	862.6
EXPENSES & CONTRACTUAL SERVICES	878.1	808.5	659.6	667.6		667.6	602.8		602.8	667.6	602.8
SUPPLIES & MATERIALS	20.9	48.3	10.7	11.0		11.0	8.2		8.2	11.0	8.2
EQUIPMENT	23.3	.6									
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	19,953.7	18,775.8	21,186.1	22,145.7	240.5-	21,905.2	22,016.0	476.4-	21,539.6	21,886.6	21,500.2
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	21,589.4	20,362.9	22,617.9	23,684.0	240.5-	23,443.5	23,489.6	476.4-	23,013.2	23,424.9	22,973.8
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	1,142.4	952.1	988.1	987.8	65.2	1,053.0	987.8	134.9	1,122.7	1,034.4	1,083.3
SPEC REV/APPORTIONMT		31.9									
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	30.2		34.9	34.9		34.9	34.9		34.9	34.9	34.9
GIFTS AND DEPOSITS		1.5									
FEDERAL	20,416.8	19,377.4	21,594.9	22,661.3	305.7-	22,355.6	22,466.9	611.3-	21,855.6	22,355.6	21,855.6
TOTAL FINANCING	21,589.4	20,362.9	22,617.9	23,684.0	240.5-	23,443.5	23,489.6	476.4-	23,013.2	23,424.9	22,973.8
POSITIONS BY FUND											
GENERAL	7.0	1.0	1.0	1.0		1.0	1.0		1.0	1.0	1.0
SPEC REV/APPORTIONMT	.7	.7	.7	.5		.5	.5		.5	.5	.5
FEDERAL	29.1	32.6	27.8	27.5		27.5	27.0		27.0	27.5	27.0
TOTAL POSITIONS	36.8	34.3	29.5	29.0		29.0	28.5		28.5	29.0	28.5

GRANTS AND AIDS ANALYSIS FOR: FAMILY PLANNING

1983-85 Biennial Budget

Activity: MATERNAL AND CHILD HEALTH SERVICES
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF
Statutory References: MINNESOTA STATUTES 145.925
Purpose:

The state Family Planning Special Project grant program is to improve and expand pre-pregnancy family planning services (including contraceptive and infertility care) to persons in their reproductive years as a means to reduce the number of unplanned/unwanted pregnancies and abortions, reduce the number of high risk pregnancies and births, and increase availability of services to infertile couples.

Recipient Identification and Eligibility Criteria:

Cities, counties, groups of cities or counties and non-profit corporations are eligible to apply for a Family Planning Special Project grant. Grants are awarded on a competitive basis following Department staff evaluation and rating of applications in accordance with the authorizing legislation (MN Stat. 145.925) and the Family Planning Rule (7 MCAR s 1.457) promulgated by the Department. Factors considered in selecting grant recipients include, but are not limited to:

- the probable effectiveness and cost effectiveness of the project
- the equitable distribution of funds statewide
- the extent funds will be used to increase availability and accessibility of services and/or to serve underserved populations
- the extent proposed services are coordinated with other family planning services in the geographic area to be served.

Priority is given to applicants proposing to provide all family planning services in a county with no subsidized family planning services as of December 31, 1978. When equivalent and competing applications are submitted for a geographic area, priority is given to local boards of health.

Criteria and Formulas Determining Amount of Payment to Recipient:

The Family Planning Special Project grant program recognizes the variation among local areas of Minnesota in service needs and costs. Therefore, local agencies submit detailed budgets with the application and the budget is reviewed as it relates to the proposed project and revised as appropriate. Grants are awarded in rank order as funds are available. To encourage previously funded applicants to seek other sources of funding and to assure continuation of a competitive process, maximum award amounts have been set: \$20,000 for new applicants and the amount of previously awarded Family Planning Special Project funds for continuation applicants.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:430-01-14-000-01
	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO CITIES & TOWNS GENERAL	34.9	43.2	78.2	83.7	89.5	82.1	86.2
SUBTOTAL	34.9	43.2	78.2	83.7	89.5	82.1	86.2
G & A TO COUNTIES GENERAL	439.9	346.1	201.1	215.2	230.2	211.2	221.7
SUBTOTAL	439.9	346.1	201.1	215.2	230.2	211.2	221.7
G & A OTHER GOVT ORGNZTNS GENERAL	38.9	53.9	95.9	102.6	109.8	100.7	105.8
SUBTOTAL	38.9	53.9	95.9	102.6	109.8	100.7	105.8
G & A TO NONGOVT ORGNZTNS GENERAL	370.4	455.8	555.8	594.7	636.4	583.6	612.8
SUBTOTAL	370.4	455.8	555.8	594.7	636.4	583.6	612.8
ALL RECIPIENTS BY FUND GENERAL	884.1	899.0	931.0	996.2	1,065.9	977.6	1,026.5
TOTAL	884.1	899.0	931.0	996.2	1,065.9	977.6	1,026.5

GRANTS AND AIDS ANALYSIS FOR: FAMILY PLANNING
(Continuation) 1983-85 Biennial Budget
Activity: MATERNAL AND CHILD HEALTH
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency : HEALTH, DEPARTMENT OF

Significant Statistics:

	Actual F.Y. 1981	Actual F.Y. 1982	Est. F.Y. 1983	Est. F.Y. 1984	Est. F.Y. 1985
Number of grants awarded	30	43	43	43	43
Average amount of expenditure	29,470 (actual)	20,906 (actual)	21,651 (est.)	23,163 (est.)	23,163 (est.)
Number of counties with no service as of December 31, 1982 now served	7	7	7	7	7
Number of persons served	42,111	42,111	42,111	42,111	42,111
Average FPSP funds expended per person served	20	21	22	24	25
Average expenditure per person served*	71	71	74	74	74

* Assumes no change level in funding from non-FPSP sources

Approved applications for CY 1981 and CY 1982-83 and 1981 Annual Reports submitted to date are the sources for the above estimates.

Explanation of Agency Estimates:

The original annual appropriation of 1.1 million in F.Y. 1979 has been reduced to the current annual level of \$931,000. The impact of this change has been compounded by inflation. Currently there are no FPSP funds allocated for the Department activities, all projects are operational, and many are expending their 1982 award at a 100% level. Continued funding with a 7% inflation factor is necessary to minimally maintain this preventive health program designed to meet locally determined needs. The general fund change request represents a 7% inflation factor in each year of the biennium.

Governor's Recommendations

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, the inflation increase has been adjusted to 5%.

GRANTS AND AIDS ANALYSIS FOR: SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS AND CHILDREN (WIC) 1983-85 Biennial Budget

Activity: MATERNAL AND CHILD HEALTH SERVICES

Program: PREVENTIVE AND PERSONAL HEALTH SERVICES

Agency: HEALTH, DEPARTMENT OF

Statutory References: CHILD NUTRITION ACT OF 1966 AND AMENDMENTS OF 1978, PUB.L. 92-267, STAT. 3603 ET. SEQ.

Purpose:

To provide supplemental foods and nutrition education through local agencies to eligible persons in order to prevent the occurrence of nutrition related health problems and to improve the health status of these persons.

Recipient Identification and Eligibility Criteria:

Grants are available to local public health or private non-profit health or service agencies which provide health services, either directly or through contract. In the event two or more agencies apply to administer the program in the same area, the State selects agencies according to the following priority system, based on the ability of health and administrative services.

1. First consideration is given to a public Community Health Services agency which can provide health and administrative services.
2. Second consideration is given to a public or private, non-profit health agency which can provide health and administrative services.
3. Third consideration is given to a public or private, non-profit health or service agency which must enter into a written agreement with another such agency for either health or administrative services.
4. Fourth consideration is given to a public or private, non-profit health agency which must enter into a written agreement with a private physician in order to provide health services to a specific category of participants--women, infants or children, or to participants not eligible for health services at the local agency due to family income which exceeds the standards for health services as established by the local agency.
5. Fifth consideration is given to a public or private, non-profit service agency which must enter into a written agreement with a private physician to provide health services.

In addition, applicant agencies must have the competent professional staff with the capability to perform certification procedures and food package issuance.

In turn, the local agency provides nutrition education and vouchers for specific nutritious foods to eligible participants. Pregnant women, breastfeeding women up to 12 months from delivery, non-breastfeeding women up to 6 months past delivery and

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:430-01-14-000-02
*** DOLLARS IN THOUSANDS (137,522=137.5) ***							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES FY1984	AGENCY ESTIMATES FY1985	RECOMMENDATIONS FY1984	RECOMMENDATIONS FY1985
CARE OF PERSONS FEDERAL	13,719.0	12,234.2	14,620.6	15,455.4	15,437.1	15,455.4	15,437.1
SUBTOTAL	13,719.0	12,234.2	14,620.6	15,455.4	15,437.1	15,455.4	15,437.1
G & A TO CITIES & TOWNS FEDERAL	929.9	1,091.4	1,122.0	1,146.0	1,146.1	1,146.0	1,146.1
SUBTOTAL	929.9	1,091.4	1,122.0	1,146.0	1,146.1	1,146.0	1,146.1
G & A TO COUNTIES FEDERAL	946.1	1,279.9	1,335.1	1,288.4	1,288.5	1,288.4	1,288.5
SUBTOTAL	946.1	1,279.9	1,335.1	1,288.4	1,288.5	1,288.4	1,288.5
G & A OTHER GOVT ORGNZTNS FEDERAL	151.5	189.7	316.0	205.7	205.7	205.7	205.7
SUBTOTAL	151.5	189.7	316.0	205.7	205.7	205.7	205.7
G & A TO NONGOVT ORGNZTNS FEDERAL	418.5	453.8	326.9	525.5	525.7	525.5	525.7
SUBTOTAL	418.5	453.8	326.9	525.5	525.7	525.5	525.7
ALL RECIPIENTS BY FUND FEDERAL	16,165.0	15,249.0	17,720.6	18,621.0	18,603.1	18,621.0	18,603.1
TOTAL	16,165.0	15,249.0	17,720.6	18,621.0	18,603.1	18,621.0	18,603.1

GRANTS AND AIDS ANALYSIS FOR: SPECIAL SUPPLEMENTAL FOOD
(Continuation) PROGRAM FOR WOMEN, INFANTS AND CHILDREN (WIC)^{1983-85 Biennial Budget}
Activity: MATERNAL AND CHILD HEALTH SERVICES
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF

infants and children up to the fifth birthday must meet the following criteria:

1. Residence in an area or member of a special population served by a local WIC agency.
2. Income less than 185% of poverty guidelines.
3. Nutritional risk determined by an evaluation of height and weight measurements, hematocrit or hemoglobin test, dietary evaluation and medical history.

When funds are not available to serve all applicants, participants are selected on the basis of highest nutritional risk.

Criteria and Formulas Determining Amount of Payment to Recipient:

Local agency grants are awarded on the basis of the number and relative nutritional risk of the participants and potential population served. For continuation applications, data on current participants and waiting list applicants is used. For new applications, potential population is defined by the local agency using the most current demographic data. Nutritional risks of the potential population is defined by the rank of the county to be served on the Affirmative Action Plan of the WIC State Plan of Program Operation and Administration.

The nutritional education and supplemental foods received by the participant are determined individually by a competent health professional based on each participant's nutritional need. Federal regulation sets the maximum amount of foods that may be issued to each category of participant.

Significant Statistics:

	Actual F.Y. 1981	Actual F.Y. 1982	F.Y. 1983 Est.	F.Y. 1984 Est.	F.Y. 1985 Est.
Local Agency Grantees	45	45	49	52	55
Number of Counties Served	65	65	68	70	72
Number of Participants Served Annually	448,003	465,135	554,400	554,400	554,400
Average Food Cost per Month per Participant	\$27.83	\$26.20	\$27.75	\$29.69	\$31.77

Explanation of Agency Estimates:

The agency estimates reflect resources needed to provide 10 new local agencies and 89,265 new participants funding and services in F.Y. 1983 through F.Y. 1985. In addition, an inflationary factor of 6% was used for food cost for F.Y. 1983, and 7% for F.Y. 1984 and F.Y. 1985. It is assumed that funding for F.Y. 1984 and F.Y. 1985 will remain at F.Y. 1983 level. Funds available will depend on final congressional appropriations.

Governor's Recommendation:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: MATERNAL AND CHILD HEALTH - BLOCK GRANTS 1983-85 Biennial Budget

Activity: MATERNAL AND CHILD HEALTH
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF
Statutory References: TITLE V SOCIAL SECURITY ACT SEC 501-509 M.S. 145.88

Purpose:

The federal Maternal and Child Health Block Grant, Title V, SSA is for the purpose of enabling each State:

1. To assure mothers and children (in particular those with low income or with limited availability of health services) access to quality maternal and child health services.
2. To reduce infant mortality and the incidence of preventable diseases and handicapping conditions among children, to reduce the need for in-patient and long-term care services, to increase the number of children (especially preschool children) appropriately immunized against disease and the number of low income children receiving health assessments and follow-up diagnostic and treatment services, and otherwise to promote the health of mothers and children (especially by providing preventive and primary care services for low income children, and prenatal, delivery, and postpartum care for low income mothers).
3. Provide rehabilitation services for blind and disabled individuals under the age of 16 receiving benefits under Title XVI of the Act (SSI).
4. Provide services for locating, and for medical, surgical, corrective, and other services, and care for, and facilities for diagnosis, hospitalization, and after-care for, children who are crippled or who are suffering from conditions leading to crippling.

Recipient Identification and Eligibility Criteria:

Part of the federal block grant funds are distributed to support specific projects of local and regional health agencies including units of government and voluntary organizations. Current projects are located in areas of concentrated maternal and child health risk and managed in keeping with state-established standards. Consistent with the Department's Block Grant policies, eligibility criteria will be reviewed and revised as appropriate for implementation in calendar year 1984.

Criteria and Formulas Determining Amount of Payment to Recipient:

State Statute requires that "the maternal and child health block grant shall be distributed to the same recipients that received funds during the previous year until July 1, 1983. A reduction in federal funding shall be distributed to reflect a proportional reduction for each recipient."

A statutory advisory task force has been convened to advise the Commissioner on a "process to distribute, award, and administer the maternal and child health block grant funds after July 1, 1983."

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:430-01-14-000-03	
	ACTUAL FY1981	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * * ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES FY1984	FY1985	RECOMMENDATIONS FY1984	FY1985
G & A TO CITIES & TOWNS FEDERAL	1,821.4	1,803.9	1,496.6	1,309.6	1,122.5	1,309.6	1,122.5
SUBTOTAL	1,821.4	1,803.9	1,496.6	1,309.6	1,122.5	1,309.6	1,122.5
G & A TO COUNTIES FEDERAL	18.6	49.1	40.0	34.9	30.0	34.9	30.0
SUBTOTAL	18.6	49.1	40.0	34.9	30.0	34.9	30.0
G & A TO SCHOOL DISTRICTS FEDERAL	2.6						
SUBTOTAL	2.6						
G & A TO NONGOVT ORGNZTNS FEDERAL	869.9	519.3	824.1	794.7	681.1	794.7	681.1
SUBTOTAL	869.9	519.3	824.1	794.7	681.1	794.7	681.1
ALL RECIPIENTS BY FUND FEDERAL	2,712.5	2,372.3	2,360.7	2,139.2	1,833.6	2,139.2	1,833.6
TOTAL	2,712.5	2,372.3	2,360.7	2,139.2	1,833.6	2,139.2	1,833.6

GRANTS AND AIDS ANALYSIS FOR: MATERNAL AND CHILD HEALTH - 1983-85 Biennial Budget
 (Continuation) BLOCK GRANTS
 Activity: MATERNAL AND CHILD HEALTH
 Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
 Agency: HEALTH, DEPARTMENT OF

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

Significant Statistics:

	<u>Actual</u> <u>F.Y. 1981</u>	<u>Actual</u> <u>F.Y. 1982</u>	<u>Est.</u> <u>F.Y. 1983</u>	<u>Est.</u> <u>F.Y. 1984</u>	<u>Est.</u> <u>F.Y. 1985</u>
* Number of Projects					
Number of Persons Served	10	11	11	*	*
Women receiving comprehensive health services	1,900	2,600	2,600	2,275	1,950
Children receiving comprehensive health services	6,400	7,700	7,700	6,738	5,775
Children served by comprehensive dental health project	1,200	1,800	1,800	1,575	1,350
Persons receiving comprehensive family planning	3,800	4,100	4,100	3,578	3,075
Families counseled for Sudden Infant Death Syndrome	250	250	250	219	188
Adolescent health project enrollees	0	1,900	1,900	1,663	1,405

Explanation of Agency Estimates:

This description assumes that the level of federal resources available in F.Y. 1984 and F.Y. 1985 will be at the same level as F.Y. 1982 and F.Y. 1983. It recognizes a growing demand for more resources by more agencies to provide maternal and child health services resulting in approval of new projects. The above statistics assume that current projects will be reduced to 75% of their calendar year 1983 funding level effective January 1, 1984.

GRANTS AND AIDS ANALYSIS FOR: SCHOOL CLINIC

1983-85 Biennial Budget

Activity: MATERNAL AND CHILD HEALTH SERVICES
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF
Statutory References: PUBLIC HEALTH SERVICES (PHS) ACT, SECTION 330
Purpose:

Federal funds through PHS 330 are granted to states and outstate jurisdictions for projects intended to provide primary care to underserved populations.

Recipient Identification and Eligibility Criteria:

Through federal policy, funding was made available to state health agencies to "convert" Title V, SSA Maternal and Child Health projects into projects serving a broader clientele than mothers and children. The Minnesota project in Saint Paul was thus federally selected and funded through the Minnesota Department of Health. The project consisted of the establishment of a clinic at Como High School to provide comprehensive health services and health education to students and their families.

Criteria and Formulas Determining Amount of Payment to Recipient:

The amount of the grant award was federally determined and is made on the Federal Fiscal Year.

Significant Statistics:

	<u>Actual</u> <u>F.Y. 1981</u>	<u>Actual</u> <u>F.Y. 1982</u>	<u>Est.</u> <u>F.Y. 1983</u>	<u>Est.</u> <u>F.Y. 1984</u>	<u>Est.</u> <u>F.Y. 1985</u>
Persons Served	1,245	1,695	564	0	0

Explanation of Agency Estimate:

Federal funding for the project was terminated on September 30, 1982. However, the local administering agency was able to find alternative funding, so the site is still operational.

<u>HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:</u>							REF:430-01-14-000-05
	<u>ACTUAL</u> <u>FY1981</u>	<u>ACTUAL</u> <u>FY1982</u>	<u>ESTIM.</u> <u>FY1983</u>	<u>AGENCY ESTIMATES</u>		<u>RECOMMENDATIONS</u>	
				<u>FY1984</u>	<u>FY1985</u>	<u>FY1984</u>	<u>FY1985</u>
G & A TO NONGOVT ORGNZTNS							
FEDERAL	108.2	97.2	25.0				
SUBTOTAL	108.2	97.2	25.0				

ALL RECIPIENTS BY FUND							
FEDERAL	108.2	97.2	25.0				
TOTAL	108.2	97.2	25.0				

GRANTS AND AIDS ANALYSIS FOR: GENETIC SERVICES 1983-85 Biennial Budget

Activity: MATERNAL AND CHILD HEALTH SERVICES
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency : HEALTH, DEPARTMENT OF
Statutory References: TITLE V SSA, 1935 AS AMENDED BY OMNIBUS RECONCILIATION ACT OF 1981,
Purpose: PL97-35

The purpose of this collaborative project between the Department of Health and the University of Minnesota is to maintain the accessibility, availability and use of diagnostic, management and counseling services for patients and families with genetic conditions by means of outreach staff and clinics and to provide educational programs for health professionals and the lay public.

Recipient Identification and Eligibility Criteria:

The final recipient of these funds is the Minnesota Genetic Services Program, Department of Medicine, University of Minnesota.

This recipient is federally selected with funding administered through the Minnesota Department of Health.

Criteria and Formulas Determining Amount of Payment to Recipient:

The amount of the grant award is federally determined and is made on the Federal Fiscal Year.

Significant Statistics:

	Actual F.Y. 1981	Actual F.Y. 1982	Est. F.Y. 1983	Est. F.Y. 1984	Est. F.Y. 1985
Number of Clinics	74	81	81	20	0
Number of Patients	264	318	330	82	0

Explanation of Agency Estimates:

Current federal policy requires termination of this funding source effective in F.Y. 1984. It is assumed by the Department that a core of services will be maintained and supported by alternate resources.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:430-01-14-000-06
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A OTHER GOVT ORGNZTNS							
FEDERAL	83.9	158.3	148.8	148.8	37.0	148.8	37.0
SUBTOTAL	83.9	158.3	148.8	148.8	37.0	148.8	37.0

ALL RECIPIENTS BY FUND							
FEDERAL	83.9	158.3	148.8	148.8	37.0	148.8	37.0
TOTAL	83.9	158.3	148.8	148.8	37.0	148.8	37.0

ACTIVITY: SERVICES FOR CHILDREN WITH HANDICAPS 1983-85 Biennial Budget
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency: HEALTH, DEPARTMENT OF

ACTIVITY DESCRIPTION:

The purpose of this activity is to assure the identification, diagnosis and treatment of children with handicapping conditions caused by birth defects, congenital cardiac lesions, hereditary disease, or chronic diseases such as diabetes, cystic fibrosis or cancer. Services for Children with Handicaps (SCH) provides 300 field clinics serving 87 counties and arranges for diagnostic and treatment services in medical centers and/or further health and social services necessary for the habilitation of about 12,000 children known to SCH. SCH offers leadership in establishing guidelines and services as a model for a system of multi-specialty care for children with handicaps.

The activity manages an interdisciplinary staff including nurses, social workers, nutritionists, and speech and hearing clinicians who coordinate the case findings, diagnosis, treatment, and follow-up services. These professionals examine and/or counsel children/families at scheduled field clinics or home visits and provide in-service training and case consultation to local health and social service professionals in schools. The activity provides reimbursement for costs of care for eligible children with handicapping conditions, including special programs for children requiring somatotropin due to growth deficiency, and individuals over 21 years of age with cystic fibrosis and hemophilia. In addition, the activity administers the Regional Cardiac Program, a federally funded project of national significance which maintains a regional pediatric cardiac care registry through a regional cardiac care institution and maintains a cardiac case finding/follow-up program in North and South Dakota.

The activity plans, manages and coordinates the internal and external relationships essential to assure quality care for this population of children, and maintains accountable, efficient operations consistent with current health care systems management including specialized diagnostic and treatment services under contractual arrangements with medical, surgical, dental and other professionals who participate in the field clinics.

Through a contractual relationship with Gillette Children's Hospital the activity reimburses for the cost of care of children with complex or multiple handicaps whose families cannot afford the full expense. Part of the state appropriation for the treatment of children with handicaps has supported this contractual relationship since 1975 when Gillette Hospital became a quasi-state hospital with its own Governor-appointed Board of Directors. Financial eligibility for the state support for cost of care at Gillette Hospital is the same as for other SCH authorized treatment.

