

2024-25 Supplemental Budget

MDH RECOMMENDATIONS

4/1/2024

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988 Suicide and Crisis Lifeline Fee

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	0	0	0	0

Request: MDH requests implementing a monthly 12 cent telecommunication fee on all wired, wireless, prepaid wireless, and Voice Over Internet Protocol (VOIP) lines to provide ongoing funding for the 988 Suicide & Crisis Lifeline (formerly known as the National Suicide Prevention Lifeline) in Minnesota.

Rationale/Background: In 2023, a telecommunications fee of up to 25 cents was enacted to fund the 988 Suicide & Crisis Lifeline (the Lifeline) which provides free and confidential phone, text, and chat support for any person who may be experiencing a suicide, mental health, substance use crisis or other emotional distress. The current language intends to allow discretion to the Commissioner to set the fee up to 25 cents. This will require the department to engage in rule making, which will incur unexpected cost and time. The rule making process will delay fee implementation and leave a gap in funding. A set fee is critical to fund the 988 Suicide and Crisis Lifeline, which provides lifesaving support to Minnesotans 24 hours a day, seven days a week, every day of the year via call, text, and online chat.

A telecommunications fee of 12 cents will provide adequate funding as estimated to fully implement the 988 Suicide and Crisis Lifeline. Updating the statute to clarify the fee as 12 cents will provide the necessary funding and allow for the fee assessment needed to avoid the detrimental delays that would occur by engaging in the rule making process.

Proposal: MDH proposes the language in Minnesota Statutes, section 145.561, subdivision 4, be clarified to implement a 12 cent monthly statewide telecommunication fee for each subscriber of a wired, wireless, prepaid wireless, and VOIP line fee rather than allow discretion to the Commissioner to set the fee up to 25 cents as currently stated. The department recommends a monthly 12 cents telecommunication fee in fiscal years 2025 and each year thereafter to adequately fund the expanded responsibilities of Lifeline Centers and potential increases in 988 calls, chats, and texts. The collection of the fee would begin no later than July 1, 2024, to allow telecommunication service providers time to prepare for the new change. In fiscal year 2025, the department expects to receive 12 months of revenue from the fee.

This change will allow for necessary funding and timely implementation of the 988 Suicide and Crisis Lifeline to its fullest extent. The fee is critical to fund the 988 Suicide and Crisis Lifeline, which provides lifesaving support to Minnesotans 24 hours a day, seven days a week, every day of the year via call, text, and online chat.

This proposal complements the work of our partners at the Department of Human Services who provide support to mobile crisis, warm lines, crisis stabilization, and crisis beds. This also complements the work and partnerships with the Department of Public Safety's Emergency Communications Network 911 System Program.

Impact on Children and Families: This is a technical change to statute enacted during the 2023 legislative session and does not have a direct impact on children and families.

Equity and Inclusion: This is a technical change to statute enacted during the 2023 legislative session and it does not have a direct impact on equity and inclusion.

Tribal Consultation: Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

IT Costs: None

Results:

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Current Value</i>	<i>Date</i>	<i>Projected Value (without)</i>	<i>Projected Value (with)</i>	<i>Date</i>
Quantity	Annual number of calls, chats, and texts received from 988/National Suicide Lifeline	37,220	FY 23	37,220	47,702	FY 25- FY27
Quality	Percent of received calls answered in-state	83%	FY 23	<83%	90% or higher	FY 25- FY27
Quality	Percent of received chats and text answered in-state	4%	FY 23	<4%	90% or higher	FY 25- FY27
Quality	Percent of follow-up provided for people enrolled in this service	5%	FY 23	<5%	90% or higher	FY 25- FY27

Statutory Change(s): Minnesota Statutes, section 145.561, subdivision 4

Background Studies Appropriation Reduction

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
State Government Special Revenue Fund				
Expenditures	0	(2,880)	(2,880)	(2,880)
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	(2,880)	(2,880)	(2,880)
FTEs	0	0	0	0

