



TO: MINNESOTA HOUSE BEHAVIORAL HEALTH DIVISION MEMBERS

FROM: JOHN MAGNUSON, MARRCH EXECUTIVE DIRECTOR

SUBJECT: HF 1299 SUBSTANCE USE DISORDER ADMINISTRATIVE RULE

DATE: MARCH 15, 2021

Thank you for hearing HF 1299 on March 10. I wanted to follow up with some information for the committee to ensure there is clear understanding of the administrative rule and the effect of this bill.

Original need of the rule

This rule was established when the Chemical Dependency Treatment Fund (now the Behavioral Health Fund) was overseen by the counties. Access to these funds was dictated by the county who gave the approval through the rule 25 process. With the implementation of direct access and inclusion into the state's Medicaid plan this function no longer works as originally intended.

Intent of rule

When reading rule part 9530.6810 the county board needs to indicate to the commissioner whether there is a need for the provider in a specified county. Please find *attachment A* the data from DHS demonstrating that every county in Minnesota is underserving the substance use disorder need for treatment. On average only 13% of residents access the service they need.

Communication with the county

The amendment adopted requires providers to notify a county of their intent to apply for licensure. This language was a compromise developed in good faith, to recognize the counties desire to know about an SUD program interested in operating in their county. This notification allows the county to reach out to the provider should they have questions or concerns they would like to discuss. Nothing in this bill prohibits a county from issuing a letter to DHS licensing to express their concerns about a provider. We are certain DHS would take this under consideration during their evaluation.

DHS is the final authority

Irrespective of receipt of a letter from the county in the affirmative or negative, according to 9530.6800 DHS takes the counties recommendation as *a part* of the determination. Ultimately, DHS is the final

authority to determine if a license is granted to a prospective provider. A provider must complete all the licensure application requirements.

County support for providers

Although historically, counties may have had a more active role in working with a potential provider on its business plan, it is the provider's responsibility to do diligence in how, where, and when to operate their business. We have recently heard from counties that they envision this process as supporting culturally specific programming. We would like to hear more from the counties how the letter of need process addresses or amplifies the presence of culturally specific programs to meet the needs of their citizens.

Frequency of occurrence

DHS received 39 letters of intent from substance use disorder providers seeking a license in 2020.

- 23 letters of support were submitted by counties
- 11 letters indicating the county "does not object"
- 1 letters of opposition were submitted by counties
- 4 counties did not respond at all