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY OBJECTIVES:

The administration of a coordinated and comprehensive quality health program for children suspected of having, or having a developmental or physical handicap to assure the fullest recovery or development possible.

1. Provide diagnostic evaluation and follow-along specialty care for 6,500 children in 300 field clinics serving 87 counties in Minnesota.
2. Authorize specialized medical, surgical, dental and rehabilitative treatment for about 2,500 medically and financially eligible children under 21 years of age in medical centers or specialists offices, paid in part by SCH, insurance companies, Title XIX and/or the family.
3. Assure follow-up services, counseling and referral for patients and their families to resolve health-related emotional and social problems through individual or group methods.
4. Provide 400 technical consultations to county and voluntary health and welfare agencies upon their request; provide 100 educational in-service sessions to local professionals involved with handicapped children.
5. Manage and coordinate the voluntary scoliosis screening program in schools which provide screening for approximately 70 percent of Minnesota children in grades 5 through 9.
6. Provide special treatment services payments for persons 21 years or older with hemophilia, cystic fibrosis, and growth hormone deficiencies requiring somatotropin.
7. Extend integrated services for children with handicaps by the development of diagnostic resources in collaboration with local and regional education agencies.
8. Administer the state appropriation for treatment services at the Gillette Children's Hospital through a contract which reimburses care of eligible children.
9. Administer the federally funded Regional Cardiac Program providing case finding and follow-up care for infants and children with cardiac lesions in North and South Dakota and maintains a regional cardiac registry through a cardiac center.
10. Operationalize an efficient on-line medical record management system compatible with the SCH management information system and other automated data resources.

ACTIVITY: SERVICES FOR CHILDREN WITH HANDICAPS
 (Continuation)
 Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
 Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

ACCOMPLISHMENTS AND PERFORMANCE INDICATORS:

Objective No.	Actual F.Y. 1981	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
1a Number of patient visits to clinics:					
Pediatric Ortho & Cardiac	617	288			
Comprehensive Regional	N/A	1,066			
Pediatric Orthopedic	3,056	1,771			
Speech, Hearing, ENT	682	626			
Cardiac	518	519			
Facial/Dental	487	504			
School Diagnostic	57	71			
Special Clinics	735	737			
Speech & Hearing	1,072	811			
ENT	173	150			
	<u>7,397</u>	<u>6,543</u>	6,500	6,500	6,500
1b Total clinics held	314	300	300	300	300
1c Number of consultants in field clinics	1,200	1,250	1,250	1,250	1,250
2a Number of children treated with SCH funds	2,700	2,425	2,400	2,400	2,400
3 Staff services and consultations:					
Field Clinic Counseling	7,397	6,000	6,000		
Home and Office Visits	638	599	600		
Agency Consultations	478	405	400		
Workshops	32	27	25		
In-services	154	94	90		
4 Percent of children screened for scoliosis	75	80	80	80	80
5 Regions served by special education diagnostic program	4	4	5	5	5
6 Number of eligible children treated at Gillette	3,000	2,900	2,900	2,900	2,900

RECENT BUDGET HISTORY:

The reduction in the Federal Block Grant funds and State funds available for this activity have reduced the number of children treated in F.Y. 1981 by 10 percent, professional services to families by 27 percent, and technical consultation/training services by 21 percent. In F.Y. 1981, the SCH funds represented 48 percent of the cost of care for eligible children; in F.Y. 1982 (preliminary figures), SCH funds represent 52-55 percent of the cost of care, indicating a trend toward a greater degree of under insurance/no insurance status among eligible families. The average cost per child from SCH funds of reimbursed medical care was \$653.00 in F.Y. 1981.

EXPLANATION OF BUDGET REQUEST:

The change level request for this activity represents a 10 percent inflation allowance for medical care costs. All State funds are expended for treatment as opposed to program administrative costs which are paid with Federal funds.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: SVC TO CHILDREN WITH HNDPCS

PROGRAM: PREVENTIVE & PERSNL HLTH SV

AGENCY: HEALTH,DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	1,201.0	1,239.9	1,314.3	1,442.3		1,442.3	1,531.0		1,531.0	1,442.3	1,531.0
-REGULAR UNCLASSIFIED	12.8	5.2									
-PART-TIME/SEAS./OTHER	12.8	4.9									
-PREMIUM PAY											
-OVERTIME PAY	9.8	1.6									
-MISCELLANEOUS PAYROLL		.8									
-OTHER BENEFITS	.2										
TOTAL PERSONAL SERVICES	1,236.6	1,252.4	1,314.3	1,442.3		1,442.3	1,531.0		1,531.0	1,442.3	1,531.0
EXPENSES & CONTRACTUAL SERVICES	633.3	601.2	439.0	439.1		439.1	439.0		439.0	434.4	429.6
SUPPLIES & MATERIALS	24.1	30.9	49.0	50.8		50.8	47.3	5.3	52.6	50.3	51.5
EQUIPMENT	7.9	.1									
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	3,591.4	3,188.1	2,930.1	2,616.4	263.9	2,880.3	2,533.0	548.9	3,081.9	2,800.3	3,081.9
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	5,493.3	5,072.7	4,732.4	4,540.6	263.9	4,812.5	4,550.3	554.2	5,104.5	4,807.3	5,094.0
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	2,630.1	2,661.5	2,639.0	2,640.8	263.9	2,904.7	2,642.6	554.2	3,196.8	2,899.5	3,186.3
DEDICATED APPROPRIATIONS:											
GIFTS AND DEPOSITS	7.4	8.9									
FEDERAL	2,855.8	2,402.3	2,093.4	1,907.8		1,907.8	1,907.7		1,907.7	1,907.8	1,907.7
TOTAL FINANCING	5,493.3	5,072.7	4,732.4	4,540.6	263.9	4,812.5	4,550.3	554.2	5,104.5	4,807.3	5,094.0
POSITIONS BY FUND											
FEDERAL	65.6	62.7	57.1	57.1		57.1	57.1		57.1	57.1	57.1
TOTAL POSITIONS	65.6	62.7	57.1	57.1		57.1	57.1		57.1	57.1	57.1

GRANTS AND AIDS ANALYSIS FOR: SERVICES FOR CHILDREN WITH HANDICAPS (SCH)

1983-85 Biennial Budget

Activity: SERVICES FOR CHILDREN WITH HANDICAPS
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency : HEALTH, DEPARTMENT OF
Statutory References: Laws of Minnesota - 1975 Ch. 409 Sec. 1
Laws of Minnesota - 1977 Ch. 453 Sec. 23-24
Minn. Stat. 250.05 Subd. 6, Minn. Stat. 145.88
Title V Social Security Act Sec. 501-508

Purpose:

These funds reimburse for the care of children with handicaps. The payments are made to hospitals and/or private medical, dental and/or surgical providers throughout Minnesota for authorized treatment/rehabilitative services. Authorizations for payment are made for the identification, diagnosis and treatment of children with handicapping conditions caused by birth defects, congenital heart lesions, hereditary disease, or chronic diseases such as diabetes, cystic fibrosis, or cancer.

Recipient Identification and Eligibility Criteria:

The children for whom payments are made are determined to be financially and medically eligible under Chapter 31, 7MCAR 1.651-1.657 in which criteria are defined and a cost sharing requirement is included. The same rules define the criteria for eligible providers of care which are based upon training and experience in treating children with special needs.

Criteria and Formulas Determining Amount of Payment to Recipient:

Payments for services rendered to eligible children with handicaps by providers of care are made in keeping with the provision of 7MCAR 1.652-1.654, and reflect the rate schedule established by the Department of Public Welfare for Medicaid reimbursements.

Significant Statistics:

The latest complete statistics are for F.Y. 1981 during which Services for Children with Handicaps served approximately 12,500 children for whom approximately 5,000 children had episodes of care paid for, either in part or in full, by the SCH program. On the average, SCH funds paid for about 44% of the authorized care for eligible children; the rest through insurance (55%), Medicaid (less than 1%) and family (less than 1%). Other resources are applied to the cost of care before the Services for Children with Handicaps makes a payment. The average per child cost of care to the SCH Program for eligible children, after other sources are applied, was \$653 in F.Y. 1981. Estimates for F.Y. 1982 indicates that 10% fewer children were provided treatment through the Program due to funding cuts and deferral of services. Indicators point to at least a similar if not an increased demand for reimbursement for costs of care on the basis of financial eligibility during F.Y. 1984 and 1985.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:430-01-15-000-01	
	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
CARE OF PERSONS							
GENERAL	2,366.8	2,354.5	2,359.0	2,622.9	2,913.2	2,622.9	2,913.2
FEDERAL	731.3	450.0	359.8	96.1	7.4	96.1	7.4
SUBTOTAL	3,098.1	2,804.5	2,718.8	2,719.0	2,920.6	2,719.0	2,920.6

ALL RECIPIENTS BY FUND							
GENERAL	2,366.8	2,354.5	2,359.0	2,622.9	2,913.2	2,622.9	2,913.2
FEDERAL	731.3	450.0	359.8	96.1	7.4	96.1	7.4
TOTAL	3,098.1	2,804.5	2,718.8	2,719.0	2,920.6	2,719.0	2,920.6

Explanation of Agency Estimates:

Federal funds in this activity represent a portion of the Maternal and Child Health block grant which requires a total state match of 3 state to 4 federal dollars. All indicators point to a demand for these resources to be equal to or greater than historic demand given the eligibility criteria under which the Program provides for cost of care reimbursements. Demand for these services is sensitive to economic conditions, especially unemployment wherein families have reduced insurance coverage to meet the treatment needs of handicapped children. The cost of care payments are sensitive to inflationary pressures and the change level request for this activity represents a 10% inflation allowance for medical care costs. Continuation of the payments is essential because this resource represents the only Minnesota program specifically focused on the identification and comprehensive treatment needs of children with handicapping conditions in Minnesota.

Governor's Recommendation:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: SERVICES FOR CHILDREN WITH HANDICAPS - FEDERAL REGIONAL PEDIATRIC CARDIAC PROGRAM 1983-85 Biennial Budget
Activity: SERVICES FOR CHILDREN WITH HANDICAPS
Program: PREVENTIVE AND PERSONAL HEALTH SERVICES
Agency : HEALTH, DEPARTMENT OF
Statutory References: Title V Social Security Act Sec. 501-509

Purpose:

A federal discretionary grant to support the Northern Great Plains Regional Cardiac Program, a non-profit voluntary corporation. This program provides field clinic services and a pediatric cardiac registry for upper midwest states with the purpose of establishing an efficient network of cardiac services for children with cardiac lesions in North Dakota, South Dakota, Montana, Alaska and Minnesota.

Recipient Identification:

This has been a project of national and regional significance under federal Maternal and Child Health (MCH) priorities since 1966. It has evolved from a resource to pay for specialized pediatric cardiac care to a program focused on regional early identification of cardiac lesions and a care registry to study the epidemiology of congenital heart lesions and outcomes of cardiac surgery in children in the upper midwest. Funding is based on federal priorities and criteria.

Criteria and Formulas Determining Amount of Payment:

The federal MCH office determines the amount available for this project.

Significant Statistics:

During F.Y. 1980, 1981 and 1982, the Regional Cardiac Program paid for cardiac surgery for 242 children from Alaska, Montana, North Dakota and South Dakota through the cardiac centers at the University of Minnesota and Mayo Clinic. During the same period, the program sponsored field clinics in Montana, North Dakota and South Dakota where 1,100 children were examined by cardiologists from Minnesota cardiac centers.

The cardiac registry has established outcome profiles on every child who has had cardiac surgery and/or a catheterization during this same period. Analysis of this data will be used for epidemiologic and quality assurance purposes.

Explanation of Estimates:

Current levels of funding are anticipated for the next 3 years unless major shifts occur in federal funding patterns.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:430-01-15-000-02
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES FY1984	FY1985	RECOMMENDATIONS FY1984	FY1985
CARE OF PERSONS FEDERAL		.7					
SUBTOTAL		.7					
G & A TO NONGOVT ORGNZTNS FEDERAL	492.6	383.6	211.3	161.3	161.3	161.3	161.3
SUBTOTAL	492.6	383.6	211.3	161.3	161.3	161.3	161.3
ALL RECIPIENTS BY FUND FEDERAL	493.3	383.6	211.3	161.3	161.3	161.3	161.3
TOTAL	493.3	383.6	211.3	161.3	161.3	161.3	161.3

Governor's Recommendations:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

PROGRAM: HEALTH SYSTEMS QUALITY ASSURANCE
Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM PURPOSE:

The purposes of this activity are to protect the health and safety of consumers of health care services, to improve the quality of health care services, and to monitor the costs of health care services.

The program accomplishes its purpose through the development of standards for the protection of patient and resident health and safety in health care facilities; inspection of hospitals, nursing homes, ambulances and other health care facilities and services; provision of technical assistance to health care providers; prospective review of hospital and health maintenance organization rate increases; review of proposed capital expenditures of health care facilities and identification of areas which require regulation to protect the public's health and safety.

PROGRAM DESCRIPTION:

This program is comprised of 3 activities as follows.

The Health Manpower Credentialing activity is designed to review and evaluate human services occupational groups to determine if it is in the public interest for the state to officially recognize the group by some type of credential. Work in this activity has been suspended due to state budget constraints. Groups requiring credentialing will be considered in the legislative process until financial conditions allow this activity to be reinstituted.

The Health Services Quality Assurance activity is directed at improving the quality of services provided to Minnesotans in a variety of health care settings. It provides assistance to health care service providers in improving patient/resident care, provides annual face to face evaluations of Medicaid recipients in long term care facilities and conducts systems development and regulatory functions for emergency medical services and health maintenance organizations. This activity includes: Technical Consultation and Training which provides consultation and training to health professionals, consumers, professional associations and human service agencies; Medical Review which provides reasonable assurance that Medicaid recipients residing in long term care facilities are receiving appropriate levels of care necessitated by their condition; Health Maintenance Organization providing protection for the 550,000 enrollees of 10 Health Maintenance Organizations including quality of care, scope of benefits and common operating standards; Emergency Medical Services which assures both quality and availability of emergency medical care throughout the state; the Office of Health Facility Complaints investigates complaints against health care facilities and issues orders for correction of conditions that are not in compliance with state licensing requirements.

The Health Facilities Regulation activity promotes and protects patients' and residents' well-being through the monitoring and regulation of health care facilities and services which are subject to state licensure or federal certification. The activity provides planning, evaluation, cost control and consultative functions for planned or existing health services as follows: Rate Review collects, analyzes and disseminates information on hospital expenses and revenues and helps to contain operational health care costs; Survey and Compliance accomplishes at least an annual onsite inspection of all certified facilities/services, licensed boarding care homes, supervised living facilities and nonaccredited hospitals to assure quality of care by service providers; Health Facility Planning and Certificate of Need assists in the containment of health care costs related to capital expenditures by evaluating and approving construction and modification proposals; Engineering Services provides plan reviews, rules and standards information, and inspections of health facility construction and remodeling projects to assure compliance with Life Safety Code and State Building Code.

POLICY ISSUES:

The legislature chose to reduce the inspections required in nursing homes from annual to biennial as an alternative to increasing the state portion of the budget. This was done with the understanding that annual inspections would continue to take place under the federal requirements for Medicare and Medicaid certification. There is some indication that those federal requirements will be changed. If that were to occur the budget request for that activity would not allow for inspections on an annual basis.

EXPLANATION OF BUDGET REQUEST:

The budget request for this activity anticipates the same level of activity except for the change requested for \$125,000 each year for funding a state poison information center. Legislation authorizing such a center was passed but state funding has not been available to date to carry out the legislation. Funding for F.Y. 1982 was provided from funds available due to the conversion to federal block grants. Block grant funds for the 1983-85 biennium are included in this budget consistent with the block grant policies included in the Agency Summary, and reflect a transfer of funds from this program to the Local Support activity.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding with the following exceptions:

- 1) Adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.
- 2) The Governor recommends that the Minnesota Poison Information Center be funded with federal preventive health block grant funds.
- 3) The Governor makes no specific recommendations for two advisory committees since by law they are required to sunset as of 6-30-83.

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: HLTH SYSTHS-QUALITY ASSRNC

AGENCY: HEALTH,DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
HEALTH HANDBOOK CREDENTIALS	257.4	2.5									
HLTH SERV QUALITY ASSURANCE	3,164.5	4,707.9	3,861.2	3,099.5	40.1-	3,059.4	3,178.9	40.1-	3,138.8	3,007.0	3,083.9
HEALTH FACILITIES REGULTHS	2,354.1	2,258.3	2,504.6	2,721.3		2,721.3	2,844.4		2,844.4	2,715.1	2,832.7
TOTAL	5,776.0	6,968.7	6,365.8	5,820.8	40.1-	5,780.7	6,023.3	40.1-	5,933.2	5,722.1	5,916.6
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	3,766.4	3,693.0	3,982.4	4,153.8		4,153.8	4,312.2		4,312.2	4,138.6	4,299.0
EXPENSES & CONTRACTUAL SERVICES	655.5	653.9	677.6	793.5		793.5	846.9		846.9	753.2	793.8
SUPPLIES & MATERIALS	20.2	18.6	23.4	27.4		27.4	26.6		26.6	27.3	26.3
EQUIPMENT	6.8	4.0		5.5		5.5				5.5	
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	1,327.1	2,599.0	1,682.4	837.6	40.1-	797.5	837.6	40.1-	797.5	797.5	797.5
OTHER EXP ITEMS		.2									
TOTAL EXPENDITURES	5,776.0	6,968.7	6,365.8	5,820.8	40.1-	5,780.7	6,023.3	40.1-	5,933.2	5,722.1	5,916.6
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	1,760.2	1,330.5	1,506.1	1,557.3	125.0	1,682.3	1,577.6	125.0	1,702.6	1,549.9	1,563.8
TRUNK HIGHWAY	289.6	336.9	370.7	381.9		381.9	386.9		386.9	380.7	384.1
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	2,171.2	2,412.3	2,609.7	2,866.8		2,866.8	3,034.4		3,034.4	2,866.8	3,034.4
FEDERAL	1,555.0	2,889.0	1,879.3	1,014.8	165.1-	849.7	1,024.4	165.1-	859.3	924.7	934.3
TOTAL FINANCING	5,776.0	6,968.7	6,365.8	5,820.8	40.1-	5,780.7	6,023.3	40.1-	5,933.2	5,722.1	5,916.6
POSITIONS BY FUND:											
GENERAL	54.8	37.0	39.0	37.0		37.0	37.0		37.0	37.0	37.0
SPEC REV/APPORTIONMT	113.8	96.6	95.8	91.8		91.8	91.8		91.8	91.8	91.8
TRUNK HIGHWAY	10.0	10.0	9.0	9.0		9.0	9.0		9.0	9.0	9.0
FEDERAL	13.5	9.5	9.5	7.0		7.0	7.0		7.0	6.0	6.0
TOTAL POSITIONS	192.1	153.1	153.3	144.8		144.8	144.8		144.8	143.8	143.8

ACTIVITY: HEALTH MANPOWER CREDENTIALING
Program: HEALTH SYSTEMS QUALITY ASSURANCE
Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

ACTIVITY DESCRIPTION:

The purpose of this activity was to make administrative determinations of whether unregulated human services occupational groups should be regulated; recommend how any necessary regulation should take place consistent with the policy of minimum regulation stated in M.S. § 214.001; and promulgate rules relating to the practices of those occupational groups identified as requiring administrative regulation through a system of registration. An administrative determination was made by the Commissioner after a formal study of the issues concerning regulation of an occupational group, and included input from the public, professional groups and a statutory advisory council. If the determination was that the group should be licensed, rather than administratively registered or not regulated at all, the Commissioner made that recommendation with supporting rationale, to the Legislature.

In July of 1981, as part of a Department-wide budget reduction, this activity was suspended.

EXPLANATION OF BUDGET REQUEST:

No funding is requested for this activity.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for no funding.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: HEALTH MANPOWER CREDENTIALING

PROGRAM: HLTH SYSTMS-QUALITY ASSRNC

AGENCY: HEALTH,DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	209.3	2.5									
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	6.7										
-PREMIUM PAY											
-OVERTIME PAY	.2										
-MISCELLANEOUS PAYROLL	5.4										
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	221.7	2.5									
EXPENSES & CONTRACTUAL SERVICES	35.0										
SUPPLIES & MATERIALS	.6										
EQUIPMENT	.1										
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	257.4	2.5									
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	170.8										
DEDICATED APPROPRIATIONS:											
FEDERAL	86.6	2.5									
TOTAL FINANCING	257.4	2.5									
POSITIONS BY FUND											
GENERAL	8.8	1.0									
FEDERAL	5.0										
TOTAL POSITIONS	13.8	1.0									

ACTIVITY: HEALTH SERVICES QUALITY ASSURANCE
 Program: HEALTH SYSTEMS QUALITY ASSURANCE
 Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY GENERATES	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE	ESTIMATE
NON-DEDICATED REVENUE	F.Y. 1981	F.Y. 1982	F.Y. 1983	F.Y. 1984	F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$ 95.4	\$138.8	\$140.2	\$139.6	\$139.5

ACTIVITY DESCRIPTION:

The activity is directed at improving the quality of services provided to Minnesotans in a variety of settings. It provides assistance to health care service providers in improving patient/resident care, provides annual evaluations of Medicaid recipients in long term care facilities, conducts systems development and regulatory functions for emergency medical services and health maintenance organizations, and provides complaint investigation and regulatory functions for health care providers, facilities and services and for funeral facilities and personnel. This budget level activity is composed of 6 management level activities:

Technical Consultation & Training: This activity provides technical consultation to individuals and groups and provides and/or co-sponsors educational programs for the staffs of health care facilities, which are certified to provide services under Title XIX of the Social Security Act. The purpose is to assist such health care facilities and their staffs to comply with Federal regulations to prevent or correct deficiencies. In addition, information and technical assistance relating to Title XIX Federal regulations is provided to health care practitioners, professional associations, and consumers. This activity also provides training, orientation, and consultation relating to Federal regulations for Title XIX to the Licensing and Certification Services staff.

Medical Review: Annual review of all Medicaid (federal Title XIX) recipients residing in Minnesota long term care facilities is conducted by this activity, under agreement with the Department of Public Welfare (Medicaid reimbursement agency). This activity fulfills the requirements of the Social Security Amendments of 1971 and applicable federal regulation.

The reviews are conducted to reasonably assure that recipients are receiving the quality and quantity of services appropriate to their medical, physical and psychosocial needs. Annual reviews are conducted for more than 35,000 Medicaid recipients in 675 certified facilities. Review summaries and reports are submitted to the facility, to the facility utilization review committee, the Department of Public Welfare and to the Survey and Compliance Section of the Department of Health. These reports relate to individual recommendations for levels of care and recommendations for individual program strengthenings. General statements related to patterns of care based on an aggregate of the individual recommendations are also made. While it is not mandatory that facility staff (or primary physicians) accept the recommendations, a response, indicating that the recommendations have been addressed, is required from all facilities and utilization review committees.