Request: The department requests a budget change beginning in fiscal year 2025 for the costs of background study processing fees for the Minnesota Department of Health (MDH) licensed providers payable to the Department of Human Services (DHS) as identified in Minnesota Statutes, section 245C.10. Statutory language adopted in 2021 clarifies applicants and licensees regulated by MDH are “responsible for paying to the Department of Human Services all fees associated with the preparation of fingerprints, criminal records check consent form, and the criminal background check” (Minn. Stat. § 245C.10, Subd. 18). Effective January 2, 2024, MDH will transition all licensed providers to pay DHS directly for their background studies fees.

Rationale/Background: An interagency contract with DHS included an annual fee for MDH to pay DHS for background study activities until that agreement expired on December 31, 2022. In 2021, statutory fees for DHS background studies increased from \$20 to \$42; the fee was again increased by an additional \$2 during the 2023 legislative session for a total fee of \$44. In December 2022, MDH revised its interagency contract with DHS to reflect the increased fee of \$42 for background studies completed. To avoid structural deficits, DHS required the revised contract to call for payment on a per study basis, rather than in flat lump sums, as approximately 50% of DHS costs are incurred at a fixed rate per study. During the 2023 legislative session MDH worked with DHS to identify trends and data, MDH secured funding to meet the costs of the increased cost of \$44 per study to continue to fund the additional cost, but unfortunately, the data-based estimates were low. Billed invoices submitted from DHS since January 2023 have exceeded the projected background studies numbers. At the current rate of billing, even with the monies secured through legislation, MDH would only have funding to pay the background study fees through February 29, 2024. Based on this experience, monies appropriated in future years would also be insufficient to cover costs for background studies. Transitioning all licensed providers to pay DHS directly for their background studies fees will eliminate the need for MDH to request additional funds. MDH will continue to conduct background study appeal work.

If MDH licensed providers are not transitioned to DHS directly to pay for their background study fees, MDH will have exhausted all appropriated monies by February 29, 2024 and will need to request an additional appropriation. Current appropriations are from the state government special revenue fund, which will be exhausted and an additional estimated \$2,276,000 would need to be requested from the general fund for fiscal year 2024 and moving forward.

Proposal: This proposal reduces the additional appropriation enacted during the 2023 legislative session to MDH from the state government special revenue fund for background studies processing fees. As of January 2, 2024,

MDH will transition all licensed providers to pay DHS directly for their background study fees, removing the need for additional general fund resources to cover the gap.

Impact on Children and Families: There will be no change to the impact on children and families. Providers continue to be required to submit background study applications for individuals employed by their facility.

Tribal Consultation: Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

Statutory Change(s): None

Cannabis Education Programming for Youth and Pregnant and Breastfeeding Families

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	(849)	(690)	(690)
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	(849)	(632)	(696)
FTEs	0	0	0	0

Request: The department requests programmatic funding and technical changes to the previously enacted Chapter 63 session law that legalized adult-use cannabis. This request would not increase costs appropriated to MDH for new cannabis education programs and poison control grant administration funding but would allow the use of programmatic and administrative funding within the total appropriation previously enacted.

Rationale/Background: During the 2023 legislative session, funding was provided to the Department of Health to establish cannabis education programs, including for youth, pregnant and breastfeeding women, and local and Tribal health departments per Minnesota Statutes, section 144.197, subd. 1,2, and 4. Additionally, funding was provided for additional grants to the Minnesota Poison Control System per Minnesota Statutes 145.93, however the department needs additional administrative funding to manage the increase in this program’s grant activities.

Lastly, the enforcement authority for edible cannabinoid products was enacted to the Office of Medical Cannabis that is currently within the department and will be transferred to the Office of Cannabis Management by March 1, 2025. Although, the enforcement authority was transferred at this date, the base budget authority for this work at the department was not reduced.

Proposal: This proposal will amend previous session law and align with legislative intent to provide a long-term, coordinated cannabis education for youth, pregnant and breastfeeding women, and local and Tribal health departments. Directing the funding will allow the department to establish new cannabis education programming as well as hire the staff needed to carry out this program. This proposal will also provide a carve out to fund the increase in grant administration for the Minnesota Poison Control System.

This proposal will clarify the base reduction for MDH in fiscal years 2026 and 2027 for testing of edible cannabinoid products and transfer any encumbrances and available balances of the appropriation on March 1, 2025 to the Office of Cannabis Management.

Impact on Children and Families: The changes being requested are technical in nature and don’t directly impact children and families.

Equity and Inclusion: The changes being requested are technical in nature and don’t directly impact equity and inclusion.

Tribal Consultation: Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

Potentially all 11 tribes would be affected. Without the requested changes to chapter 63, the department will not have the administrative funding to:

Provide the training, technical assistance, and educational materials to tribal home visiting programs, under Minnesota Statutes, section 144.197, subdivision 3.

Issue grants to tribal health departments to create and disseminate educational material, under Minnesota Statutes, section 144.197, subdivisions 4.

IT Costs: None

Results: The proposal requires the department to engage in research and data collection activities to measure the prevalence of cannabis use and the use of cannabis products in the state by persons under age 21 and persons age 21 or older.

Statutory Change(s): Laws of 2023, Chapter 63, Article 9, Sec. 10

Chapter 70 Corrections and Technical Fixes

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	0	0	0	0

Request: This proposal makes technical changes to 2023 session law and existing statute. Most changes relate to chapter 70, including: the Comprehensive Drug Overdose and Morbidity Act, Community Health Workers, the Keeping Nurses at the Bedside Act/Nurse and Patient Safety Act, and the Palliative Advisory Councils. An additional change is to adjust Minnesota Statutes, section 144.05 so that it aligns with changes to Minnesota Statutes, section 15.0395 that were made in the Laws of 2023, chapter 62.

Rationale/Background: Comprehensive Drug Overdose and Morbidity Prevention Act: Minnesota Statutes, section 144.0528, subdivision 5 contains an administrative cap which significantly limits MDH’s ability to properly distribute, manage, and evaluate the over 70 grants planned with this funding.

Community Health Workers: The amounts for grants versus administration needs to be clarified so that the department has administrative funding to administer this program.

Keeping Nurses at the Bedside Act/Nurse and Patient Safety Act: At the end of the 2023 legislative session, changes made to the sections of statute that comprise this Act were not aligned with appropriations language, which included direction to MDH to conduct work that was ultimately not included in the Act. Appropriations language needs to be aligned with the statutory language that passed.

Palliative Care Advisory Council: An amount for administration of the council needs to be included so the department has funding to administer the council.

Interagency agreements and Transfers: Minnesota Statutes, section 144.05 contains duplicative requirements of a quarterly report for interagency agreements over \$100,000 and is not aligned with recently passed legislative changes to M.S. 15.0395 in the Laws of 2023, Chapter 62 that removed the reporting requirement of including a copy of each agreement. An annual report of interagency agreements and transfers is already required of all state agencies per Minnesota Statutes, section 15.0395.

Proposal: Comprehensive Drug Overdose and Morbidity Prevention Act: Amend the Comprehensive Drug Overdose and Morbidity Prevention Act in Minnesota Statutes, section 144.0528, subdivision 5 to remove the 25% limit of the total appropriation that can be used to administer the Act. The change will result in alignment with legislative intent and allow MDH capacity to effectively administer the program, which requires complex grant management, community engagement, technical assistance, and evaluation to gather impact and lessons learned for future decision-making.

Community Health Workers: Amends the Community Health Workers appropriation to clarify that of the \$971,000 in fiscal year 2024 and \$971,000 in fiscal year 2025 from the general fund, \$750,000 will be granted to a named entity, the Minnesota Community Health Worker Alliance, and \$221,000 will be used by to administer the grant, funding the staff needed for program evaluation, contract management, and overall program assessment and planning.