Health Maintenance Organization: This activity assures common operating standards for health maintenance organizations in order that fair equitable competition can be maintained. The activity provides protection for the 550,000 enrollees of 10 health maintenance organizations in the areas of financial stability, quality of care, scope of benefits and other minimum requirements of state law and rules. It has

been claimed by many health observers that HMOs in Minnesota have been an effective contributor to cost control. At the same time Minnesota HMOs have offered comprehensive health benefits, including preventive health services.

Emergency Medical Services: This activity exists to reduce mortality and minimize disability of victims of unforeseen critical illness or injury by improving quality and availability of emergency medical care throughout the state. Responsibilities include the enforcement of Minnesota Statutes 144.801-144.8091 which regulate approximately 300 life support transportation services in Minnesota. Other key activities include administration of federal funds received. Under Section 402C of the Highway Safety Act of 1966 (Public Law 89-564) as amended, which focuses on the pre-hospital delivery of emergency care; and under the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), the Preventive Health and Health Services Block Grant, which focuses on the development of comprehensive regional emergency care systems including the hospital and inter-hospital delivery of emergency care.

Office of Health Facility Complaints(OHFC): This activity is an investigative and regulatory office established under provisions of Minn. Stat. § 144 A.51-144 A.55 (1976) to receive, analyze, investigate, and act upon complaints lodged against licensed Minnesota health facilities, health care providers and administrative agencies. Appropriate regulatory action is taken when violations are found to exist in order to assure the delivery of quality health care to the consumers of Minnesota. The office assists residents of health care facilities in the enforcement of their rights, and works with administrative agencies, health facilities, health care providers, and organizations representing consumers on programs designed to provide information about health facilities to the public and residents of facilities. In addition, as of May 1981, OHFC has assumed responsibility for investigating reports of abuse/neglect of patients or residents in licensed health care facilities in accordance with the Vulnerable Adults Act, Minn. Stat. § 626.557 (1980).

Mortuary Science: This activity provides for the regulation of individuals and facilities in the field of mortuary science. It accomplishes this by submitting recommendations to the Commissioner of Health for licensure of morticians, registration of trainees, and certification of funeral facilities; administratively renewing licenses and certifications; by examinations and by conducting educational sessions on the disposition of the human dead in a sanitary manner.

ACTIVITY OBJECTIVES:

Technical Consultation & Training

1. Respond to all individual requests for consultation relating to Federal regulations for Title XIX of the Social Security Act each fiscal year.
2. Provide 140 educational programs on 20 topics each fiscal year.

ACTIVITY: HEALTH SERVICES QUALITY ASSURANCE

1983-85 Biennial Budget

(Continuation)

Program: HEALTH SYSTEMS QUALITY ASSURANCE

Agency: HEALTH, DEPARTMENT OF

Medical Review

3. Conduct an annual review of all Medicaid recipients in certified long term care facilities within a time-frame established by federal regulation.
4. Provide program activity summary information to health care facilities and other agencies for planning and evaluation purposes and monitor facility responses to recommendations.

Health Maintenance Organization

5. Perform on-site examination of an average of three health maintenance organizations per year pursuant to Minn. Stat. § 62D.14.
6. Approve or disapprove an average of 50 to 60 requests per year for amendments to health maintenance organization contracts and operational procedures.
7. Collect and analyze annual reports from ten certified health maintenance organizations.

Emergency Medical Services (EMS)

8. Ensure the statewide availability of trained personnel through: the approval/reapproval of 50 emergency care training programs for First Responders, Emergency Medical Technicians (EMT), EMT-Intermediates, and paramedics; the certification of (including testing) of 5000 of the above personnel; and the encouragement of EMT level training through the reimbursement of 1300 volunteer ambulance personnel for completing initial and refresher EMT training.
9. Ensure that quality pre-hospital emergency care is available statewide by licensing and inspecting 300 basic life support (BLS) and advanced life support (ALS) ambulance services, including both ground and air services, and by implementing and maintaining local ambulance to hospital radio communications and training personnel in its use statewide, as well as implementing and maintaining regional EMS radio communications in five of the eight EMS regions.
10. Administer a grant program establishing a statewide poison information system, as required by Minn. Stat. § 145.93.
11. Administer federal funds received under the Highway Safety Act of 1966 (Public Law 89-564) as amended. This program focuses on the statewide training of pre-hospital personnel. Administer federal funds received under the Preventive Health and Health Services Block Grant (Public Law 97-35). This program focuses on the development of regional systems of emergency care in Minnesota's eight EMS regions. Provide technical assistance to local Boards of Health regarding the application of EMS Planning Guidelines, and conduct special EMS research studies.

Office of Health Facilities Complaints

12. To monitor existing health care delivery and to assure the continued delivery of quality health care to those patients/residents and consumers of licensed health facilities, health care providers and administrative agencies within the rules and laws of Minnesota.
13. To assist the patients/residents of approximately 83,000 licensed health care beds in the enforcement of their rights under the Minnesota Patient Rights Statute.
14. To work in coordination with county welfare and local law enforcement agencies in the investigation and enforcement of the Vulnerable Adults Act.

Mortuary Science

15. To regulate funeral personnel by means of examinations, licensing, renewal and investigations with special emphasis on interpretation of statutes, rules and regulations pertaining to public health.
16. To carry on a continuing program of information/training in practice and procedures for students, trainees, licensees in funeral service and for the general public as needed.
17. To regulate funeral establishments by means of field inspections and the issuance and renewal of funeral establishment permits to ensure adequate facilities to properly carry on the orderly functions of sanitary disposition of human dead.

ACCOMPLISHMENTS AND PERFORMANCE INDICATORS:

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Obj./Est.	F.Y. 1984 Obj./Est.	F.Y. 1985 Obj./Est.
<u>Technical Consultation & Training:</u>					
No. of requests for consultation	4246	3077	3000	3000	3000
No. of consultation site visits	170	151	150	150	150
No. of requests for consultation from Survey & Compliance Section	384	281	275	275	275
No. of educational programs	188	128	140	140	140
No. of educational topics	18	22	20	20	20
No. of hours of staff training provided	98	72	96	96	96

ACTIVITY: HEALTH SERVICES QUALITY ASSURANCE
 (Continuation)
 Program: HEALTH SYSTEMS QUALITY ASSURANCE
 Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Obj./Est.	F.Y. 1984 Obj./Est.	F.Y. 1985 Obj./Est.
<u>Mortuary Science:</u>					
State Board Examinations	27	53	55	55	55
Reciprocal/Endorsement Examination	6	4	6	8	8
Sub-Registrar Examination	22	42	44	44	44
License Renewals					
Mortician	1403	1373	1358	1348	1343
Funeral Director	178	164	156	148	140
Investigations/Complaints	204	189	150	144	144
Mortuary Science Trainee (MST) original and Renewal	76	87	80	82	85
Meetings - Committee of Examiners	6	6	6	6	6
MST Interviews	152	174	160	164	170
MST Case Reports	2,280	2,610	2,400	2,460	2,550
Establishment Permits					
Original Issuance	27	12	15	15	15
Renewals	500	494	489	485	482
Inspections	244	178	170	170	170

Medical Review: The Foundation for Health Care Evaluation, the designated Professional Standards Review Organization for part of Minnesota, assumed review responsibilities in selected facilities during F.Y. 1981. Review was resumed by this activity in F.Y. 1982. Over 7,000 more reviews were completed in F.Y. 1982 compared to F.Y. 1981 with the same staff complement. This was accomplished in part through using supervisory staff.

Facilities and agencies received review results within two weeks of the exit date. Procedural modifications reduced staff time for completing, copying and filing information. The follow-up system for facility responses resulted in 100% facility response to recommendations.

Health Maintenance Organizations: Since 1973, the HMO Unit has certified and monitored health maintenance organizations with particular emphasis on expanding access to preventive health services. The existence of minimum operating standards in Minnesota has enabled the development of a competitive HMO environment with common rules of operations. Consumers have been assured of reasonably comparable

benefits and operating rules, so that comparison of rates, co-payments, provider preferences, and clinic access can be reliable, competitive variables. Enrollment in Minnesota health maintenance organizations was 65,000 in 1973 and was at 550,000 in July of 1982. Due to this increase in HMO enrollment and expansion of HMO population to new groups, the effort required for examinations mandated under Minn. Stat. § 62D.14 and for the review of requests from HMOs for operational changes has substantially increased.

Office of Health Facility Complaints (OHFC): The responsibility for the Vulnerable Adults Act has consumed the major portion of time by OHFC staff. Reports of abuse/neglect are given top priority and often require immediate on-site investigations. The establishing of policies and procedures was required as well as the development of close working relationships with State and county welfare agencies. Participation in a number of workshops statewide for county personnel and health care providers was also requested and accomplished.

RECENT BUDGET HISTORY

Technical Consultation and Training (TC&T): The number of consultation requests responded to in F.Y. 1982 decreased by 28% from F.Y. 1981. This was due to the loss of all State funds for TC&T activity in July 1981, and the loss of all Title XVIII (Medicare) funds in October 1981. The reduction of these funds meant that TC&T staff could not respond to any requests relating to State statutes, including the Vulnerable Adult Act, the Patients' Bill of Rights, and State licensing regulations for health care facilities. Nor could the TC&T staff respond to any requests relating to certified facilities or agencies under Title XVIII regulations. All such requests were referred to the Survey and Compliance Section.

Education programs increased 24% in F.Y. 1981 from F.Y. 1980 using the revised method of tabulating programs. However, education programs showed a similar decline, 32%, in F.Y. 1982 primarily due to the loss of three TC&T positions resulting from the reduction of federal funding in October 1981. In addition, the loss of a fourth staff person, whose position could not be filled due to a hiring freeze, reduced the capacity of the TC&T activity in providing educational programs. This reduction in available staff and funding also had an impact upon the number of hours of inservice training provided to the Licensing and Certification Services staff which decreased in 1982.

These reversals have resulted in changes in the objectives, their scope, and quantity.

Medical Review: Expenditures in F.Y. 1981 and F.Y. 1982 were reduced in comparison to budget levels available due to positions being held vacant while the Foundation for Health Care Evaluation assumed responsibilities for patient review. Staff were replaced as reviews by Medical Review resumed.

ACTIVITY: HEALTH SERVICES QUALITY ASSURANCE
(Continuation)

Program: HEALTH SYSTEMS QUALITY ASSURANCE
Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Obj./Est.	F.Y. 1984 Obj./Est.	F.Y. 1985 Obj./Est.
<u>Medical Review:</u>					
Reviews timely	100%	100%	100%	100%	100%
No. of Medicaid recipients	26,177	34,377	35,408	36,470	37,564
No. of facilities	608	675	713	740	765
No. of staff positions	34	34	34	34	34
Total Cost Per Review	\$29.72	\$26.57	\$30.14	\$31.31	\$32.53
<u>Health Maintenance Organization:</u>					
No. of HMOs	10	10	10	11	11
Population Enrolled in HMOs (1000s)	520	550	632	727	836
No. of Examinations	2	3	3	3	3
No. of Requests for Operational Changes	36	53	55	60	65
<u>Emergency Medical Services:</u>					
Approved Training Programs	52	56	60	64	68
Certified Pre-hospital personnel:					
-First Responder	2500	3000	3500	4000	4500
-Basic EMTs	5000	5000	7000	7500	8000
-EMT-Intermediate	50	100	150	250	300
-Paramedics	300	500	575	625	675
Volunteer Reimbursement					
-81 hour EMT course	492	542	465	465	465
-24 hour EMT refresher	634	684	750	750	750
Transportation					
License/Inspect Ambulance Services					
-Basic Life Support	261	263	266	268	270
-Advanced Life Support	14	16	18	20	22
<u>Office of Health Facilities Complaints</u>					
Complaints investigated	791	392	400	400	400
Vulnerable Adult Reports Investigated	17	177	200	200	200

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Obj./Est.	F.Y. 1984 Obj./Est.	F.Y. 1985 Obj./Est.
Complaints on hand at end of year	10	5	5	5	5
Vulnerable Adult Reports on hand at end of year	12	2	3	3	3
Average length of time between complaint initiation and resolution	7 days	7 days	7 days	7 days	7 days
Average length of time between Vulnerable Adult Act Report initiation and resolution	4 days	4 days	4 days	4 days	4 days
*Manner in which complaints are concluded:					
Substantiated - in violation	4.2%	6.8%	-	-	-
Partially Substantiated	24.1%	12.3%	-	-	-
Substantiated - no violation	2.2%	2.2%	-	-	-
Substantiated - corrected	3.2%	3.3%	-	-	-
Unsubstantiated	60.0%	63.6%	-	-	-
Undeterminable	5.1%	10.6%	-	-	-
No Action/No Jurisdiction	1.2%	1.2%	-	-	-
Manner in which Vulnerable Adult Reports are concluded:					
Substantiated	26.8%	20.0%	-	-	-
Undeterminable	34.2%	34.3%	-	-	-
False	39.0%	45.7%	-	-	-
No. of Correction Orders	284	221	225	225	225
No. of Uncorrected violations	11	8	8	8	8
No. of hearings held	2	2	2	2	2
*Methods of compiling statistics have been changed to more accurately reflect complaint conclusions, i.e., figures are based on individual allegations rather than on entire cases.					

ACTIVITY: HEALTH SERVICES QUALITY ASSURANCE
(Continuation)

1983-85 Biennial Budget

Program: HEALTH SYSTEMS QUALITY ASSURANCE
Agency: HEALTH, DEPARTMENT OF

Emergency Medical Services: The Minnesota Department of Health as lead agency, received federal grants under the Emergency Medical Services Systems Act of 1973 (Public Law 93-154) as amended, to develop regional systems of emergency care. F.Y. 1982 was the final year of that federal categorical grant program. In order to complete 8 regional systems of emergency care in Minnesota (begun under the categorical program), it will be required to use federal funds received under the Preventive Health and Health Services Block Grant (Public Law 97-35). If Block Grant funds are not available to continue this project, the regional EMS system will not be completed.

Federal funds received by the Department of Health under the Highway Safety Act (Public Law 89-564) as amended, were reduced for Federal F.Y. 1983. This reduction resulted in the loss of 1 field staff position.

Office of Health Facility Complaints: Despite a reduction in staff from the previous 6 professionals to the current 3, including the director and 2 investigators, no significant backlog of investigations has occurred. However, it has become necessary to screen complaints more carefully and to provide more assistance to consumers by telephone. Although fewer cases are being received for investigation, it is important to note that the number of violations of state licensing regulations issued has actually increased in proportion to the complaints and Vulnerable Adult Act Reports investigated.

EXPLANATION OF BUDGET REQUEST:

A change level request for \$125,000 per year for the biennium is requested for statewide poison information services. Since the poison information appropriation in the F.Y. 1982 and F.Y. 1983 budgets was cancelled, inclusion of poison information services in this biennial budget constitutes an activity change level.

There are an estimated 120,000 poisonings per year in Minnesota. Most of these are accidental poisonings occurring among young children, making poisoning the most common form of pediatric emergency other than physical injury. An effective statewide poison information center will prevent the occurrence of many pediatric poisonings, minimize the effects of poisonings that do occur and serve as a resource for health professionals throughout the state in the area of the appropriate treatment and referral of poison cases.

The \$125,000 per year requested will provide partial funding to the designated Minnesota Poison Information Center (MPIC). Total annual operating costs for a statewide poison information center are approximately \$300,000 to \$500,000. Of this, \$125,000 would come from the General Fund and the remainder would come from other sources, primarily from local contributions and private sources. This partial state support of the MPIC is considered necessary to assure the continued operation of a statewide poison information center.

The change level reduction in federal funds reflects the transfer of federal block grant funds to the Local Support activity consistent with the Department's federal block grant policy discussed in the Agency Summary.

GOVERNOR'S RECOMMENDATIONS:

The Governor recommends the same level of funding rather than the agency's change level for this activity. Additionally, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

The Governor recommends that the Minnesota Poison Information Center be funded with federal block grant funds by reallocating dollars allocated to other agency operations in the request. Reallocations are recommended as follows: Medical Labs (\$55.0 annually); Health Services Quality Assurance - EMS (\$50.0 annually); Health Information (\$20.0 annually). The Governor makes no specific recommendations for the Mortuary Science Examining Advisory Committee since by law it is required to sunset as of 6-30-83.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: HLTH SERV QUALITY ASSURANCE

PROGRAM: HLTH SYSTMS-QUALITY ASSRNC

AGENCY: HEALTH,DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	1,437.0	1,552.1	1,716.8	1,785.3		1,785.3	1,846.6		1,846.6	1,784.6	1,845.9
-REGULAR UNCLASSIFIED	66.4	79.2	4.6								
-PART-TIME/SEAS./OTHER	32.3	33.9	19.0	12.5		12.5	10.5		10.5		
-PREMIUM PAY											
-OVERTIME PAY	1.4	1.4									
-MISCELLANEOUS PAYROLL	1.5	3.9									
-OTHER BENEFITS	.3										
TOTAL PERSONAL SERVICES	1,538.9	1,670.5	1,740.4	1,797.8		1,797.8	1,857.1		1,857.1	1,784.6	1,845.9
EXPENSES & CONTRACTUAL SERVICES	425.0	418.5	418.4	439.9		439.9	461.0		461.0	400.8	417.6
SUPPLIES & MATERIALS	17.3	15.8	20.0	24.2		24.2	23.2		23.2	24.1	22.9
EQUIPMENT	6.2	4.0									
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	1,177.1	2,599.0	1,682.4	837.6	40.1-	797.5	837.6	40.1-	797.5	797.5	797.5
OTHER EXPENSE ITEMS		.1									
TOTAL EXPENDITURES	3,164.5	4,707.9	3,861.2	3,099.5	40.1-	3,059.4	3,178.9	40.1-	3,138.8	3,007.0	3,083.9
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	663.5	461.1	504.0	487.9	125.0	612.9	490.4	125.0	615.4	486.7	488.3
TRUNK HIGHWAY	289.6	336.9	370.7	381.9		381.9	386.9		386.9	380.7	384.1
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	805.1	1,129.8	1,240.1	1,318.5		1,318.5	1,388.1		1,388.1	1,318.5	1,388.1
FEDERAL	1,326.3	2,780.1	1,746.4	911.2	165.1-	746.1	913.5	165.1-	748.4	821.1	823.4
TOTAL FINANCING	3,164.5	4,707.9	3,861.2	3,099.5	40.1-	3,059.4	3,178.9	40.1-	3,138.8	3,007.0	3,083.9
POSITIONS BY FUND											
GENERAL	20.0	12.0	12.0	10.0		10.0	10.0		10.0	10.0	10.0
SPEC REV/APPORTIONMT	46.8	45.3	44.8	43.8		43.8	43.8		43.8	43.8	43.8
TRUNK HIGHWAY	10.0	10.0	9.0	9.0		9.0	9.0		9.0	9.0	9.0
FEDERAL	3.5	3.5	5.0	3.0		3.0	3.0		3.0	2.0	2.0
TOTAL POSITIONS	80.3	71.3	70.8	65.8		65.8	65.8		65.8	64.8	64.8

GRANTS AND AIDS ANALYSIS FOR: EMERGENCY MEDICAL SERVICES (EMS) 1983-85 Biennial Budget

Activity: HEALTH SERVICES QUALITY ASSURANCE
Program: HEALTH SYSTEMS QUALITY ASSURANCE
Agency : HEALTH, DEPARTMENT OF
Statutory References: Highway Safety Act of 1966 (P.L. 89-564) as amended
Emergency Medical Services Systems Act of 1973 (P.L. 93-154) as amended
Public Health Services Act Title XIX Part A Sec. 501-509
Minnesota Poison Information Center Act (Minn. Stat. Sec. 145.93)

Purpose:

Highway Safety Act of 1966 (P.L. 89-564) as amended

The purpose of the EMS component of the Highway Safety Act is to reduce death and disability from medical emergencies (especially those related to traffic accidents) by improving pre-hospital emergency care. Motor vehicle injuries are the leading cause of death and injury among persons aged 1 to 45. There is strong evidence that a significant portion of the motor vehicle deaths currently occurring could be prevented through improvements in pre-hospital emergency medical care.

Emergency Medical Services Systems Act of 1973 (P.L. 93-154) as amended
Public Health Services Act Title XIX Part A Sec. 501-509

The purpose of these grant programs is to develop regional systems of emergency care in each of Minnesota's 8 EMS regions. The development of regional systems of emergency care includes the development and coordination of resources in the pre-hospital, in-hospital, and inter-hospital components of an EMS system.

The desired outcome of these efforts is a reduction in death and disability due to medical emergencies. Deaths due to medical emergencies (e.g., trauma, cardiac arrest) are among the leading causes of death. Trauma is the leading cause of death among persons aged 1 to 45 and heart disease is the leading cause of death among persons 45 and older. There is strong evidence that many of these deaths could be prevented through improvements in the delivery of emergency care.

Minnesota Poison Information Center Act (Minn. Stat. § 145.93)

The purpose of this grant program is to provide for the needs of the citizens of the state for information relating to the prompt identification and appropriate home management or referral of cases of human poisoning, by establishing a single poison information center, organized to provide statewide information and education services to the public and to health professionals. There are an estimated 120,000 poisonings per year in Minnesota. Most of these are accidental poisonings occurring among children younger than 6 years of age, making poisoning the most common non-traumatic pediatric emergency. An effective poison information center will prevent the occurrence of many pediatric poisonings, minimize the effects of poisonings that occur, and serve as a resource for health professionals throughout the State in the area of appropriate treatment and referral of poison cases.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:430-02-22-000-01	
	ACTUAL FY1981	* * * ACTUAL FY1982	ESTIM. FY1983	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *		RECOMMENDATIONS	
				AGENCY ESTIMATES FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES GENERAL FEDERAL	127.7	262.8	77.0	125.0	125.0	125.0	125.0
SUBTOTAL	127.7	262.8	77.0	125.0	125.0	125.0	125.0
G & A TO SPECIAL DISTRICTS FEDERAL	458.8	666.1	483.7	150.0	150.0	150.0	150.0
SUBTOTAL	458.8	666.1	483.7	150.0	150.0	150.0	150.0
G & A TO NONGOV'T ORGNZTNS FEDERAL	440.6	1,533.9	974.2	375.0	375.0	375.0	375.0
SUBTOTAL	440.6	1,533.9	974.2	375.0	375.0	375.0	375.0
ALL RECIPIENTS BY FUND GENERAL FEDERAL	1,027.1	2,462.8	1,534.9	125.0 525.0	125.0 525.0	650.0	650.0
TOTAL	1,027.1	2,462.8	1,534.9	650.0	650.0	650.0	650.0

Recipient Identification and Eligibility Criteria:

Highway Safety Act of 1966 (P.L. 89-564) as amended

Between 1969 and 1978, highway safety funds were made available to local units of government as final recipients, to purchase ambulance vehicles, light rescue vehicles, rescue equipment, and EMS radio communications equipment. In F.Y. 1982 a special award was made to the metropolitan region, through the Metropolitan Council, to purchase a regional EMS radio communications systems for metro east, based upon a commitment initially made in 1977. All equipment was required to meet state regulatory standards. Funds are no longer available for grants to local units of government.

Emergency Medical Services Systems Act of 1973 (P.L. 93-154) as amended
Public Health Services Act Title XIX Part A Sec. 501-509

Between 1975 and 1982, \$5,385,100 was received in Minnesota to develop regional EMS systems in 8 regions of the state. Under this program, grants have been received by regional entities such as Health Systems Agencies, Regional Development Commissions and special not-for-profit corporations, with the Department of Health acting as lead agency and fiscal manager. In some cases regional entities sub-contracted portions of their allocations to local units of government.

GRANTS AND AIDS ANALYSIS FOR: EMERGENCY MEDICAL SERVICES
(Continuation) 1983-85 Biennial Budget
Activity: HEALTH SERVICES QUALITY ASSURANCE
Program: HEALTH SYSTEMS QUALITY ASSURANCE
Agency: HEALTH, DEPARTMENT OF

Minnesota Poison Information Center Act (Minn. Stat. § 145.93)

Each year the Commissioner gives reasonable public notice of the availability of state or federal funds available under this law. After consulting with a statutory advisory council, the Commissioner of Health selects as grantee a nonprofit corporation or unit of government which applies for the moneys and best fulfills the statutory criteria.

Criteria and Formula Determining Amount of Payment to Recipient:

Highway Safety Act of 1966 (P.L. 89-564) as amended

Grants were made to local units of government based upon the actual cost of the equipment purchased. Localities were required to provide 50% cash match. The metropolitan 1982 project was funded at a 100% federal level because the equipment was regional in nature, and therefore, would not belong to any 1 local unit of government.

Emergency Medical Services Systems Act of 1973 (P.L. 93-154) as amended
Public Health Services Act Title XIX Part A Sec. 501-509

Under this federal program, competitive grants were awarded to regional entities, through the Department of Health as fiscal manager, for up to a total of 5 years. Grants were awarded based upon a plan that addressed 15 mandatory program elements and 7 clinical categories. The average cost of a system was \$1.5 to \$1.75 million, based upon the national experience over the 5 year period. Continuation grants will be awarded on a prorated basis depending upon the total amount of federal funds available and consistent with the Department's block grant policies. The award of grants for F.Y. 1984 and 1985 will be based upon plans submitted by regional entities, which address EMS program elements such as trained personnel, radio communications, transportation, public involvement, coordination with public safety agencies, and system management.

Minnesota Poison Information Center Act (Minn. Stat § 145.93)

Grants to a medical center for poison information were awarded according to the amount of grant money available and met only a portion (4% to 20%) of the actual operating expenses incurred. The total annual cost of operating a poison information center is approximately \$400,000. The designated center has been responding to approximately 50,000 telephone poison consultations per year.

Significant Statistics:

Deaths due to medical emergencies account for a major portion of all deaths in Minnesota. Accidental death is the fourth leading cause of death overall in Minnesota and is the leading cause of death among persons aged 1 to 34. Motor vehicle related deaths are a major component of accidental deaths. Each year since 1976 more than 43,000 persons have been injured and more than 750 have been killed as a result of motor vehicle accidents in Minnesota. However, because of improvements in pre-hospital emergency care and other traffic safety measures, the fatality rate per 100 million vehicle miles traveled in Minnesota has been reduced to 2.67, compared to the national average rate of 3.29.

Minnesota 1981 Traffic Toll Compared with 1976-1980 Average

	1976-80 Average	1981
Deaths	878	763
Injuries	46,389	43,739
Crashes	115,844	97,879
Registered Motor Vehicles (millions)	2.92	3.09
Licensed Drivers (millions)	2.64	2.77
Vehicle Miles Traveled (billions)	28.3	28.6
Fatality Rate Per 100 Million Vehicle Miles Traveled	3.10	2.67

Source: Motor Vehicle Crash Data, Mn. Dept. of Public Safety, p. 5.

Explanation of Agency Estimates:

Estimates are based on projected levels of available funds and on estimates of cost for the program. Because the federal block grant funds may not be used for the purchase of equipment or the operation of an EMS system, a portion of these funds are transferred to the Local Support activity. Existing EMS projects have made a considerable resource investment and should continue through system completion. A total of 5 years funding for system planning and development should be allowed, considering the number and complexity of EMS system program elements and the difficulty of dealing with the medical/political environment that exists within EMS regions.

Governor's Recommendation:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

GRANTS AND AIDS ANALYSIS FOR: EMERGENCY MEDICAL TECHNICIAN (EMT) REIMBURSEMENT 1983-85 Biennial Budget

Activity: HEALTH SERVICES QUALITY ASSURANCE
Program: HEALTH SYSTEMS QUALITY ASSURANCE
Agency: HEALTH, DEPARTMENT OF
Statutory References: Minn. Stat. Sec. 144.8091

Purpose:

The purpose of this grant program is to reimburse volunteer life support transportation services for the necessary expense of training volunteer ambulance attendants as Emergency Medical Technicians (EMTs). Sixty-five per cent of the ambulance services in Minnesota are staffed by volunteer attendants. Such ambulance services serve as the mainstay of emergency care systems in most of the State. The reimbursement of training expenses for volunteer ambulance attendants will serve to maintain a high level of essential skill among volunteer ambulance attendants.

Recipient Identification and Eligibility Criteria:

Any political subdivision, or nonprofit hospital or nonprofit corporation operating a licensed life support transportation service is eligible to be reimbursed by the Commissioner of Health under this grant program. The above volunteer ambulance services are not necessarily final grant recipients, but may act as fiscal agents and reimburse their individual volunteer ambulance drivers and attendants that complete EMT training and who have paid their own expenses.

Criteria and Formulas Determining Amount of Payment to Recipient:

Grant recipients receive up to \$210 for necessary expenses, for each volunteer ambulance attendant that successfully completes an initial EMT course or \$70 for an EMT refresher course. Reimbursable expenses may include tuition, transportation, food, lodging, hourly payment for time spent in the training course, and other necessary expenditures.

"Volunteer ambulance attendant" means a person who provides emergency medical services for a licensed ambulance service without the expectation of remuneration and who does not depend in any way upon the provision of these services for the person's livelihood. An individual may be considered a volunteer ambulance attendant even though that individual receives an hourly stipend for each hour of actual service provision, except for hours on standby alert, even though this hourly stipend is regarded as taxable income for purposes of state or federal law, provided that this hourly stipend does not exceed \$500 in the year in which the individual received his training.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:430-02-22-000-02	
	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO NONGOV'T ORGNZTNS GENERAL	150.0	136.2	147.5	147.5	147.5	147.5	147.5
SUBTOTAL	150.0	136.2	147.5	147.5	147.5	147.5	147.5

ALL RECIPIENTS BY FUND GENERAL	150.0	136.2	147.5	147.5	147.5	147.5	147.5
TOTAL	150.0	136.2	147.5	147.5	147.5	147.5	147.5

Significant Statistics:

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Est.	F.Y. 1984 Est.	F.Y. 1985 Est.
Volunteers Completing 81-hour EMT Course Receiving Reimbursement	499	457	530	530	530
Volunteers Completing 24-hour EMT Refresher Receiving Reimbursement	646	576	750	750	750
Total Expenditure for Reimbursement	\$150,000	\$136,200	\$150,000	\$150,000	\$150,000

Explanation of Agency Estimates:

The agency estimates are based upon the expected number of volunteer attendants that will complete EMT training or refresher training and request reimbursement via eligible licensed ambulance services. Volunteer ambulance services play a vital role in the delivery of emergency medical care in Minnesota. Reimbursement of training expenses for volunteer ambulance attendants will serve to maintain a high level of essential skills among volunteer ambulance attendants.

Governor's Recommendation:

The Governor concurs with the agency's request to achieve the 1983-85 objectives.

ACTIVITY: HEALTH FACILITIES REGULATION
Program: HEALTH SYSTEMS QUALITY ASSURANCE
Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The Health Facilities Regulation activity protects and promotes patients'/residents' well-being through the monitoring and regulation of health care facilities and related services subject to state licensure and/or federal certification. It also conducts planning, evaluation, cost control and consultation functions for existing and planned health facilities and services. The activity consists of 4 management level activities:

Rate Review (RR): This activity performs two principal tasks: it collects, analyzes and disseminates information on hospital expenses and revenues; and it performs economic and statistical analyses and studies of health care cost containment issues, primarily those relating to hospitals. The first function is comprised of 2 elements - the Department of Health and approved "alternative voluntary nonprofit review organizations" (presently there is one such organization). The Department is responsible for system development, continuing analyses, review of hospitals not reviewed by approved review organizations (the choice of which is up to individual hospitals), and monitoring of all activities undertaken by approved alternative rate review organizations for conformance with state law and policy. All acute care hospitals (178) are required to file data related to past and anticipated costs and revenues for the purpose of being reviewed according to financial parameters constructed to assume that hospital charges are generally reasonable. Information based upon these data and reviews is published and disseminated to the public so that citizens may be better informed on the subject of hospital costs.

The second task involves research and analyses on the financial viability of hospitals and on alternative ways of restraining the rate of increase in health care costs, particularly hospital costs. The results of such activity are primarily used to advise the Commissioner and the Legislature on matters of health care cost containment.

Survey and Compliance (S&C): The purpose of this activity is to provide a reasonable assurance of quality care for persons (e.g., the chronically ill, aged, mentally retarded, and physically handicapped) receiving services from state licensed and/or federally (Medicare and/or Medicaid) certified health facilities and other service providers. This purpose is accomplished by on-site inspections conducted for the purpose of ascertaining compliance with relevant minimum standards. Related activities include: the review and processing of over 1000 annual renewal license applications and approximately 40,000 documents relating to inspection reports, the issuance of correction orders, certification of deficiencies and penalty assessments; the on-site follow-up inspection of correction orders and deficiencies; participation in contested case and related legal proceedings challenging the Department's regulatory actions; the collection, compilation and analysis of data and information regarding the type and extent of health care services in the state; and responding to numerous requests for information from

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$233.3	\$568.5	\$866.3	\$886.8	\$888.3

legislators, the public, and state, federal and local agency personnel. Complaints regarding violations of federal certification regulations, allegations that a facility is unlicensed or improperly licensed for the care or service being provided, or complaints referred from the Office of Health Facility Complaints or the Commissioner of Health are also investigated by activity staff.

The direct clients served by this activity include 183 hospitals, 2 outpatient surgical centers, 441 nursing homes, 54 boarding care homes, 348 supervised living facilities (85,659 licensed beds of which 78,166 are certified) and the certified providers of 95 home health agencies, 15 out-patient physical therapy services, 15 end-stage renal disease services, 25 independent laboratories, 5 portable X-ray services and 1 rural health clinic. The indirect clients served are the consumers of these services located throughout Minnesota.

Health Facility Planning and Certificate of Need (CON): This activity assists in the containment of health care costs related to facility capital expenditures by evaluating construction and modification proposals submitted by health facilities through regional Health Systems Agencies to determine need for proposed health services, equipment and facilities. Coordination is maintained with Health Systems Agencies and health facilities to encourage regional and institutional planning in advance of submission of CON proposals to the Minnesota Department of Health.

This activity also has continuing state responsibility for the administration of Title XVI of the Public Health Service Act (formerly the federal Hill-Burton Program). All facilities which have received Hill-Burton funds are reviewed for compliance with federal requirements for the provision of community service and for the provision of a reasonable level of uncompensated care for patients unable to pay.

Engineering Services (ES): This activity provides plan reviews, rules and standards information and inspections of health facility construction and remodeling projects in order to ensure compliance with physical plant rules for State licensure and Life Safety Code standards for federal certification for the purpose of obtaining a comfortable, sanitary and safe environment for patients and residents. Included in the activity are initial facility surveys for Life Safety (LSC) compliance, and processing of related documentation for all certified health care facilities.

ACTIVITY: HEALTH FACILITIES REGULATION

1983-85 Biennial Budget

(Continuation)

Program: HEALTH SYSTEMS QUALITY ASSURANCE

Agency: HEALTH, DEPARTMENT OF

ACTIVITY OBJECTIVES:

Rate Review

1. Assure all purchasers of hospital services that a hospital's costs are reasonably related to services offered, that aggregate revenues are related to aggregate costs, that rates are equitably set and that there is no discrimination in prices charged to insurers. Influence the acute care hospital sector of the health care delivery system to provide services in a more cost effective manner.
2. Study alternative methods of health care cost containment, encourage and monitor private sector initiatives directed toward reducing the rate of increase of health care costs and provide counsel to public policy makers on improving the State's ability to restrain increases in health care costs.
3. Continue (as required by Laws 1982, Ch. 614) to implement and refine a mandatory reporting system of diagnostically-related price information for those provider groups which fail to make "satisfactory progress" in their voluntary efforts to disclose such information.

Survey & Compliance

4. Conduct timely comprehensive facility/provider surveys by health facility surveyor teams to determine compliance with state and/or federal regulations (including all licensed and certified facilities/providers except hospitals accredited by the Joint Commission on Accreditation of Hospitals (JCAH)) in order to assure the health, safety, and well-being of all health services recipients.
5. Conduct timely licensing and certification inspections as required by law in JCAH hospitals to determine compliance with state and/or federal regulations.
6. Assess level of compliance with outstanding licensing correction orders and certification deficiencies by conducting follow-up site visits to assure upgrading of patient/resident care.
7. Effect any necessary corrective action as the result of inspections and reinspections so that changes in provider practices will result in the achievement and maintenance of high quality patient/resident care.

Health Facility Planning & Certificate of Need

8. Provide Certificate of Need (CON) final determinations and technical assistance related to CON review to state Health Systems Agencies.
9. Determine Hill-Burton compliance for all facilities which have received funds under this program so that all related federal requirements are met and there is reasonable assurance that the facilities provide community service and a reasonable level of uncompensated care.

Engineering Services

10. Review and approve building or remodeling plans for compliance with licensing rules and certification standards and inspect completed construction, in a timely manner, for an estimated 200 projects annually.
11. Conduct life safety code surveys for new or remodeled facilities.
12. Provide regulatory information, when requested to facility managers or their architects/engineers regarding application of physical plant rules and standards for environmental factors, fire safety and handicap accessibility.

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Obj./Est.	F.Y. 1984 Obj./Est.	F.Y. 1985 Obj./Est.
<u>Survey & Compliance</u>					
Complete Licensing Surveys	702	663	500	525	550
Complete Certification Surveys	1207	964	980	985	1000
Validation Surveys of Accredited Hospitals for Licensing	0	0	10	-	-
Follow-up Visits	811	819	670	700	750
Correction Orders Issued	5008	4460	4000	4000	4000
Certification Deficiencies Issued	7480	4788	4000	4000	4000
Penalty Assessments Issued	85	45	60	65	70
Contested Case Hearings Held	10	4	25	75	75
Issuance of Variances or Waivers	19	153	200	250	300
<u>Planning & Certificate of Need</u>					
No. of Certificate of Need Applications:					
Considered	108	99	90	90	90
Remanded	2	4	4	4	4
Denied	8	5	5	5	5
Est. Costs (millions) Approved	\$464.4	\$193.8	\$180.0	\$190.0	\$200.0
Est. Costs (millions) Denied	\$8.3	\$14.7	\$12.0	\$12.5	\$13.0
No. of Hill-Burton aided Facilities with Uncompensated Care Obligations	101	97	89	80	71
Number of Compliance Assessment Visits	12	9	30	27	24

ACTIVITY: HEALTH FACILITIES REGULATION1983-85 Biennial Budget

(Continuation)

Program: HEALTH SYSTEMS QUALITY ASSURANCE

Agency: HEALTH, DEPARTMENT OF

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Obj./Est.	F.Y. 1984 Obj./Est.	F.Y. 1985 Obj./Est.
No. of Uncompensated Care Reports Reviewed	30	48	50	50	50
Engineering Services					
Projects Involving Review of Architectural- Engineering Plans.	140	134	140	140	150
Projects Involving Converted Buildings.	30	13	20	20	25
Projects Involving Minor Alterations, Change in License Capacity, etc.	22	41	40	50	50
Total no. of Single Plan Review/Approval Activities.	549	351	400	400	450
Facility Inspections for Final Project Approval.	223	143	150	150	175

Rate Review - During the 1981-83 biennium the following were accomplished: 1) annual applications for designation as approved voluntary nonprofit rate review organizations were reviewed; 2) approved rate review organization performance was monitored; 3) alterations in the system required by statutory amendment were effected; 4) information of various types and in various forms relating to hospital costs and charges was disseminated; 5) special studies relating to hospital financial condition, hospital costs and charges were performed; 6) an evaluation of the available sources and types of hospital case-mix related data was undertaken; 7) collection, analysis and dissemination of hospital-specific diagnostically-related charge information for a large share of "public pay" patients were accomplished; and 8) a review of the initial voluntary efforts of hospitals, physicians, pharmacists, psychologists, dentists, chiropractors and podiatrists to disclose firm-specific diagnostically-related charge information to the public was undertaken.

ALTERNATIVES, BUDGET ISSUES:

Rate Review - Two principal budget issues exist in this activity for the biennium: whether the Department must conduct reviews of individual hospital rates; and, to what extent the Department must implement the mandatory price and diagnostically-related disclosure provision of Laws 1982, Ch. 614.

With regard to the first issue, if no applications for alternative voluntary rate review were forthcoming or approved, or if the authority of an approved organization

were revoked, the activity will be faced with a substantially increased workload. Additional resources for both personnel and funds would be needed. Based upon experience, the Department would require an additional \$135,000 per year, or \$270,000 for the biennium, if it moved from a monitoring, data collection and analysis program to a full rate review mode. The enabling legislation permits the Department to charge fees to each hospital sufficient to cover additional costs.

The second issue presents a need for additional resources which is speculative, because it is based upon a set of unknown contingencies. The Department is required under statute to implement a mandatory price and diagnostically-related disclosure system for each group of health care "providers" (as that term is defined in the statute) that fails to develop a "satisfactory" competitive voluntary system of price disclosure by January of 1983. The relevant provider groups include hospitals, physicians, pharmacists, psychologists, chiropractors, dentists and podiatrists. The Department cannot, at this time, predict which of these groups will be determined to have made "satisfactory progress," and the range of possibility is that all, none, or only a few of the provider groups will have been determined to have made such progress at the end of calendar year 1982. The fiscal predictions are correspondingly speculative, but, based upon available information and experience, the necessary resources to implement a set of mandatory reporting systems for all of the provider groups in question would cost between \$150,000 and \$175,000 per year, or \$300,000 to \$350,000 for the biennium.

Survey & Compliance - Three principal budget issues exist in this activity for the biennium; these relate to survey activity, change in nursing home licensure rules and regulatory changes made by other governmental agencies.

At the present time, licensure surveys are conducted every two years for all facilities except noncertified boarding care homes and noncertified supervised living facilities which are surveyed annually. Since certification surveys have been conducted on an annual basis, the majority of facilities have received an annual inspection. Changes in federal law and proposed federal regulation could eliminate the requirement for annual surveys for the majority of certified facilities, including skilled nursing facilities and intermediate care facilities (Intermediate care facilities for the mentally retarded would continue to receive an annual survey). If such federal changes are fully implemented, it would be probable that federal funding would be reduced since the required certification activities would change. The Department believes that it is important that it continue to have the ability to determine the need for health facilities, especially the nursing and boarding care homes, to receive at least a partial survey each year. While the Department will develop criteria to most appropriately utilize resources in surveying facilities, state funding would not be sufficient to provide for annual full surveys for licensure purposes. It will be important to reconsider the policy implications which resulted in the enactment of the legislation providing for biennial licensure since this was predicated on the assumption that there would be annual federal certification surveys; as indicated, this assumption may no longer be valid.

The Department will be raising the question of whether to proceed with the promulgation of its draft nursing home rules. If such a project is to proceed, the

ACTIVITY: HEALTH FACILITIES REGULATION

1983-85 Biennial Budget

(Continuation)

Program: HEALTH SYSTEMS QUALITY ASSURANCE

Agency: HEALTH, DEPARTMENT OF

costs for promulgating and implementing the rules must be included in the budget. In addition, the costs associated with the implementation of the rules by nursing homes and the resultant impact on the Medical Assistance budget will have to be evaluated and incorporated into the Department of Public Welfare's budget. At the time of the Department's request to the Legislative Advisory Commission (LAC) for approval of the rules project, state agency costs were approximately \$60,000 for the rule-making process and \$111,000 per year for the handling of contested case proceedings after implementation of the rules. Increased costs to nursing homes to comply with the rules were estimated at between 3.8 to 6.1 million dollars. The estimated increase to the state and counties for their shares of Medical Assistance funds would be between 1.1 to 1.8 million dollars per year. Information obtained by the Department after the LAC request, however, could significantly reduce these figures.

In addition, the new rules would require major expenditures of time for the professional training of the survey staff and for assistance to providers regarding the new requirements. Also, the new rules could result in an increase beyond the projected estimate, in the number of correction orders issued, with a possible corresponding increase in the number of follow-up visits, penalty assessments and contested case hearing.

Rules proposed by the federal government for the certification of hospitals, skilled nursing facilities and intermediate care facilities could also impact on the Section's activities. Training sessions and assistance to providers would require shifting the workload of the Section to compensate for the training time. Furthermore, the Department of Public Welfare (DPW) is presently revising a number of its program rules which could substantially increase the number of facilities required to be licensed as supervised living facilities, e.g., detoxification facilities and facilities for the mentally ill. The DPW rule changes could also require changes in the Department's Supervised Living Facility rules.

Planning & Certificate of Need Laws of Minnesota 1982, Chapter 614, repeals the Certificate of Need activity on March 15, 1984; however, according to the language of Section 1 of this statute: "It is the intent of the legislature that the Minnesota certificate of need act not be repealed prior to full consideration of the effects of such an action on the issue of cost for health care services." To further that end, the Legislature required the Department to conduct an evaluation of the Certificate of Need program. Depending on the 1984 Legislature's reaction to the evaluation and to other factors, the program may be allowed to terminate, or it may be modified or reconstituted in some form. The fiscal dimensions of any such modifications are presently unknown. Because it is unclear whether there will be a Certificate of Need function after March 1, 1984, and because there is a possibility that the program may be continued in some form, this activity is proposed at no change in level of effort.

Engineering Services The number of projects and related approval activities is expected to slowly increase from the F.Y. 1982 level due to improvement in the money market for construction financing, programmed transfer of mentally retarded residents from State-operated institutions to community-based facilities, and anticipated increases in the number of residential programs for the mentally ill and for treatment of alcoholism and drug abuse.

RECENT BUDGET HISTORY

Survey & Compliance- Reductions in both state and federal funding have necessitated changes in the activities of the Survey and Compliance Section. The composition of the survey teams have been modified to only include two individuals (this could have a negative impact since lack of the usual comprehensive monitoring could result in the possibility of increased complaints, thereby increasing complaint investigation visits). Annual certification surveys for Title 18 agencies, have been discontinued; district lines have been modified; and the responsibility of certain supervisory staff altered. Whenever possible, verification of compliance with outstanding correction orders which do not require an on-site visit is obtained by telephone or through the mail. Survey procedures have been modified to reduce the amount of survey time through the increased utilization of sampling procedures. Travel time and overtime have been reduced, as have equipment costs.

EXPLANATION OF BUDGET REQUEST:

The same level of funding is requested to carry out the stated objectives.

GOVERNOR'S RECOMMENDATIONS:

The Governor recommends the same level of funding with the following exceptions:

Adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

The Governor makes no specific recommendations for the Nursing Home Advisory Council since by law it is required to sunset as of 6-30-83.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: HEALTH FACILITIES REGULTNS

PROGRAM: HLTH SYSTNS-QUALITY ASSRNC

AGENCY: HEALTH,DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	1,999.5	2,011.2	2,242.0	2,356.0		2,356.0	2,455.1		2,455.1	2,354.0	2,453.1
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER	2.5	.7									
-PREMIUM PAY		.1									
-OVERTIME PAY	2.5	6.4									
-MISCELLANEOUS PAYROLL		1.6									
-OTHER BENEFITS	1.3										
TOTAL PERSONAL SERVICES	2,005.8	2,020.0	2,242.0	2,356.0		2,356.0	2,455.1		2,455.1	2,354.0	2,453.1
EXPENSES & CONTRACTUAL SERVICES	195.5	235.4	259.2	356.6		356.6	385.9		385.9	352.4	376.2
SUPPLIES & MATERIALS	2.3	2.8	3.4	3.2		3.2	3.4		3.4	3.2	3.4
EQUIPMENT	.5			5.5		5.5				5.5	
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	150.0										
OTHER EXPENSE ITEMS		.1									
TOTAL EXPENDITURES	2,354.1	2,258.3	2,504.6	2,721.3		2,721.3	2,844.4		2,844.4	2,715.1	2,832.7
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	925.9	869.4	1,002.1	1,069.4		1,069.4	1,087.2		1,087.2	1,063.2	1,075.5
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	1,286.1	1,282.5	1,369.6	1,548.3		1,548.3	1,646.3		1,646.3	1,548.3	1,646.3
FEDERAL	142.1	106.4	132.9	103.6		103.6	110.9		110.9	103.6	110.9
TOTAL FINANCING	2,354.1	2,258.3	2,504.6	2,721.3		2,721.3	2,844.4		2,844.4	2,715.1	2,832.7
POSITIONS BY FUND											
GENERAL	26.0	24.0	27.0	27.0		27.0	27.0		27.0	27.0	27.0
SPEC REV/APPORTIONMT	67.0	50.8	51.0	48.0		48.0	48.0		48.0	48.0	48.0
FEDERAL	5.0	6.0	4.5	4.0		4.0	4.0		4.0	4.0	4.0
TOTAL POSITIONS	98.0	80.8	82.5	79.0		79.0	79.0		79.0	79.0	79.0

4-3061

GRANTS AND AIDS ANALYSIS FOR: HOSPITAL CONVERSION

1983-85 Biennial Budget

Activity: HEALTH FACILITIES REGULATION

Program: HEALTH SYSTEMS QUALITY ASSURANCE

Agency : HEALTH, DEPARTMENT OF

Statutory References: Laws of Minnesota, Chapter 336, Section 4

Purpose:

Laws of Minnesota 1979, Chapter 336, Section 4, allows the Commissioner of Health to make grants to assist in the conversion of hospitals of less than 40 beds to nursing homes.

Recipient Identification and Eligibility Criteria:

The grants were available to publicly owned or non-proprietary, charitable organizations which operate, or had operated during the last 3 years, a licensed Minnesota hospital having fewer than 40 acute care beds. Such grants could only be to those hospitals which convert 100% of their beds to nursing home beds. A Certificate of Need was required prior to obtaining such a grant.

Criteria and Formula Amount of Payment to Recipient:

The grants were for up to 50% of the remodeling costs, not exceeding \$150,000 per facility. If any facility which received a grant is sold, the seller is permitted to retain 10% of the grant amount for each year of operation under continuous ownership. The state will be entitled to the remaining amount plus interest.

Significant Statistics:

	F.Y. 1981 Actual	F.Y. 1982 Actual	F.Y. 1983 Est.	F.Y. 1984 Est.	F.Y. 1985 Est.
Number of grants awarded	1	0	0	0	0
Number of grants completed	0	1	0	0	0
Total grant funds paid	0	\$150,000	0	0	0

Explanation of Agency Estimates:

Grant program was discontinued.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:430-02-23-000-01
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO CITIES & TOWNS							
GENERAL	150.0						
SUBTOTAL	150.0						

ALL RECIPIENTS BY FUND							
GENERAL	150.0						
TOTAL	150.0						

PROGRAM: HEALTH SUPPORT SERVICES
Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

PROGRAM PURPOSE:

Activities within this program have the common purpose of providing support and assistance to public health activities administered by the department, or by local public health service providers; and in some instances, other health care institutions and providers. The support services include management, administration, information, statistics, consultation, and financial assistance. Properly provided, these services will contribute to a total system of public health, administered at the appropriate level of government, and applied to the priority problems of each community of the state.

PROGRAM DESCRIPTION:

The support provided by this program takes 3 separate forms as indicated by the activities comprising the program: 1) provides fiscal, personnel, and general administrative and policy management and direction to activities conducted by the department; 2) provides information including health education, health statistics and vital records to state level activities, regional health agencies, local health agencies, institutions and providers, as well as to individual consumers in the areas of health education, birth and death records; 3) provides support services to local agencies in the form of technical assistance in general management and public health nursing activities, provides services designed to improve and enhance the local public health system, and provides financial subsidies for ongoing support of the Community Health Services agencies. Program specific financial and technical support is provided through other department activities.

Through these services the department has been able to make considerable progress in the development of a local public health delivery system as authorized by the Community Health Services Act of 1976.

PROGRAM CHANGES:

The components of this program have been changed in this budget document to reflect changes in the organization of the state's public health system. General Support services to the Minnesota Department of Health activities, and Health Information services remain a part of this program. A new activity has been added to this program entitled Local Support Services. While other activities in other programs provide support to local agencies as a part of their major function, it is the major function of the Local Support activity to provide support to local agencies. It is appropriate to make this change at this time when the Community Health Services agencies are maturing and becoming equal partners in the state's public health system.

EXPLANATION OF BUDGET REQUEST:

With the following exceptions the budget request for this program anticipates the same level of effort:

	(000) F.Y. 1984	(000) F.Y. 1985
1. Community Health Services Subsidy Inflationary Costs	\$412.4	\$660.7
2. Migrant and Native American Health Care Grants	17.8	36.7
3. Health Promotion Initiative	75.0	75.0
4. Microfilming Records	24.0	-0-
5. Restoration of Special Session Chapter 1	<u>209.5</u>	<u>208.4</u>
Total Change Level Requests	\$738.7	\$980.8

The change level request in federal funds reflects the transfer of block grant dollars to this activity from other activities consistent with the Department's block grant policies contained in the Agency Summary narrative.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding with the following exceptions:

- - Adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.
- - The Governor recommends increases for: 5% inflation adjustments for the Community Health Services subsidy, migrant, and Native American grants; and vital records microfilming required to conserve space.

The Governor recommends reallocation of federal funds from this program to the Health Systems Quality Assurance Program to fund the Minnesota Poison Information Center.

PROGRAM FISCAL SUMMARY - BIENNIAL BUDGET

PROGRAM: HEALTH SUPPORT SERVICES

AGENCY: HEALTH,DEPT OF

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY ACTIVITY:											
GENERAL SUPPORT	1,972.7	2,203.3	2,313.5	2,494.9	75.0	2,569.9	2,575.9	75.0	2,650.9	2,478.5	2,540.1
HEALTH INFORMATION	1,613.2	1,674.5	1,525.7	1,642.4	24.0	1,666.4	1,698.5		1,698.5	1,644.2	1,674.5
LOCAL SUPPORT SERVICES	13,988.4	13,114.0	12,690.6	14,329.8	1,110.5	15,440.3	14,497.0	1,682.2	16,179.2	13,442.7	14,045.8
TOTAL	17,574.3	16,991.8	16,529.8	18,467.1	1,209.5	19,676.6	18,771.4	1,757.2	20,528.6	17,565.4	18,260.4
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES	3,508.5	3,512.8	3,640.8	3,919.8	51.0	3,970.8	4,072.0	66.0	4,138.0	3,919.8	4,072.0
EXPENSES & CONTRACTUAL SERVICES	1,251.7	1,446.1	1,586.5	1,657.6	24.6	1,682.2	1,739.4	9.0	1,748.4	1,629.6	1,670.6
SUPPLIES & MATERIALS	122.7	95.1	107.0	110.4		110.4	107.8		107.8	110.2	107.3
EQUIPMENT	17.8	14.4	11.5	1.2	23.4	24.6	2.8		2.8	10.4	2.7
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	12,673.6	11,923.4	11,184.0	12,778.1	1,110.5	13,888.6	12,849.4	1,682.2	14,531.6	11,895.4	12,407.8
OTHER EXP ITEMS											
TOTAL EXPENDITURES	17,574.3	16,991.8	16,529.8	18,467.1	1,209.5	19,676.6	18,771.4	1,757.2	20,528.6	17,565.4	18,260.4
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	14,857.5	14,476.8	13,824.4	15,519.6	738.7	16,258.3	15,679.6	980.8	16,660.4	14,167.2	14,412.4
TRUNK HIGHWAY		5.0	5.0	5.4		5.4	5.8		5.8	5.3	5.6
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	58.2	90.7	101.3	105.0		105.0	110.2		110.2	105.0	110.2
FEDERAL	2,658.6	2,419.3	2,599.1	2,837.1	470.8	3,307.9	2,975.8	776.4	3,752.2	3,287.9	3,732.2
TOTAL FINANCING	17,574.3	16,991.8	16,529.8	18,467.1	1,209.5	19,676.6	18,771.4	1,757.2	20,528.6	17,565.4	18,260.4
POSITIONS BY FUND:											
GENERAL	74.8	80.3	74.0	71.0	2.0	73.0	71.0	2.0	73.0	71.0	71.0
SPEC REV/APPORTIONMT	2.3	3.0	3.5	3.5		3.5	3.5		3.5	3.5	3.5
FEDERAL	119.1	102.0	79.5	77.5		77.5	77.5		77.5	77.5	77.5
TOTAL POSITIONS	196.2	185.3	157.0	152.0	2.0	154.0	152.0	2.0	154.0	152.0	152.0

ACTIVITY: GENERAL SUPPORT
Program: HEALTH SUPPORT SERVICES
Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The purpose of this activity is to provide the overall management and administrative support required to provide leadership for the state on public health issues and manage the Department in an effective and efficient manner.

This activity includes the commissioner's office which provides the overall leadership of the Department including the development of statewide public health priorities, policies and procedures, the development and implementation of Departmental programmatic and operational policies and procedures and the overall fiscal management of the Department.

This activity includes the general administrative support services of the Department, including centralized budgeting, accounting, financial reporting, personnel management, training, affirmative action, labor relations, materials management, purchasing, motor pool records management, mailing and communication services.

This activity includes the cost of indirect support such as the building rental, general repairs, miscellaneous office supplies and the recently purchased telephone system. These costs are included in this activity because the administrative cost of charging each activity within the agency will not produce any specific benefit.

ACTIVITY OBJECTIVES:

1. To continue to provide central budgeting accounting and reporting system in a timely and efficient manner.
2. To continue to provide centralized personnel management for the Department.
3. To continue to provide centralized administrative support services for the Department.

ACCOMPLISHMENTS AND PERFORMANCE INDICATORS:

	Actual F.Y. 1981	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
% General Support Costs to Total Operating Cost	6.1%	5.8%	6.0%	6.0%	6.0%
Indirect Support Costs	\$ 701.0	\$1,023.8	\$ 990.1	\$1,038.1	\$1,097.7

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

RECENT BUDGET HISTORY:

Recent reductions in this activity include the elimination of one assistant commissioner position resulting in more responsibility and decision making authority placed on division directors. Other budget reductions are consistent with overall Department reductions and result in reductions to general support services.

EXPLANATION OF BUDGET REQUEST:

The Department requests the addition of \$75.0 in 1984 and \$75.0 in 1985 to provide a focus within the Department for major new initiatives in the health promotion area. These additional funds would be used to further define the health problems of Minnesotans and provide specific suggestions on ways to address these problems. This request includes the addition of 2 new positions.

GOVERNOR'S RECOMMENDATIONS:

The Governor recommends the same level of funding rather than the agency's change level for this activity. Additionally, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

The Governor recommends that the agency pool existing staff and resources from several other activities to undertake the proposed health promotion initiative.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: GENERAL SUPPORT

PROGRAM: HEALTH SUPPORT SERVICES

AGENCY: HEALTH,DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	849.3	828.1	911.1	1,031.3	51.0	1,082.3	1,083.4	66.0	1,149.4	1,031.3	1,083.4
-REGULAR UNCLASSIFIED	225.9	246.6	245.7	222.1		222.1	187.1		187.1	222.1	187.1
-PART-TIME/SEAS./OTHER	9.7	4.1									
-PREMIUM PAY											
-OVERTIME PAY	15.3	4.4									
-MISCELLANEOUS PAYROLL	4.2	2.8									
-OTHER BENEFITS	45.7	139.0	8.0								
TOTAL PERSONAL SERVICES	1,150.1	1,225.0	1,164.8	1,253.4	51.0	1,304.4	1,270.5	66.0	1,336.5	1,253.4	1,270.5
EXPENSES & CONTRACTUAL SERVICES	743.4	918.0	1,071.1	1,166.8	10.0	1,176.8	1,232.3	9.0	1,241.3	1,150.4	1,196.6
SUPPLIES & MATERIALS	74.8	54.6	73.6	74.7		74.7	73.1		73.1	74.7	73.0
EQUIPMENT	4.4	5.7	4.0		14.0	14.0					
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	1,972.7	2,203.3	2,313.5	2,494.9	75.0	2,569.9	2,575.9	75.0	2,650.9	2,478.5	2,540.1
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	1,146.4	1,358.0	1,259.6	1,279.3	75.0	1,354.3	1,343.1	75.0	1,418.1	1,262.9	1,307.3
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	28.7	51.7	52.9	54.3		54.3	55.9		55.9	54.3	55.9
FEDERAL	797.6	793.6	1,001.0	1,161.3		1,161.3	1,176.9		1,176.9	1,161.3	1,176.9
TOTAL FINANCING	1,972.7	2,203.3	2,313.5	2,494.9	75.0	2,569.9	2,575.9	75.0	2,650.9	2,478.5	2,540.1
POSITIONS BY FUND											
GENERAL	19.0	18.0	15.0	13.0	2.0	15.0	13.0	2.0	15.0	13.0	13.0
SPEC REV/APPORTIONMT	.3	1.0	1.0	1.0		1.0	1.0		1.0	1.0	1.0
FEDERAL	34.8	34.0	34.0	33.0		33.0	33.0		33.0	33.0	33.0
TOTAL POSITIONS	54.1	53.0	50.0	47.0	2.0	49.0	47.0	2.0	49.0	47.0	47.0

4-3066

ACTIVITY: HEALTH INFORMATION
Program: HEALTH SUPPORT SERVICES
Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The purpose of this activity is to provide information and education to public health decision makers, technical personnel and the general public. This activity serves Department staff, clientele in other jurisdictions and the general public.

This activity maintains a Statewide permanent file of birth and death certificates and indices of marriage and divorce in order to assist individuals in establishment of their rights provided under various public and private programs. This information is also used as a statistical base by government agencies concerned with public policy issues.

This activity maintains a library of published information relating to public health in order to provide technical staff and decision makers with the most current information on technological changes in their respective fields.

This activity supports the Center for Health Statistics which gathers, stores, analyzes, and reports statistical data concerning health status and disease in Minnesota in order to provide decision makers with the information necessary for program planning, development, implementation, and evaluation. This is accomplished by assuring the coordinated development of the Department's computerized data systems in order to enable correlations between data in different systems and by the publication of various reports and summaries such as "Minnesota Health Statistics" and "Healthy People - The Minnesota Experience."

The Health Education activity is focused on those services which will best help health care professionals, decision makers, educators, and other concerned individuals enhance their health education skills and capacity to carry out effective educational, risk reduction/health promotion programs. This is accomplished by providing direct technical assistance; collecting, interpreting and distributing current risk reduction/health promotion data; providing skill building and informational workshops and seminars; producing and distributing print and audio-visual material; organizing and coordinating educational, training and informational activities throughout the state; developing local health education support groups; providing assistance to voluntary agencies and other state departments in development of risk reduction/health promotion programs; and acting as a clearinghouse for health education resources.

ACTIVITY OBJECTIVES:

1. To maintain an active and up-to-date file of vital events.
2. To continue to acquire necessary technical material and make it available to public health professionals in a timely manner.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$152.5	\$191.0	\$243.9	\$246.5	\$251.5

3. To routinely provide pertinent health statistics to public health decision makers.
4. To design, implement, modify, maintain and operate the Department's computerized information system.
5. To continue to provide technical assistance and direct Health Education support to local Community Health Services agencies and Department program staff.

PERFORMANCE INDICATORS:	Actual F.Y. 1981	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
1 Number of Records Processed	154,276	159,381	144,000	144,000	144,000
1 Number of Days to Issue Certified Copy by Mail	3	3	3	3	3
2 Library Circulation	12,313	13,200	14,000	14,500	15,000
3 Responses to Statistical Requests	1,100	1,200	1,550	1,500	1,500
3 Systems Maintained	21	22	22	22	23
4 Technical Assistance Contacts	106	128	143	157	172
4 Films Distributed	10,902	12,000	13,440	15,000	16,500
4 Literature Distributed	448,893	450,500	504,060	550,000	600,000
4 Written Materials Developed	57	68	76	83	92

EXPLANATION OF BUDGET REQUEST:

An additional \$24,000 is being requested in F.Y. 1984 to begin a microfilm program in the Vital Records activity. Funds will be used to film 20 years worth of death certificates and purchase a microfilm reader-printer. In the future additional years' records will be filmed using funds formerly spent on shelving and binders.

GOVERNOR'S RECOMMENDATIONS:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

The Governor recommends that \$20.0 of the federal preventive health block grant funds allocated to this activity each year in the request be reallocated to fund the Poison Information Center (Health Services Quality Assurance Activity).

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: HEALTH INFORMATION

PROGRAM: HEALTH SUPPORT SERVICES

AGENCY: HEALTH,DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	1,123.2	1,113.8	1,259.3	1,413.5		1,413.5	1,464.0		1,464.0	1,413.5	1,464.0
-REGULAR UNCLASSIFIED	69.4	62.5	4.3								
-PART-TIME/SEAS./OTHER	14.6	16.9									
-PREMIUM PAY	.5	.3									
-OVERTIME PAY	9.7	6.1									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	1,217.5	1,199.6	1,263.6	1,413.5		1,413.5	1,464.0		1,464.0	1,413.5	1,464.0
EXPENSES & CONTRACTUAL SERVICES	227.6	220.6	211.1	196.4	14.6	211.0	203.1		203.1	189.2	179.4
SUPPLIES & MATERIALS	35.5	33.9	29.4	32.3		32.3	31.2		31.2	32.1	30.9
EQUIPMENT	12.2	5.5	.2	.2	9.4	9.6	.2		.2	9.4	.2
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	120.4	214.9	21.4								
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	1,613.2	1,674.5	1,525.7	1,642.4	24.0	1,666.4	1,698.5		1,698.5	1,644.2	1,674.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	689.8	695.9	714.2	801.4	24.0	825.4	809.2		809.2	823.2	805.2
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	4.1	.4									
FEDERAL	919.3	978.2	811.5	841.0		841.0	889.3		889.3	821.0	869.3
TOTAL FINANCING	1,613.2	1,674.5	1,525.7	1,642.4	24.0	1,666.4	1,698.5		1,698.5	1,644.2	1,674.5
POSITIONS BY FUND											
GENERAL	34.5	32.5	32.5	31.5		31.5	31.5		31.5	31.5	31.5
FEDERAL	50.0	48.0	30.0	29.0		29.0	29.0		29.0	29.0	29.0
TOTAL POSITIONS	84.5	80.5	62.5	60.5		60.5	60.5		60.5	60.5	60.5

4-3068

GRANTS AND AIDS ANALYSIS FOR: HEALTH EDUCATION-RISK REDUCTION 1983-85 Biennial Budget

Activity: HEALTH INFORMATION
Program: HEALTH SUPPORT SERVICES
Agency: HEALTH, DEPARTMENT OF
Statutory References: PUBLIC HEALTH SERVICES ACT TITLE XVIII, SEC. 1703(2)
P.L. 95-626 SEC. 402(a)(2)

Purpose:

The purpose of the Health Education-Risk Reduction Program is to assist State and local health agencies to initiate, strengthen and deliver Health Education-Risk Reduction Programs. The grants encourage the organization of health education efforts by public, private, and voluntary agencies to reduce the risks of premature death and disability associated with smoking, alcohol abuse, obesity, hypertension, stress, and other preventable health conditions and chronic diseases affecting the health status of Minnesotans.

Recipient Identification and Eligibility Criteria:

State and local health agencies and education agencies, as well as other State, public, private, and voluntary organizations and Native American Tribal Councils are eligible and encouraged to apply through their respective State-level Health Education-Risk Reduction Program grantee for funding of intervention activities. Direct application by local official health agencies is acceptable only with the concurrence of State Health Agency and in the absence of a State-level program application. Each grant application is reviewed according to the following criteria established by the federal government:

1. Is each of the basic program elements likely to be achieved satisfactorily?
2. Is there a logical method of operation specified for each proposed activity?
3. Has the applicant developed adequate plans for involving public, private, and voluntary agencies in health education activities in the project area and have plans been made to effectively use existing community resources?
4. Are the project objectives specific, measurable, realistic, and related to the national program goals?
5. Have effective evaluation measures been specified?
6. Have the prior year accomplishments been satisfactory and on schedule?
7. Have appropriate data been collected and used for planning purposes?
8. Does the application provide a clear understanding of whom the program will serve and who is responsible for the various activities?
9. Are budget requests and proposed uses of grant funds reasonable considering the anticipated results?
10. Have project personnel been recruited and are they well qualified by training and/or experience for the support sought?
11. Do the proposed activities follow a logical pattern to achieve the stated objectives?
12. Are the program objectives based upon well-defined problems derived from baseline data and other assessments?
13. Is the inventory of resources related to the intervention activities in such a way that a clear intent to utilize the resources as much as possible is evident?

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:430-03-32-000-01	
*** DOLLARS IN THOUSANDS (137,522=137.5) ***								
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS		
				FY1984	FY1985	FY1984	FY1985	
G & A TO SCHOOL DISTRICTS								
FEDERAL	34.8	57.0						
SUBTOTAL	34.8	57.0						
G & A OTHER GOVT ORGNZTNS								
FEDERAL	56.2	121.4						
SUBTOTAL	56.2	121.4						
G & A TO NONGOVT ORGNZTNS								
FEDERAL	29.4	36.5	21.4					
SUBTOTAL	29.4	36.5	21.4					

ALL RECIPIENTS BY FUND								
FEDERAL	120.4	214.9	21.4					
TOTAL	120.4	214.9	21.4					

14. Will the evaluation plan adequately measure program accomplishments and identify successes and failures of specific health education methods to redirect future efforts?
15. Does a viable complementary relationship exist between the State-level program and proposed intervention activities?

Criteria and Formulas Determining Amount of Payment to Recipient:

From 1979 to August 1982, all grant applicants were required to submit a detailed proposed budget. As of September 1982, funding for the Health Education-Risk Reduction was consolidated into the Preventive Health Block Grant. Policies for distribution will be determined according to the Department's block grant policies.

Significant Statistics:

Americans are suffering needless, preventable death and disability due to lifestyles which include smoking, alcohol abuse, overeating, lack of exercise, lack of knowledge to deal with stress, and unwillingness to follow the regimens for risks such as hypertension. The yearly costs of these self-selected lifestyles add up to billions of dollars in absenteeism, medical care, accidents, property loss, etc.

This grant program included intervention projects, completion of a statewide risk factor survey, input to the recently completed "Healthy People: The Minnesota Experience," collection of statewide morbidity data and development of a statewide resource directory of agencies offering health promotion programs.

Explanation of Agency Estimates:

This categorical grant was consolidated into the Preventive Health Block Grant.

ACTIVITY: LOCAL SUPPORT SERVICES
Program: HEALTH SUPPORT SERVICES
Agency: HEALTH, DEPARTMENT OF

1983-85 Biennial Budget

ACTIVITY DESCRIPTION:

The primary purpose of this activity is to improve the health status of Minnesotans through the provision of technical and financial assistance to local Community Health Services (CHS) agencies. The functions that make up this activity are as follows:

The Office of Community Development exists to assist in development and maintenance of a strong system of local Community Health Services agencies. This is accomplished by conducting special studies, developing policy proposals, providing training and working with the state CHS Advisory Committee and Boards of Health on matters pertaining to the development, maintenance, funding and evaluation of community health services.

The provision of grants to CHS agencies under the CHS act of 1976, special project grants for Migrant and Indian health services and special grants provided through federal block funds.

The administration of Department of Health's 8 district offices (Duluth, Bemidji, St. Cloud, Fergus Falls, Mankato, Rochester, Marshall and Minneapolis) which provide local offices and administrative support for Department program staff and provide technical assistance to local CHS agencies in the planning, development, implementation, evaluation and fiscal management of community health services.

The provision of Public Health Nursing consultation which promotes the development of quality community public health nursing services. This is accomplished by providing assistance in the areas of program planning, implementation, evaluation, nursing administration and supervision, development and maintenance of quality assurance programs, strengthening health promotion and prevention activities and data collection and analysis for decision making.

ACTIVITY OBJECTIVES:

1. To provide support to the State CHS Advisory Committee (SCHSAC) to assure that appropriate CHS related policy issues are addressed, and the SCHSAC work plan is implemented.
2. To complete development of and implement on a statewide basis a uniform program reporting system for local CHS agencies.
3. To continue to provide policy analysis, community services planning and support to the CHS Advisory Committee.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

4. To continue to monitor the fiscal and administrative aspects of CHS grants to assure compliance with state law, rules and Department policies.
5. To provide ongoing consultation and technical assistance to local public health nursing activities including assistance in community nursing, home care, disease prevention and control, health promotion, health education and program evaluation and reporting.
6. To identify available federal block grant funds to be used for development of local programs determined to be a statewide public health priority.

ACCOMPLISHMENTS AND PERFORMANCE INDICATORS:

Objective No.	Actual F.Y. 1981	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
2 Statewide implementation by Calendar Year 1984					
4 CHS Plans Reviewed and Processed	42	42	42	42	42
4 Participating Counties	84	86	86	87	87
4 Budget/Expenditure Reports Reviewed	188	188	188	192	192
5 Individual Consultations with CHS & Schools	2,480	2,354	2,350	2,350	2,350
5 Group Consultation	172	169	185	200	200
5 No. of Educational Programs Conducted or Documents Developed	103	95	94	108	108
1. The SCHSAC held 13 full meetings and 50 Task Force meetings in the current biennium. An estimated 8 SCHSAC meetings and 30 Task Force meetings will be held in the 1983-85 biennium.					
1. Policy recommendations and/or plans were developed in the areas of long term care, local evaluation and statewide evaluation process, Federal Block Grant funding, Emergency Medical Services, and the CHS planning process.					

ACTIVITY: LOCAL SUPPORT SERVICES
(Continuation)

1983-85 Biennial Budget

Program: HEALTH SUPPORT SERVICES
Agency: HEALTH, DEPARTMENT OF

RECENT BUDGET HISTORY:

As a result of funding restrictions in the current biennium, the CHS subsidy is funded at 89% of statutory eligibility for participating counties; the metro district nursing position and metro district representative positions were canceled and monitoring and technical assistance duties for the metro area were shifted to other staff in the Department; several part time clerical positions in outstate district offices were canceled.

EXPLANATION OF BUDGET REQUEST:

The same level of effort in general fund grants for CHS represents the cost of fully funding the statutory formula and subsequent increases provided by legislation. Less the reduction mandated by Laws of Minnesota, Special Session III Chapter I. The general fund change level of effort reflects a 7% increase in each year of the biennium for the CHS subsidy (\$412.4 in F.Y. 1984 and \$660.7 in F.Y. 1985); restoration of CHS reductions required by Laws of Minnesota Special Session III Chapter I. (\$209.5 in 1984 and \$208.4 in 1985) and a 7% increase in the Migrant and Indian special project grants, \$17.8 in F.Y. 1984 and \$36.7 in F.Y. 1985.

The change level request in federal funding represents the transfer of federal block grant dollars from various activities consistent with the federal block grant policies as discussed in the agency summary narrative.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding with the following exceptions:

Adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

The Governor recommends that CHS subsidy and Migrant and Indian special project funding be increased by 5% over the estimated F.Y. 1983 general fund expenditure level. The Governor further recommends that federal preventive health block grant funds allocated to special local projects in this activity request be reallocated to the CHS subsidy in an amount sufficient to provide a 5% inflation increase over the total estimated F.Y. 1983 subsidy expenditure level.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: LOCAL SUPPORT SERVICES

PROGRAM: HEALTH SUPPORT SERVICES

AGENCY: HEALTH,DEPT OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	969.6	1,020.4	1,203.7	1,248.5		1,248.5	1,333.1		1,333.1	1,248.5	1,333.1
-REGULAR UNCLASSIFIED	132.8	55.9									
-PART-TIME/SEAS./OTHER	37.3	11.0	8.7	4.4		4.4	4.4		4.4	4.4	4.4
-PREMIUM PAY		.1									
-OVERTIME PAY	.5	.8									
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS	.7										
TOTAL PERSONAL SERVICES	1,140.9	1,088.2	1,212.4	1,252.9		1,252.9	1,337.5		1,337.5	1,252.9	1,337.5
EXPENSES & CONTRACTUAL SERVICES	280.7	307.5	304.3	294.4		294.4	304.0		304.0	290.0	294.6
SUPPLIES & MATERIALS	12.4	6.6	4.0	3.4		3.4	3.5		3.5	3.4	3.4
EQUIPMENT	1.2	3.2	7.3	1.0		1.0	2.6		2.6	1.0	2.5
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS	12,553.2	11,708.5	11,162.6	12,778.1	1,110.5	13,888.6	12,849.4	1,682.2	14,531.6	11,895.4	12,407.8
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	13,988.4	13,114.0	12,690.6	14,329.8	1,110.5	15,440.3	14,497.0	1,682.2	16,179.2	13,442.7	14,045.8
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	13,021.3	12,422.9	11,850.6	13,438.9	639.7	14,078.6	13,527.3	905.8	14,433.1	12,081.1	12,299.9
TRUNK HIGHWAY		5.0	5.0	5.4		5.4	5.8		5.8	5.3	5.6
DEDICATED APPROPRIATIONS:											
SPEC REV/APPORTIONMT	25.4	38.6	48.4	50.7		50.7	54.3		54.3	50.7	54.3
FEDERAL	941.7	647.5	786.6	834.8	470.8	1,305.6	909.6	776.4	1,686.0	1,305.6	1,686.0
TOTAL FINANCING	13,988.4	13,114.0	12,690.6	14,329.8	1,110.5	15,440.3	14,497.0	1,682.2	16,179.2	13,442.7	14,045.8
POSITIONS BY FUND											
GENERAL	21.3	29.8	26.5	26.5		26.5	26.5		26.5	26.5	26.5
SPEC REV/APPORTIONMT	2.0	2.0	2.5	2.5		2.5	2.5		2.5	2.5	2.5
FEDERAL	34.3	20.0	15.5	15.5		15.5	15.5		15.5	15.5	15.5
TOTAL POSITIONS	57.6	51.8	44.5	44.5		44.5	44.5		44.5	44.5	44.5

GRANTS AND AIDS ANALYSIS FOR: COMMUNITY HEALTH SERVICE SUBSIDY 1983-85 Biennial Budget

Activity: LOCAL SUPPORT SERVICES
Program: HEALTH SUPPORT SERVICES
Agency : HEALTH, DEPARTMENT OF
Statutory References: M.S. 145.911 - 145.921

Purpose:

To develop and maintain an integrated system of Community Health Services (CHS) under local administration with a system of state guidelines and standards. Community Health Services means those services designed to protect and improve the people's health within a geographically defined community by emphasizing services to prevent illness, disease and disability, by promoting effective coordination and use of community resources, and by extending health services into the community. These services include community nursing services, home health services, disease prevention and control services, family planning services, nutritional services, dental public health services, emergency medical services, health education, and environmental health services.

Recipient Identification and Eligibility Criteria:

These grants are available to Local Boards of Health organized pursuant to M.S. 145.913. A county or two or more counties acting under a joint powers agreement is eligible for these grants when they meet the following conditions:

1. there shall be an aggregate population of 30,000 or more persons in the county or multi-county organization, except that any three counties may organize without regard to population;
2. there shall be a board of health organized pursuant to M.S. 145.913;
3. there shall be local matching funds provided to support CHS pursuant to M.S. 145.921, subd. 3;
4. there is established a local community health services advisory committee to advise, consult with or make recommendations to the local board of health on matters relating to CHS;
5. there is submitted to the State Commissioner of Health a CHS plan which includes:
 - a. a description of the process used to encourage full community participation in the development of the plan;
 - b. an explanation of the extent to which the planning and service delivery systems have been integrated with the delivery of personal health services, institutional health services, health related environmental programs and services, and with related human services in the community;
 - c. a statement of the priority needs of the community and an inventory of existing health related services in the community;
 - d. descriptions of each service program including: community nursing services, home health services, disease prevention and control services including immunization, emergency medical services, health education and environmental health services;
 - e. the projected amount and source of funding for carrying out the plan; and
 - f. a report and evaluation of the two preceeding year's CHS programs.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:430-03-33-000-01
	* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *						
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO CITIES & TOWNS							
GENERAL	1,463.0	1,524.1	1,524.1	1,710.7	1,710.7	1,710.7	1,710.7
SUBTOTAL	1,463.0	1,524.1	1,524.1	1,710.7	1,710.7	1,710.7	1,710.7
G & A TO COUNTIES							
GENERAL	10,121.5	9,704.1	9,110.9	11,087.9	11,406.3	9,099.8	9,293.2
FEDERAL	150.0	169.7	283.8	425.2	342.7	425.2	342.7
SUBTOTAL	10,271.5	9,873.8	9,394.7	11,513.1	11,749.0	9,525.0	9,635.9

ALL RECIPIENTS BY FUND							
GENERAL	11,584.5	11,228.2	10,635.0	12,798.6	13,117.0	10,810.5	11,003.9
FEDERAL	150.0	169.7	283.8	425.2	342.7	425.2	342.7
TOTAL	11,734.5	11,397.9	10,918.8	13,223.8	13,459.7	11,235.7	11,346.6

Criteria and Formulas to Determine Amount of Payment: The subsidy formula is specified in M.S. 145.921.

Each county subsidy results in rankings and calculations as follows:

1. per capita income - ranked from lowest to highest;
2. per capita taxable value - ranked from lowest to highest;
3. per capita CHS expenditures - ranked from highest to lowest;
4. the ranking given each county on each of the foregoing is totaled and the counties are ranked in numerical order according to score;
5. the total score for each county is then divided into the median total score and the result multiplied by \$2.25 times the county population;
6. the result of (5) is the basic amount that each county is eligible for except that no county shall receive less than \$1.75 or more than \$2.75 per capita;
7. in addition to the basic award, each county that is a part of a multi county agency is awarded \$5,000 and each agency with an aggregate population of 50,000 or more is awarded .25 cents per capita;
8. local match requirement is determined by multiplying the population by \$4.50 and subtracting the CHS subsidy calculated above.

Explanation of Agency Estimates:

The agency same level estimates reflect the cost of fully funding the subsidy as calculated pursuant to M.S. 145.921, Laws of 1979 Chapter 336 Sec. 7 which provides a 7% inflationary increase in each year of the 79-81 biennium, and Laws of 1981 Chapter 360 Sec. 7 which provides that "No county, city, group of cities or group of counties shall receive less than the amount received in 1981..." less the reduction mandated by laws of Minnesota Special Session III Chapter 1. The change level reflects a 7% inflationary increase for each year of the biennium and the restoration of funds reduced by the enactment of laws of Minnesota, Special Session III Chapter 1 (209.5 in 1984, and 208.4 in 1985). The cost of this increase will be \$414,400 in F.Y. 1984 and \$660,700 in F.Y. 1985.

GOVERNOR'S RECOMMENDATION:

The Governor recommends a 5% inflationary increase in funding for these grants, including reallocation of federal preventive health block grant funds as described in the activity recommendation.

GRANTS AND AIDS ANALYSIS FOR: MIGRANT AND INDIAN HEALTH SPECIAL GRANTS 1983-85 Biennial Budget

Activity: LOCAL SUPPORT SERVICES
Program: HEALTH SUPPORT SERVICES
Agency: HEALTH, DEPARTMENT OF
Statutory References: M.S. 145.922

Purpose:

To make special grants to cities, counties, groups of cities or counties or nonprofit corporations to establish, operate or subsidize clinic facilities and services including mobile clinics, to furnish health services for migrant agricultural workers and their families in areas of the state which significant numbers of migrant workers are located. To make special grants to establish, operate or subsidize clinic facilities and services to furnish health services for native Americans who have no established county of residence.

Recipient Identification and Eligibility Criteria:

Cities, counties, groups of cities or counties or nonprofit corporations are eligible to receive these grants based on specific plans and budgets submitted to the Commissioner of Health.

Significant Statistics:

	F.Y.1981 Actual	F.Y.1982 Actual	F.Y.1983 Est.	F.Y.1984 Est.	F.Y.1985 Est.
Number of Grantees					
Migrant Health	2	1	1	1	1
Indian Health	3	3	3	3	1

Explanation of Agency Estimates:

The change level request represents a 7% inflationary increase for 1984 and 1985 as follows:

	F.Y. 1984	F.Y. 1985
Migrant Health Services	\$10.1	\$20.9
Indian Health Services	11.2	23.1

These 2 client groups have special health care needs that are met in part by these funds. Because of cultural differences the most effective method of providing health services for these groups is through special clinic facilities provided by these funds.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:430-03-33-000-02	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO CITIES & TOWNS GENERAL	19.4	32.2	26.3	36.4	38.9	35.7	37.5
SUBTOTAL	19.4	32.2	26.3	36.4	38.9	35.7	37.5
G & A TO COUNTIES GENERAL	150.6	134.4	133.5	134.6	144.0	132.1	138.7
SUBTOTAL	150.6	134.4	133.5	134.6	144.0	132.1	138.7
G & A TO NONGOV'T ORGNZTNS GENERAL	158.7	144.0	84.0	100.6	107.6	98.7	103.6
SUBTOTAL	158.7	144.0	84.0	100.6	107.6	98.7	103.6

ALL RECIPIENTS BY FUND GENERAL	328.7	310.6	243.8	271.6	290.5	266.5	279.8
TOTAL	328.7	310.6	243.8	271.6	290.5	266.5	279.8

GOVERNOR'S RECOMMENDATION:

The Governor recommends a 5% inflationary increase in funding for these grants.

GRANTS AND AIDS ANALYSIS FOR: HOME HEALTH CARE GRANTS 1983-85 Biennial Budget

Activity: LOCAL SUPPORT SERVICES
Program: HEALTH SUPPORT SERVICES
Agency : HEALTH, DEPARTMENT OF
Statutory References: M.S. 145.95

Purpose:

To provide special grants to local boards of health and to the county board of any county that had not organized a local board of health to provide pre-institutional or post-institutional community-based health programs designed to assist elderly and adult physically impaired persons in maintaining an optimal level of functioning and in remaining capable of residing in a family setting or home community.

Recipient Identification and Eligibility Criteria:

These grants were available to local boards of health and county boards based on specific plans and budgets submitted to the Commissioner.

Explanation of Agency Estimates:

This grant program was not funded beyond FY 1981.

HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:							REF:430-03-33-000-04
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL	ACTUAL	ESTIM.	AGENCY ESTIMATES	RECOMMENDATIONS		
	FY1981	FY1982	FY1983	FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
GENERAL	490.0						
SUBTOTAL	490.0						

ALL RECIPIENTS BY FUND							
GENERAL	490.0						
TOTAL	490.0						

GRANTS AND AIDS ANALYSIS FOR: FEDERAL BLOCK GRANTS

1983-85 Biennial Budget

Activity: LOCAL SUPPORT SERVICES
Program: HEALTH SUPPORT SERVICES
Agency: HEALTH, DEPARTMENT OF
Statutory References:

Purpose:

The purpose of these grants will be to provide funding for the development of high priority Preventive Health and Maternal and Child Health programs at the local level consistent with federal block grant policy statement contained in the "Agency Summary".

Recipient Identification and Eligibility Criteria:

Grants will be available to local boards of health or nonprofit agencies for the development of high priority programs. Criteria for determining grants will be established by the Commissioner of Health with advice and comments solicited from the state public health community. This process will be developed for implementation beginning January 1, 1984. Grant expenditures in the current biennium were used to offset reductions to the Community Health Services subsidy.

Explanation of Agency Estimates:

Consistent with the Department's block grant policy, 12.5% (\$305,700) of current Maternal and Child Health (MCH) grant funds to local agencies are transferred to this activity in F.Y. 1984 and 25% (\$611,300) in F.Y. 1985. Preventive Health Services block grant funds of \$165,100 in F.Y. 1984 and \$165,100 in F.Y. 1985 are transferred to this activity from various activities. The total agency request includes the following:

	<u>F.Y. 1984</u>	<u>F.Y. 1985</u>
MCH Block	\$351,900	\$ 657,600
Preventive Block	495,500	495,500
Total	<u>\$847,400</u>	<u>\$1,153,100</u>

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives with the following exception:

The Governor recommends that federal preventive health block grant funds in the amount of \$298.0 in F.Y. 1984 and \$312.9 in F.Y. 1985 be reallocated to the CHS subsidy in order to maintain subsidy funding at the F.Y. 1983 expenditure level plus 5% inflation.

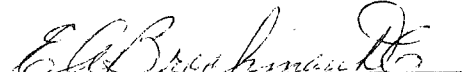
HISTORICAL EXPENDITURES, AGENCY ESTIMATES, AND GOVERNOR'S RECOMMENDATIONS:						REF:430-03-33-000-05	
* * * DOLLARS IN THOUSANDS (137,522=137.5) * * *							
	ACTUAL FY1981	ACTUAL FY1982	ESTIM. FY1983	AGENCY ESTIMATES		RECOMMENDATIONS	
				FY1984	FY1985	FY1984	FY1985
G & A TO COUNTIES							
FEDERAL				393.2	781.4	393.2	781.4
SUBTOTAL				393.2	781.4	393.2	781.4

ALL RECIPIENTS BY FUND							
FEDERAL				393.2	781.4	393.2	781.4
TOTAL				393.2	781.4	393.2	781.4

AGENCY: CHIROPRACTIC EXAMINERS, BOARD OF

1983-85 Biennial Budget

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.


Agency Head

10/12/82
Date

AGENCY DESCRIPTION:

The Board of Chiropractic Examiners exists to ensure the competence of Doctors of Chiropractic licensed to diagnose and treat human conditions and diseases.

OBJECTIVES:

1. To test approximately 110 candidates for licensure.
2. Annually renew licenses of approximately 1,048 chiropractors.
3. Complete requirements of continuing education by approving or rejecting programs or seminars.
4. Investigate all consumer complaints pertaining to boards' licensees.
5. Certify new professional corporations and annually renew existing corporations.
6. Revoke, suspend or otherwise discipline licensees proved to have violated the chiropractic laws and board rules.
7. To update rules and regulations of the board related to continuing education and credentials required for examinations or discipline.

ACCOMPLISHMENTS:

As of 7-1-82 there are 1,048 licensed Doctors of Chiropractic in Minnesota. The number applying for licensure is increasing each year.

Objective	Actual F.Y. 1981	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Licenses renewed	972	1,004	1,048	1,160	1,280
Licenses issued	113	98	110	112	120
Retaken Exams	43	18	27	27	29
Professional corporation certificates renewed	70	78	85	94	107
New corporations	10	7	8	9	10
Seminars approved	30	30	40	40	40

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$49.9	\$58.6	\$89.8	\$99.7	\$111.6

MAJOR ISSUES:

1. Staff has remained at .9 position since 1976. Clientele has doubled during that period. Budget cuts at the Attorney General's Office has resulted in board staff assuming additional responsibilities for disciplinary matters.
2. The Board of Chiropractic Examiners is in the process of rule-making concerning professional advertising and examinations. This is time consuming for board members.
3. An increase in monies for Attorney General services for hearing and discipline problems is required.

EXPLANATION OF BUDGET REQUEST:

1. Due to an increase in number of Doctors of Chiropractic of approximately 100 percent the board requests that the Clerk Typist 2 position be increased from .5 to 1.0 at a cost of \$6.8 each year. The board also requests that the Executive Secretary position be increased from .4 to .5 at an annual cost of \$2.6.
2. An increase of the per diem amount by \$2.0 annually is required because there is a need for a board member to assist with problems not processed by the Attorney General's Office.
3. The board requests \$20.0 per year for Attorney General services related to complaints, hearings, and proposed new rules.

The board's total request is \$90.4 for F.Y. 1984 and \$93.2 for F.Y. 1985.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding with the following exceptions:

1. Adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.
2. The Governor recommends increases for: an additional .5 clerical position and .1 executive secretary position for workload increases; per diems reflecting increased board member work activity and complaint investigation.
3. The Governor recommends a reduction of change level hearings cost by one-third.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: BOARD OF CHIROPRACTORS

PROGRAM: HEALTH BOARDS

AGENCY: CHIROPRACTIC EXAMINERS BD

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	5.3	5.3	7.7	6.8	6.8	13.6	6.8	6.8	13.6	13.6	13.6
-REGULAR UNCLASSIFIED	9.8	12.4	10.1	10.3	2.6	12.9	10.3	2.6	12.9	12.9	12.9
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL	2.9	2.6	3.2	3.5	2.0	5.5	4.2	2.0	6.2	5.5	6.2
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	18.0	20.3	21.0	20.6	11.4	32.0	21.3	11.4	32.7	32.0	32.7
EXPENSES & CONTRACTUAL SERVICES	41.6	44.8	34.2	36.5	20.0	56.5	39.3	20.0	59.3	54.0	55.5
SUPPLIES & MATERIALS	.3	.4	.3	.3		.3	.3		.3	.3	.3
EQUIPMENT			.8	1.6		1.6	.9		.9	1.6	.9
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	59.9	65.5	56.3	59.0	31.4	90.4	61.8	31.4	93.2	87.9	89.4
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	59.9	65.5	56.3	59.0	31.4	90.4	61.8	31.4	93.2	87.9	89.4
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	59.9	65.5	56.3	59.0	31.4	90.4	61.8	31.4	93.2	87.9	89.4
POSITIONS BY FUND											
GENERAL	.8	.9	.9	.9	.6	1.5	.9	.6	1.5	1.5	1.5
TOTAL POSITIONS	.8	.9	.9	.9	.6	1.5	.9	.6	1.5	1.5	1.5

4-4002

AGENCY: DENTISTRY, BOARD OF

1983-85 Biennial Budget

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.

AGENCY DESCRIPTION:

The purpose of the Board of Dentistry is to protect the health, safety, and welfare of the consumer receiving dental services. The board will accomplish its purpose by examining every candidate for licensure and initial registration; annually registering each licensee and registrant; monitoring continuing education programs; responding to consumer complaints, and by reviewing the quality of training programs.

AGENCY OBJECTIVES:

1. Annually license/initial register 155 dentists, 185 hygienists and 420 assistants and 30 corporations.
2. Annually register 3,900 dentists, 2,600 hygienists, 3,000 assistants and 670 corporations.
3. Act upon 25 applications for continuing education sponsor approval and 600 individual requests for continuing education credit.
4. Participate in four accreditation visits.
5. Investigate all complaints received.
6. Amend board rules for clarity purposes, to expand functions which may be delegated to auxiliaries and to permit additional categories of continuing education.

ACCOMPLISHMENTS

During the 1982-83 biennium, the board adopted rule amendments dealing with professional advertising, functions delegated to auxiliaries, requirements for licensure of graduates of non-accredited schools, and requirements for reciprocity. The board also established two committees which have proposed amendments to board rules. The board expanded its registration examination schedule, developed simplified application forms and promoted chemical abuse programs.

Objective No.	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
1. Initial licenses/ registration:	825	921	860	817	800
2. Annual registrations:	8,456	8,947	9,637	9,989	10,596
3. Continuing education applications:		650	625	625	625
4. School accreditation visits:	3	5	4	4	4
5. Formal complaints acted upon:	44	39	45	45	45

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$181.9	\$243.9	\$ 259.6	\$ 265.3	\$ 277.3

MAJOR ISSUES:

Staff - Staff has remained at 3.0 and one seasonal person since 1975 even though clientele has more than doubled. Budget cuts at the Attorney General's Office have resulted in board staff assuming additional responsibility for disciplinary matters. Increased staff is necessary to carry out board responsibilities.

Continuing Education Recordkeeping - During F.Y. 1982, the cost for the recordkeeping services of the Continuing Education Registry increased 50 percent. Indications are that there will be another substantial increase. The board will determine if there is an alternative.

EXPLANATION OF BUDGET REQUEST:

The board requests an appropriation of \$528.2 for the biennium and approval to increase staff from 3.0 to 4.0. The appropriation request includes a \$7.3 change-level request in each year for the additional staff. The remaining costs for additional staff will come from reductions in seasonal personnel.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: BOARD OF DENTISTRY

PROGRAM: HEALTH BOARDS

AGENCY: DENTISTRY, BOARD OF

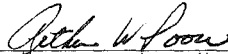
*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	29.4	33.1	34.7	46.4	7.3	53.7	46.4	7.3	53.7	53.7	53.7
-REGULAR UNCLASSIFIED	35.0	40.4	38.4	40.0		40.0	40.0		40.0	40.0	40.0
-PART-TIME/SEAS./OTHER	6.1	5.1	7.9								
-PREMIUM PAY											
-OVERTIME PAY	1.1	1.6	1.5	1.5		1.5	1.5		1.5	1.5	1.5
-MISCELLANEOUS PAYROLL	15.6	15.1	20.0	20.5		20.5	20.5		20.5	20.5	20.5
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	87.2	95.3	102.5	108.4	7.3	115.7	108.4	7.3	115.7	115.7	115.7
EXPENSES & CONTRACTUAL SERVICES	110.8	147.0	130.5	139.7		139.7	149.3		149.3	137.2	144.0
SUPPLIES & MATERIALS	5.3	.9	1.2	1.3		1.3	1.4		1.4	1.3	1.3
EQUIPMENT			7.5	2.5		2.5	2.6		2.6	2.5	2.5
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	203.3	243.2	241.7	251.9	7.3	259.2	261.7	7.3	269.0	256.7	263.5
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	203.3	243.2	241.7	251.9	7.3	259.2	261.7	7.3	269.0	256.7	263.5
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	203.3	243.2	241.7	251.9	7.3	259.2	261.7	7.3	269.0	256.7	263.5
POSITIONS BY FUND											
GENERAL	3.0	3.0	3.0	3.0	1.0	4.0	3.0	1.0	4.0	4.0	4.0
TOTAL POSITIONS	3.0	3.0	3.0	3.0	1.0	4.0	3.0	1.0	4.0	4.0	4.0

AGENCY: MEDICAL EXAMINERS, MINNESOTA BOARD OF

1983-85 Biennial Budget

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.


Agency Head

10-19-82
Date

AGENCY PURPOSE:

The Board of Medical Examiners was created to protect the public by evaluating the credentials of physicians, midwives, physical therapists, professional corporations, and physician assistants. This evaluation includes testing and hearings. In addition the board investigates complaints and takes action against the above listed professionals when warranted.

OBJECTIVES:

The boards objectives are: 1) to license or register qualified physicians, midwives, physical therapists, professional corporations, and physician assistants; 2) to grant renewal registration to those who have met the requirements for continuing practice; 3) to investigate and take action when needed; 4) to make known to other states and agencies the status of physicians, physical therapists, physician assistants, and professional corporations.

ACCOMPLISHMENTS:

Objective	Actual F.Y. 1981	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Licenses issued to practice med.	779	716	800	800	800
Licenses issued to corporations	67	57	70	70	70
Regis. issued to physical ther.	153	149	175	175	175
Exams given to phys. and surg.	55	66	100	120	120
Foreign graduate hearings	76	81	80	80	80
Exams given to physical ther.	197	109	120	120	120
Annual regis. phy. and surg.	12,500	12,519	12,800	12,900	13,000
Annual regis. physical ther.	1,700	1,779	1,800	1,900	1,900
Annual regis corporations	685	727	800	900	1,000
Annual regis. osteo. phy.	26	23	20	10	5
Complaints received	200	200	300	300	300
Licenses conditioned/limited	13	14	15	15	15
Licenses suspended	4	3	5	5	5
Licenses revoked	1	1	3	3	3
Matters in court	3	2	5	5	5
Endorsements to other states	159	148	200	200	200
Student loan interviews	-0-	-0-	-0-	-0-	-0-
Continuing med. ed. reviews	500	500	500	500	500

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$402.3	\$408.0	\$390.6	\$435.0	\$435.0

MAJOR ISSUES:

During the 1983-85 biennium a great deal of time will be spent creating rules regarding advertising, continuing medical education, physical therapy scope and testing, and dealing with problems related to delegating responsibility to allied health personnel.

EXPLANATION OF BUDGET REQUEST:

The total board request for F.Y. 1984 is \$425.0 and for F.Y. 1985 is \$421.6. This represents a change level of \$35.0 in F.Y. 1984 and \$20.0 in F.Y. 1985. Legal issues are requiring more time from the Attorney General's Office and more expert witnesses to review charts and records and testify at hearings. An additional \$20.0 is needed in each year of the biennium for this purpose. All of the board's typewriters were purchased in 1973 and 1974. The mag card equipment was purchased in 1972. This equipment is so worn that it requires excessive maintenance. A total of \$15.0 is requested in F.Y. 1984 for replacement.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: BOARD OF MEDICAL EXAMINERS

PROGRAM: HEALTH BOARDS

AGENCY: MEDICAL EXAMINERS, BOARD OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	107.6	137.9	160.4	163.2		163.2	163.2		163.2	163.2	163.2
-REGULAR UNCLASSIFIED	34.0	35.5	37.2	37.2		37.2	37.2		37.2	37.2	37.2
-PART-TIME/SEAS./OTHER	1.3	12.3	8.0	8.0		8.0	8.0		8.0	8.0	8.0
-PREMIUM PAY											
-OVERTIME PAY	2.5	3.8	1.6	1.6		1.6	1.6		1.6	1.6	1.6
-MISCELLANEOUS PAYROLL	15.8	7.2	11.0	11.0		11.0	11.0		11.0	11.0	11.0
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	161.2	196.7	218.2	221.0		221.0	221.0		221.0	221.0	221.0
EXPENSES & CONTRACTUAL SERVICES	121.1	144.7	154.9	165.8	20.0	185.8	177.2	20.0	197.2	182.5	190.0
SUPPLIES & MATERIALS	1.8	2.7	3.0	3.2		3.2	3.4		3.4	3.1	3.3
EQUIPMENT	3.9	2.4			15.0	15.0				14.7	
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	288.0	346.5	376.1	390.0	35.0	425.0	401.6	20.0	421.6	421.3	414.3
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	288.0	346.5	376.1	390.0	35.0	425.0	401.6	20.0	421.6	421.3	414.3
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	288.0	346.5	376.1	390.0	35.0	425.0	401.6	20.0	421.6	421.3	414.3
POSITIONS BY FUND											
GENERAL	10.0	10.0	10.0	10.0		10.0	10.0		10.0	10.0	10.0
TOTAL POSITIONS	10.0	10.0	10.0	10.0		10.0	10.0		10.0	10.0	10.0

4-4006

AGENCY: NURSING, BOARD OF

1983-85 Biennial Budget

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.


Agency Head

9-30-82

Date

AGENCY DESCRIPTION:

The Board of Nursing is a regulatory agency whose general purpose is to safeguard the health, welfare and safety of Minnesotans. The specific goals are to ensure that professional and practical nurses possess the required knowledge and skill to practice safely and effectively, to assure that nursing education programs meet essential standards and to remove unsafe nurses from practice.

OBJECTIVES:

1. License and grant initial registration to 8,400 professional nurses (RNs) and practical nurses (LPNs).
2. Renew the registration of 54,500 RNs and LPNs.
3. Conduct surveys of 25 (50%) of the nursing education programs.
4. Process approximately 300 written jurisdictional complaints about nurses.
5. Conduct approximately 125 disciplinary conferences or hearings.
6. Carry out at least 2 major rule revisions.

ACCOMPLISHMENTS:

	Actual F.Y. 1981	Actual F.Y. 1982	Estimated F.Y. 1983	Estimated F.Y. 1984	Estimated F.Y. 1985
Number of New Licenses					
Registered Nurses	3,000	2,900	2,900	2,900	2,900
Licensed Practical Nurses	1,300	1,300	1,300	1,300	1,300
Number Re-registered					
Registered Nurses	5,500	31,000	5,500	31,000	5,500
Licensed Practical Nurses	17,500	17,500	9,000	9,000	9,000
Percent Nursing Education Programs Surveyed	25	25	25	25	25
Number of Written Jurisdictional Complaints Received	79	135	140	145	150
Number of Disciplinary Conferences/Hearings	59	44	55	60	65
Number of Rule Revision Proceedings	1	2	2	1	1

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$566.0	\$868.5	\$538.3	\$988.2	\$625.7

BUDGET ISSUE:

The most unpredictable expense is the cost of legal services. Although the number of written jurisdictional complaints has increased each year and the need for legal service has increased accordingly, the total number of hours paid has varied. In F.Y. 1978, 2,232 hours were paid; in F.Y. 1979, 1,348 hours; in F.Y. 1980, 2,622 hours, in F.Y. 1981, 2,737 hours and in F.Y. 1982, 1,702 hours.

EXPLANATION OF BUDGET REQUEST:

The Board of Nursing is requesting \$1,568.6 in general fund appropriations for F.Y. 1983-85 to continue licensing nurses, approving nursing education programs and pursuing complaints about unsafe nursing practice. No increase beyond the inflationary increase is requested.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: BOARD OF NURSING

PROGRAM: HEALTH BOARDS

AGENCY: NURSING, BOARD OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	297.1	312.2	383.5	383.5		383.5	383.5		383.5	383.5	383.5
-REGULAR UNCLASSIFIED	38.3	40.8	43.1	43.1		43.1	43.1		43.1	43.1	43.1
-PART-TIME/SEAS./OTHER	.1										
-PREMIUM PAY											
-OVERTIME PAY	.3	.8	2.5	2.5		2.5	2.5		2.5	2.5	2.5
-MISCELLANEOUS PAYROLL	4.1	3.3	6.8	6.8		6.8	6.8		6.8	6.8	6.8
-OTHER BENEFITS	2.8		7.6	7.6		7.6	7.6		7.6	7.6	7.6
TOTAL PERSONAL SERVICES	342.7	357.1	443.5	443.5		443.5	443.5		443.5	443.5	443.5
EXPENSES & CONTRACTUAL SERVICES	254.6	253.5	302.6	324.1		324.1	347.6		347.6	318.2	334.6
SUPPLIES & MATERIALS	4.2	2.7	3.5	3.7		3.7	4.0		4.0	3.6	3.9
EQUIPMENT	.3	5.7	1.0	1.1		1.1	1.1		1.1	1.1	1.1
FIXED PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	601.8	619.0	750.6	772.4		772.4	796.2		796.2	766.4	783.1
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	601.8	619.0	750.6	772.4		772.4	796.2		796.2	766.4	783.1
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	601.8	619.0	750.6	772.4		772.4	796.2		796.2	766.4	783.1
POSITIONS BY FUND											
GENERAL	17.5	18.5	17.5	17.5		17.5	17.5		17.5	17.5	17.5
TOTAL POSITIONS	17.5	18.5	17.5	17.5		17.5	17.5		17.5	17.5	17.5

4-4008

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.

Phillip C Newberg 10/12/82
Agency Head Date

AGENCY DESCRIPTION:

The purpose of the Board of Nursing Home Administrators is to ensure the competency of Nursing Home Administrators and the protection of the consumer receiving long term health care institutional services.

OBJECTIVES:

1. To administer examinations to approximately 125 applicants yearly.
2. Relicense approximately 850 existing administrators after ascertaining compliance with continuing education requirements.
3. Review and act upon 750-850 educational offerings proposed for use in meeting the continuing professional education requirements.
4. Act upon complaints against administrators to determine if misconduct or inappropriate activity has occurred.
5. Ensure that administrators and potential administrators have access to the most current knowledge in the profession and assist in periodic dissemination of such information.
6. Revoke, suspend or otherwise discipline licensees proved to have violated board rules and regulations.
7. Serve as a resource to potential applicants, other regulatory bodies and educational institutions so as to provide for accurate and uniform information and thus help assure better provision of services to residents in nursing homes and other long term health care facilities.

ACCOMPLISHMENTS:

Significant progress is noted in the continued improvements in the educational preparation and professional approach and motivation of applicants as well as continual and consistent higher test results on the required licensure examinations. More academic and professional organizations are offering educational seminars which constitute substantially improved educational opportunities for administrators. Other state licensure boards, in their effort to upgrade their standards and requirements, are securing copies of the board's requirements and rules as well as seeking guidance from staff and board.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$62.8	\$111.7	\$108.8	\$110.0	\$112.5

Objective	Actual F.Y. 1981	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Applications processed	95	109	120	120	130
Examinations administered	95	101	125	135	150
Licenses issued	740	855	820	900	950
Educational offerings reviewed	675	684	400	450	500
Individuals counseled	575	600	650	700	750
Written complaints received	11	7	6	5	5
Licenses revoked	2	1	1	1	1

EXPLANATION OF BUDGET REQUEST:

The budget requested for F.Y. 1984 is \$106.2 and for F.Y. 1985 is \$108.6. These requests are necessary to maintain board activities at present operational levels. The board plans no staff changes.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: BOARD OF NURSING HOME ADMIN

PROGRAM: HEALTH BOARDS

AGENCY: NURSING HOME ADMIN, EXAM BD

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED		18.7	21.5	21.4		21.4	21.4		21.4	21.4	21.4
-REGULAR UNCLASSIFIED	39.5	46.2	48.5	44.2		44.2	44.2		44.2	44.2	44.2
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY		.1									
-MISCELLANEOUS PAYROLL	1.2	1.2	1.7	6.5		6.5	6.5		6.5	6.5	6.5
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	40.8	66.2	71.7	72.1		72.1	72.1		72.1	72.1	72.1
EXPENSES & CONTRACTUAL SERVICES	35.1	39.1	31.3	33.5		33.5	35.8		35.8	32.8	34.6
SUPPLIES & MATERIALS	.3	.8	.6	.6		.6	.7		.7	.6	.7
EQUIPMENT	.2										
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	76.4	106.1	103.6	106.2		106.2	108.6		108.6	105.5	107.4
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	76.4	106.1	103.6	106.2		106.2	108.6		108.6	105.5	107.4
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	76.4	106.1	103.6	106.2		106.2	108.6		108.6	105.5	107.4
POSITIONS BY FUND											
GENERAL	1.0	2.0	2.0	2.0		2.0	2.0		2.0	2.0	2.0
TOTAL POSITIONS	1.0	2.0	2.0	2.0		2.0	2.0		2.0	2.0	2.0

4-4010

AGENCY: OPTOMETRY, BOARD OF

1983-85 Biennial Budget

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.

Leo A. Meyer, D.D.
Agency Head

10/11/82
Date

AGENCY DESCRIPTION:

The Board of Optometry serves the public need for quality vision care by endorsing state statutes, rules and regulations relating to the optometric profession; annually examining 50 applicants as to their fitness and qualifications; monitoring continuing education requirements; relicensing 600 optometrists annually; reevaluating current rules and regulations; and investigating written complaints received each year (M.S. 148.52).

OBJECTIVES:

1. To ensure applicants meet minimum professional standards by annually examining for licensure.
2. To annually renew licenses of optometrists after verifying that continuing education requirements have been met.
3. To assure quality programs by approving approximately 50 programs for continuing education credit.
4. To respond to and initiate investigation of complaints within 2 weeks of receipt of a complaint.
5. To promulgate rules to maintain competence of licensees.

ACCOMPLISHMENTS:

Objective	Actual F.Y. 1981	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Applicant examinations	72	47	50	50	50
License renewal	620	638	645	650	650
Continuing education programs for approval	52	51	53	50	50
Complaints received	34	33	35	34	35
Rules hearings	-0-	-0-	-0-	1	1

Since 1977, the number of applicants for licensure has increased due to the fact that the clinical and practical examination is given in conjunction with the Wisconsin Board of Examiners in Optometry. In 1982, the joint examination process, given with Wisconsin, was discontinued and thus the number of applicants declined.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$42.1	\$42.6	\$47.4	\$51.0	\$53.3

MAJOR ISSUES:

1. The 1982 legislative session amended the optometry statutes providing for the use of topical ocular drugs by optometrists. Implementation of this amendment will require additional activity by the board. Possible rules may be required in this area.
2. A public board member is being proposed for national office for the National Boards of Examiners in Optometry. This will require outstate travel.

EXPLANATION OF BUDGET REQUEST:

The Board of Optometry is requesting a change level request of \$1.0 in each year of the biennium for increased printing and professional services costs anticipated in the promulgation of rules, and \$1.5 in each year for outstate travel for board member holding national office. The board's total request is \$48.7 for F.Y. 1984 and \$50.7 for F.Y. 1985.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request to achieve the 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: BOARD OF OPTOMETRY

PROGRAM: HEALTH BOARDS

AGENCY: OPTOMETRY, BOARD OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED											
-REGULAR UNCLASSIFIED	11.6	12.7	14.0	14.2		14.2	14.2		14.2	14.2	14.2
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL	4.6	4.3	4.8	5.1		5.1	5.1		5.1	5.1	5.1
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	16.2	17.0	18.8	19.3		19.3	19.3		19.3	19.3	19.3
EXPENSES & CONTRACTUAL SERVICES	18.6	15.4	24.8	25.7	2.5	28.2	28.1	2.5	30.6	27.8	29.5
SUPPLIES & MATERIALS	.6	.2	.7	.7		.7	.8		.8	.7	.8
EQUIPMENT	.3			.5		.5				.5	
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	35.7	32.6	44.3	46.2	2.5	48.7	48.2	2.5	50.7	48.3	49.6
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	35.7	32.6	44.3	46.2	2.5	48.7	48.2	2.5	50.7	48.3	49.6
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	35.7	32.6	44.3	46.2	2.5	48.7	48.2	2.5	50.7	48.3	49.6
POSITIONS BY FUND											
GENERAL	.5	.5	.5	.5		.5	.5		.5	.5	.5
TOTAL POSITIONS	.5	.5	.5	.5		.5	.5		.5	.5	.5

4-4012

AGENCY: PHARMACY, BOARD OF

1983-85 Biennial Budget

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.


Agency Head

10/12/82
Date

AGENCY DESCRIPTION: The Minnesota Board of Pharmacy exists to protect the public from adulterated, misbranded and illicit drugs and to provide a reasonable assurance of professional competency in the practice of pharmacy through its enforcement of the miscellaneous acts and the rules promulgated thereunder. Enforcement involves testing, licensing, responding to complaints on, inspecting and investigating 4,000 pharmacists, 450 pharmacist-interns, 1,050 pharmacies, 125 drug wholesalers and 80 drug manufacturers; providing technical assistance, training and consultation to pharmacists and other health professionals; and developing and applying rules and regulations governing the various aspects of drug handling.

AGENCY OBJECTIVES:

1. Test approximately 300 and license approximately 250 new pharmacists/year; register at least 200 pharmacist-interns/year and administer 14 internship competency examinations/year.
2. Relicense 4,000 existing pharmacists after ascertaining compliance with continuing education requirements.
3. Review and act upon 500-600 educational offerings proposed for use in meeting the continuing professional education requirements of pharmacists.
4. Inspect and relicense all 1,050 licensed pharmacies and 205 drug wholesalers and manufacturers.
5. Conduct inspection surveys regarding drug distribution systems in 250-300 nursing homes and in the various other health facilities and make recommendations.
6. Investigate all complaints pertaining to Board's licensees.
7. Increase knowledge of the voluntary compliance with state and federal laws and regulations through the publishing of a quarterly newsletter sent to all pharmacists.
8. Revoke, suspend or otherwise discipline licensees proven to have violated pharmacy laws or board rules.

ACCOMPLISHMENTS AND PERFORMANCE INDICATORS: All agency objectives were met. In addition, during the past two years the Board has taken back from the Center for Health Statistics Licensing Section, the entering of licensing information into the statewide licensing system, the updating of the files and the generating of license renewals. The Board now performs for itself the services previously provided by the Department of Health in this area and does so more rapidly, with fewer errors, and without an increase in personnel.

MAJOR ISSUES: Major revisions in the Board's rules have taken place during the past 12 months. A major printing, distribution, education and enforcement program will now be necessary. Additional rule changes, including a major change in the method of approving continuing education programs, are anticipated. Keeping all licensees informed of these developments will be done primarily through the Board's quarterly newsletter. New legislation requiring all drug manufacturers to place an identifying mark or symbol on

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$248.6	\$289.4	\$309.5	\$334.5	\$344.5

each tablet or capsule of legend drugs sold in Minnesota goes into effect on January 1, 1983. The Board is responsible for developing and maintaining a list of these marks and determining the validity of exemption requests as well as monitoring compliance. Significant paperwork is anticipated in maintaining this information. A small word processor would be most helpful in this endeavor as well as in rulemaking, text editing and standard letter generation.

EXPLANATION OF BUDGET REQUEST: This budget request is noteworthy in four areas:

1. Since 1979 the Minnesota Board of Pharmacy has participated in the publication of a quarterly newsletter, aimed at obtaining and/or retaining voluntary compliance with state and federal laws and regulations. This newsletter is mailed to all Minnesota pharmacists. Since its inception, the newsletter project, produced in cooperation with the National Association of Boards of Pharmacy Foundation, has been funded, except for mailing costs, by a grant obtained from a major drug company. That grant expires at the end of 1983. At that time the Board will have to pick up the production costs if it intends to continue providing this valuable communication device. The anticipated cost is \$3.5 each year.
2. The Board has three full time inspectors. Travel reimbursement costs have increased substantially and even though attempts are made to share rides, etc. the amount available for in-state travel must be increased. Anticipated additional cost \$2.0 each year.
3. With virtually constant rulemaking taking place, a great number of similar letters being generated for continuing education, licensure application, etc., and a significant amount of text editing being done, a word processor would be a most welcome aid to the efficient operation of the office. A basic word processor system is available through state purchasing for approximately \$5.0 at this time. Proposed purchase in F.Y. 1984.
4. Legal services utilization has increased rather markedly with the securing of new representation from the Attorney General's office and with an increase in the number of cases of a more complicated nature. Anticipated increase \$3.0 each year.

With these modest increases the total budget being requested in F.Y. 1984 is \$329.9 and in F.Y. 1985 is \$331.5. All of these amounts will be recovered through fee receipts.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding with the following exceptions:

1. Adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.
2. The Governor makes no specific recommendation for the Pharmacy Task Force on Continuing Education since by law it is required to sunset as of June 30, 1983.
3. The Governor recommends increases for; a quarterly newsletter presently funded by a drug company grant which expires this year; travel costs reflecting increased inspection activity; a word processing system to improve office efficiency; and legal service costs reflecting increased case activity.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: BOARD OF PHARMACY

PROGRAM: HEALTH BOARDS

AGENCY: PHARMACY, BOARD OF

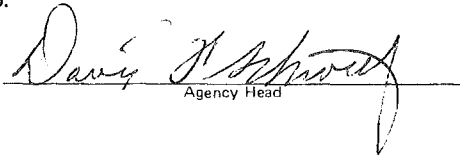
*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	131.7	155.5	168.0	171.4		171.4	171.4		171.4	171.4	171.4
-REGULAR UNCLASSIFIED	37.0	40.6	43.5	43.1		43.1	43.1		43.1	43.1	43.1
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL	5.6	6.7	6.2	7.5		7.5	7.5		7.5	7.5	7.5
-OTHER BENEFITS	.1										
TOTAL PERSONAL SERVICES	174.4	202.8	217.7	222.0		222.0	222.0		222.0	222.0	222.0
EXPENSES & CONTRACTUAL SERVICES	50.8	73.9	83.6	89.1	8.5	97.6	93.7	8.5	102.2	94.6	97.1
SUPPLIES & MATERIALS	2.7	3.1	4.0	4.3		4.3	4.6		4.6	4.2	4.4
EQUIPMENT					5.0	5.0				4.9	
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS			1.0	1.0		1.0	2.7		2.7	1.0	2.7
TOTAL EXPENDITURES	227.9	279.8	306.3	316.4	13.5	329.9	323.0	8.5	331.5	326.7	326.2
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	227.9	279.8	306.3	316.4	13.5	329.9	323.0	8.5	331.5	326.7	326.2
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	227.9	279.8	306.3	316.4	13.5	329.9	323.0	8.5	331.5	326.7	326.2
POSITIONS BY FUND											
GENERAL	7.0	7.0	7.0	7.0		7.0	7.0		7.0	7.0	7.0
TOTAL POSITIONS	7.0	7.0	7.0	7.0		7.0	7.0		7.0	7.0	7.0

AGENCY: PODIATRY, BOARD OF

1983-85 Biennial Budget

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.


Agency Head

10-12-82
Date

AGENCY DESCRIPTION:

The Podiatry Board exists to ensure the public of professional competency in the practice of podiatry. Competency is ensured by enforcing statutes and rules; by comprehensive examination of candidates for licensure; by yearly renewal of license predicated on compliance with 12 credit hours of continuing education; and, by investigation and adjudication of complaints.

OBJECTIVES:

1. Examine approximately 8 podiatrists annually for licensure.
2. Annual registration of 118 podiatrists.
3. Initially register 2 professional corporations.
4. Annually register 14 professional corporations.
5. Respond to and investigate complaints to the end that the public is adequately protected.
6. Review and act upon 130 applications for continuing education credit by sponsoring organizations.
7. Review and make necessary changes to the law and subsequently promulgate rules to ensure the enforcement of the law.

ACCOMPLISHMENTS:

	Actual F.Y. 1981	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
New licenses issued	11	5	8	10	12
Podiatrists relicensed	104	111	118	120	120
Jurisdictional written complaints	3	3	3	3	3
Continuing education programs reviewed	130	137	143	140	140

EXPLANATION OF BUDGET REQUEST:

No change level of funding is requested for this agency. The budget request for F.Y. 1984 is \$5.8 and F.Y. 1985 is \$6.2 per year.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$6.7	\$7.3	\$7.1	\$7.1	\$7.1

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: BOARD OF PODIATRY

PROGRAM: HEALTH BOARDS

AGENCY: PODIATRY, BOARD OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED											
-REGULAR UNCLASSIFIED											
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL	.7	.8	1.5	1.3		1.3	1.3		1.3	1.3	1.3
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	.7	.8	1.5	1.3		1.3	1.3		1.3	1.3	1.3
EXPENSES & CONTRACTUAL SERVICES	2.5	4.4	4.0	4.4		4.4	4.8		4.8	4.4	4.6
SUPPLIES & MATERIALS			.1	.1		.1	.1		.1	.1	.1
EQUIPMENT											
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	3.2	5.2	5.6	5.8		5.8	6.2		6.2	5.8	6.0
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	3.2	5.2	5.6	5.8		5.8	6.2		6.2	5.8	6.0
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	3.2	5.2	5.6	5.8		5.8	6.2		6.2	5.8	6.0
POSITIONS BY FUND											
TOTAL POSITIONS											

AGENCY: PSYCHOLOGY, BOARD OF

1983-85 Biennial Budget

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.

John E. Magnus
Agency Head

9/30/82
Date

AGENCY DESCRIPTION:

The purpose of the Board of Psychology is to protect the public from incompetent or unethical practitioners by means of licensure of applicants who have met legal requirements for licensure and who have performed successfully on the examination, (the objective examination is waived for applicants who have met Minnesota's examination score requirements in another state) and by means of investigating complaints and taking disciplinary action against licensees, or referring non-jurisdictional cases to appropriate authorities. Licenses are renewed biennially.

OBJECTIVES:

1. Administer objective examinations to applicants meeting education requirements.
2. License psychologists meeting education, experience and examination requirements.
3. Process requests to add areas of competence to licensees' files.
4. Review and act on 60 day practice permits for licensees of other states.
5. Renew licenses of licensees meeting state law and rule requirements.
6. Register professional corporations.
7. Process annual re-registration of professional corporations.
8. Investigate complaints against licensees and applicants for licensure and discipline when required.
9. Revise and update Board rules.
10. Provide informational services to the public.

Objective No.	Actual F.Y. 1981	Actual F.Y. 1982	Est. F.Y. 1983	Obj/Est F.Y. 1984	Obj/Est F.Y. 1985
1,2. Applications received	220	210	291	310	320
1. Examinations administered	182	205	243	270	280
2. Initial licenses issued	190	214	225	240	250
2. Number licensed as Consulting Psychologist without exam*	25	35	35	40	40
3. Competency addition requests acted on**	23	32	--	--	--
4. Practice requests reviewed	1	2	2	2	2
5. Licenses renewed	541	527	676	725	880
6. Professional corporations registered	11	6	5	5	5
8-10. Complaints referred or acted on	35	26	40	40	40
1-10. Responses to phone requests for information regarding licensees, conduct and procedures	4200	5100	5000	4500	4500

* Figures included in number of initial licenses issued. ** 8/7/82 rule change eliminated endorsement of areas of competence; licensees file notarized statement.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$66.4	\$92.3	\$118.6	\$121.3	\$139.9

ACCOMPLISHMENTS:

Increased public awareness of board purpose; completely revised rules have been adopted and became effective 8/7/82. On 6/30/82 there were 1490 licensees, an increase of 30% over the last biennium. A large majority (62%) of licensees live or work in the 7-county metro area; 29% live in 58 of the 80 non-metro counties; 9% live in other states. The number of persons applying for licensure has accelerated dramatically over the 81-82 biennium. Eight licensees were disciplined during the 81-82 biennium for rule violations.

MAJOR ISSUES:

Because the rate at which applicants seek licensure is accelerating, due in part to the impact of third-party reimbursement, the board's workload has correspondingly accelerated. Not only are many more applications processed each year; information about licensees has increased correspondingly, as has the number of complaints. The heavy concentration on new rules during the preceding biennium precluded development of an informational brochure on psychological services, which was anticipated for the preceding biennium and is still a goal for the coming biennium. The next biennium will also be devoted to development of a workable continuing education rule to help ensure the continued competence of licensees in providing services to the public, and to developing procedures for expediting the processing of complaints against licensees.

EXPLANATION OF BUDGET REQUESTS:

No change in the funding level, adjusted for inflation factors to \$104.9 for F.Y. 1984 and \$109.3 for F.Y. 1985 is requested, because it is anticipated that revised application, renewal and complaint procedures will increase efficiency, decrease processing time, and obviate the need for additional staff.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: BOARD OF PSYCHOLOGY

PROGRAM: HEALTH BOARDS

AGENCY: PSYCHOLOGY, BOARD OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED	13.4	15.2	17.6	17.5		17.5	17.5		17.5	17.5	17.5
-REGULAR UNCLASSIFIED	18.0	17.3	18.8	26.7		26.7	26.7		26.7	26.7	26.7
-PART-TIME/SEAS./OTHER	.1	.3	.5	.5		.5	.5		.5	.5	.5
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL	5.7	4.7	5.4	4.7		4.7	4.7		4.7	4.7	4.7
-OTHER BENEFITS	1.5										
TOTAL PERSONAL SERVICES	38.7	37.5	42.3	49.4		49.4	49.4		49.4	49.4	49.4
EXPENSES & CONTRACTUAL SERVICES	35.8	54.1	56.0	55.0		55.0	59.3		59.3	54.1	57.2
SUPPLIES & MATERIALS	.1	.3	1.1	.5		.5	.6		.6	.5	.6
EQUIPMENT		.3	1.5								
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	74.6	92.2	100.9	104.9		104.9	109.3		109.3	104.0	107.2
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	74.6	92.2	100.9	104.9		104.9	109.3		109.3	104.0	107.2
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	74.6	92.2	100.9	104.9		104.9	109.3		109.3	104.0	107.2
POSITIONS BY FUND											
GENERAL	1.8	2.0	2.0	2.0		2.0	2.0		2.0	2.0	2.0
TOTAL POSITIONS	1.8	2.0	2.0	2.0		2.0	2.0		2.0	2.0	2.0

AGENCY: VETERINARY MEDICINE, BOARD OF

1983-85 Biennial Budget

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.

Leona Nelson Exec. Sec. 10/12/82.
Agency Head Date

AGENCY DESCRIPTION:

The Board of Veterinary Medicine exists to ensure the competence of Doctors of Veterinary Medicine licensed to diagnose and treat diseases of animals.

OBJECTIVES:

1. To test approximately 130 candidates for licensure.
2. To renew licenses of approximately 2300 veterinarians annually.
3. To investigate all consumer complaints pertaining to board's licensees.
4. To complete requirements for continuing education.
5. To respond to all drug inquiries regarding status of licenses, license numbers, correct addresses from Drug Enforcement Administration, drug firms, Veterinary Services and the Animal Health Board.
6. To certify new professional corporations and annually renew existing corporations.
7. To revoke, suspend or otherwise discipline licensees proved to have violated veterinary laws or board rules.

ACCOMPLISHMENTS:

Objective	Actual F.Y. 1981	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
New licenses issued	120	130	130	130	130
Veterinarians relicensed	2100	2200	2300	2400	2500
Licenses suspended	39	50	50	50	55
Consumer complaints	5	6	8	10	10
Drug inquiries	450	430	420	450	400
Professional Corporations certified	4	5	4	6	6

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	E. F.
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	\$ 36.7	\$ 65.9	\$ 65.3	\$ 68.5	\$ 7

MAJOR ISSUES:

The Veterinary Technicians have made a formal application to the Human Services Occupational Advisory Council for credentialling. If they are to be credentialled during the next biennium this would be a major issue that we must address if they are to be regulated by this board.

EXPLANATION OF BUDGET REQUEST:

There are no change requests in the budget for the 1983-85 biennium.

Appropriation request for F. Y. 1984 is \$66.3; request for F. Y. 1985 is \$69.2

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request for the same level of funding to achieve F.Y. 1983-85 objectives. However, adjustments have been made to modify the inflation rates which had been allowed for directly appropriated accounts.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: BD OF VETERINARY MEDICINE

PROGRAM: HEALTH BOARDS

AGENCY: VETERINARY MEDICINE, BD OF

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED		11.6	15.1	13.1		13.1	13.1		13.1	13.1	13.1
-REGULAR UNCLASSIFIED	6.6	7.5	9.8	9.9		9.9	9.9		9.9	9.9	9.9
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL	1.1	2.0	3.1	4.6		4.6	4.6		4.6	4.6	4.6
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES	7.7	21.1	28.0	27.6		27.6	27.6		27.6	27.6	27.6
EXPENSES & CONTRACTUAL SERVICES	18.3	19.8	34.9	38.3		38.3	41.1		41.1	37.7	39.7
SUPPLIES & MATERIALS	.2		.4	.4		.4	.5		.5	.4	.5
EQUIPMENT											
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES	26.2	40.9	63.3	66.3		66.3	69.2		69.2	65.7	67.8
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL	26.2	40.9	63.3	66.3		66.3	69.2		69.2	65.7	67.8
DEDICATED APPROPRIATIONS:											
TOTAL FINANCING	26.2	40.9	63.3	66.3		66.3	69.2		69.2	65.7	67.8
POSITIONS BY FUND											
GENERAL	.2	1.0	1.0	1.0		1.0	1.0		1.0	1.0	1.0
TOTAL POSITIONS	.2	1.0	1.0	1.0		1.0	1.0		1.0	1.0	1.0

Pursuant to provisions of M.S. Sec. 16A.095, there are submitted herewith estimates and other information for your use in the preparation of the proposed budget for the biennium beginning July 1, 1983 and ending June 30, 1985.

Benjamin Arnes
Agency Head

October, 1982
Date

AGENCY DESCRIPTION:

The Minnesota Council on Health Promotion and Wellness was established to improve the quality of life for citizens of Minnesota. The 15 member voluntary council, appointed by the Governor, is charged to provide assistance to organizations, communities and individuals to encourage health and wellness; to stimulate, support and sponsor messages and projects that will improve personal wellness skills and reduce major risk factors; to promote health and well-being among state employees; to study laws, rules and practices of state government that encourage or discourage health life styles and recommend changes; and to prepare a written biennial report on the state of the State's health.

OBJECTIVES:

1. Annual sponsorship of Wellness Week in Minnesota; distribution of packets.
2. Involve school systems and students in the Governor's Health and Wellness Award program.
3. Develop print and television (TV) ads to increase awareness of positive life styles.
4. Establish a state employee health promotion committee representing all state agencies.
5. Distribute health messages to state employees.
6. Schedule hearings and receive testimony on health issues.
7. Community wellness guidelines incorporated at the local level.
8. Write and distribute health and wellness surveys.
9. Develop speakers' bureau to assist communities and organizations.
10. Sponsor Minnesota Health Series on major health topics.
11. Active involvement in legislation dealing with health issues.
12. Conduct ongoing fund raising to support projects.

ACCOMPLISHMENTS:

During the first year of the council's existence, 120 volunteers gave their time and expertise to help plan and implement various projects. Forty corporations, 6 insurance companies and over 100 individuals (to date) have contributed approximately \$35.0 to help launch the council. A loaned executive and volunteer office workers provided the staff support for the council from September, 1981 to May, 1982.

ACTIVITY GENERATES NON-DEDICATED REVENUE	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATE F.Y. 1983	ESTIMATE F.Y. 1984	ESTIMATE F.Y. 1985
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-0-	-0-	-0-	-0-	-0-

Objective	Actual F.Y. 1982	Obj./Est. F.Y. 1983	Obj./Est. F.Y. 1984	Obj./Est. F.Y. 1985
Wellness Week packets	100	1,500	2,000	2,500
Number of students receiving Governor's health award	-0-	2,500	100,000	300,000
TV-print messages	3	4	8	12
Agencies represented on State Employee Committee	20	25	30	all
Health messages	3	12	12	12
Hearings	1	2	4	4
Community guidelines	-0-	10	20	30
Surveys	200	800	1,500	1,500
Members in speaker's bureau	20	40	50	50
Health series topics	-0-	4	4	4
Legislative initiatives	1	3	5	10
Fund raising	\$35.0	\$53.5	\$90.0	\$120.0

MAJOR ISSUES:

Lack of permanent funding is clearly the most critical issue facing the council. Numerous projects are in process, or being planned, that are realistic, creative, highly visible and cost-effective. Outside funds/sponsors will be sought to continue and expand these activities. The staff role/function is expanding; a project management organizational pattern is being considered to make the council more efficient and effective.

EXPLANATION OF BUDGET REQUEST:

The council did not request an appropriation in the 1981-83 biennium. State funds are being sought to maintain the current staff of 1.5 positions and to cover the basic operational expenses for the council. The council's total general fund request is \$54.9 for F.Y. 1984 and \$56.4 for F.Y. 1985.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the same level of funding rather than the agency's change level for this activity.

BUDGET ACTIVITY FISCAL SUMMARY - BIENNIAL BUDGET

BUDGET ACTIVITY: CNCL-HLTH PROMTN & WELLNESS

PROGRAM: CNCL-HLTH PROMTN & WELLNESS

AGENCY: CNCL-HLTH PROMTN & WELLNESS

*** DOLLARS IN THOUSANDS (137,522 = 137.5) ***

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES											
PERSONAL SERVICES											
-REGULAR CLASSIFIED			16.4		17.2	17.2		17.2	17.2		
-REGULAR UNCLASSIFIED		3.7	17.0		17.0	17.0		17.0	17.0		
-PART-TIME/SEAS./OTHER											
-PREMIUM PAY											
-OVERTIME PAY											
-MISCELLANEOUS PAYROLL											
-OTHER BENEFITS											
TOTAL PERSONAL SERVICES		3.7	33.4		34.2	34.2		34.2	34.2		
EXPENSES & CONTRACTUAL SERVICES		5.0	18.1	83.0	18.6	101.6	112.0	19.9	131.9	83.0	112.0
SUPPLIES & MATERIALS			1.5	7.0	1.6	8.6	8.0	1.7	9.7	7.0	8.0
EQUIPMENT			.5		.5	.5		.6	.6		
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXPENSE ITEMS											
TOTAL EXPENDITURES		8.7	53.5	90.0	54.9	144.9	120.0	56.4	176.4	90.0	120.0
SOURCES OF FINANCING											
DIRECT APPROPRIATIONS:											
GENERAL					54.9	54.9		56.4	56.4		
DEDICATED APPROPRIATIONS:											
GIFTS AND DEPOSITS		8.7	53.5	90.0		90.0	120.0		120.0	90.0	120.0
TOTAL FINANCING		8.7	53.5	90.0	54.9	144.9	120.0	56.4	176.4	90.0	120.0
POSITIONS BY FUND											
GENERAL					1.5	1.5		1.5	1.5		
GIFTS AND DEPOSITS		2.0	1.5								
TOTAL POSITIONS		2.0	1.5		1.5	1.5		1.5	1.5		

AGENCY: CONTINGENT FOR STATE INSTITUTIONS

1983-85 Biennial Budget

PURPOSE:

This budget request in the amount of \$700.0 is for emergency purposes and for the purchase of food, clothing, drugs and fuel for any of the institutions for which an appropriation is made in the Welfare, Corrections, and Health appropriation act. No expenditure shall be made from this appropriation without the direction of the Governor after consultation with the Legislative Advisory Commission. Any unexpended balance remaining the first year shall not cancel but shall be available for the second year.

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the request for the same level budget for F.Y. 1984

AGENCY FISCAL SUMMARY - BIENNIAL BUDGET

AGENCY: CONTINGENT FOR STATE INSTI

* * * DOLLARS IN THOUSANDS (137,522 = 137.5) * * *

SUMMARY OF EXPENDITURES AND REQUEST	ACTUAL F.Y. 1981	ACTUAL F.Y. 1982	ESTIMATED F.Y. 1983	F.Y. 1984 REQUEST LEVELS			F.Y. 1985 REQUEST LEVELS			GOVERNOR'S RECOMMENDATIONS	
				SAME	CHANGE	TOTAL	SAME	CHANGE	TOTAL	F.Y. 1984	F.Y. 1985
EXPENDITURES BY PROGRAM:											
FINANCE MISCELLANEOUS			750.0	700.0		700.0				700.0	
TOTAL			750.0	700.0		700.0				700.0	
EXPENDITURES BY CATEGORY:											
PERSONAL SERVICES											
EXPENSES & CONTRACTUAL SERVICES											
SUPPLIES & MATERIALS											
EQUIPMENT											
REAL PROPERTY											
DEBT SERVICE & ANNUITIES											
GRANTS & AIDS											
OTHER EXP ITEMS											
INTERAGENCY TRANSFERS			750.0	700.0		700.0				700.0	
TOTAL EXPENDITURES			750.0	700.0		700.0				700.0	
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
DEDICATED APPROPRIATIONS:											
GENERAL			750.0	700.0		700.0				700.0	
TOTAL FINANCING			750.0	700.0		700.0				700.0	
POSITIONS BY FUND:											
TOTAL POSITIONS											