Keeping Nurses at the Bedside Act/Nurse and Patient Safety Act: Amends this portion of rider language as follows: (1) changes the reference from Keeping Nurses at the Bedside Act to Nurse and Patient Safety Act to align with the title passed in statute and updates the citation reference; (2) removes references to analyzing links between adverse events and understaffing, and (3) removes the language to convene stakeholder groups to develop a best practices tool kit; as those tasks were removed from the final version of the authorizing bill language.

Palliative Care Advisory Council: Amend the recently enacted increase to the Palliative Care Advisory Council to clarify that \$40,000 beginning in fiscal year 2024 and ongoing from the general fund will be used to administer and manage the council and that these funds were not intended to be used for grants.

Amend Minnesota Statutes, section 144.05 to remove duplicative requirements of a quarterly report for interagency agreements over \$100,000 and remove the report requirement of including a copy of each agreement.

Impact on Children and Families: These are technical fixes and don't directly impact children and families.

Equity and Inclusion: These are technical fixes and don't directly impact equity and inclusion.

Tribal Consultation: Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

These are technical fixes and don't require tribal consultation.

IT Costs: None

Results: The department will have the needed administrative funding to implement the Comprehensive Drug Overdose and Morbidity Act, Community Health Workers, and the Palliative Advisory Councils.

Aligns rider and statutory authority language for the Keeping Nurses at the Bedside Act/Nurse and Patient Safety Act.

Report requirements for interagency agreement and transfers will be clarified by aligning Minnesota Statutes, section 144.05 to Minnesota Statutes, section 15.0395.

Statutory Change(s):

- Comprehensive Overdose and Morbidity Prevention Act (Minnesota Statutes, section 144.0528, subdivision 5)
- Community Health Worker Alliance (Laws of 2023, chapter 70, section 3, subdivision 2c)
- Palliative Care Advisory Council (Laws of 2023, chapter 70, section 3, subdivision 2dd)
- Interagency agreements (Minnesota Statutes, section 144.05)

Clean Water Legacy: Addressing Nitrate Contamination in Private Wells in Southeast Minnesota

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	4,091	0	0
Revenues	0	0	0	0
Clean Water Fund				
Expenditures	0	2,790	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	6,881	0	0
FTEs	0	4.0	0	0

Request: The Minnesota Department of Health (MDH) requests a Clean Water Fund investment in fiscal year 2025 to ensure safe drinking water (through testing and mitigation) for residents who rely on private wells for their drinking water in the following eight counties: Dodge, Fillmore, Goodhue, Houston, Mower, Olmsted, Wabasha, and Winona. This is a new proposal in response to the U.S. Environmental Protection Agency’s (EPA) directive to MDH, the Minnesota Department of Agriculture (MDA) and the Minnesota Pollution Control Agency (PCA) to address nitrate contamination in groundwater aquifers that supply drinking water. The safety of drinking water from a private well depends on the knowledge and vigilance of the owner in contrast to highly monitored public water systems. Private well owners and users face financial and technical challenges that often prevent them from taking the steps necessary to ensure safe drinking water which is an essential condition for healthy people.

Rationale/Background: Due to the geology and activities on the land surface in southeast Minnesota, some groundwater in aquifers used for drinking have unsafe concentrations of nitrate. While public water systems regularly test and treat the water for nitrate, private well owners and users do not have the same regulatory protections. About 94,000 people (or about one out of four residents) in these eight counties rely on a private well for their drinking water. While the location, construction, initial water quality test, and sealing are regulated by the Well Code, additional testing for contaminants and mitigation of water quality issues (including nitrate) is strictly voluntary and depends on the knowledge and financial resources of the well owner. Nitrate is one of five contaminants that MDH recommends private well owners regularly test for due to their potential effects on people’s health. The other contaminants are bacteria, arsenic, manganese, and lead. Consuming too much nitrate can affect how blood carries oxygen and can cause methemoglobinemia (also known as blue baby syndrome). Bottle-fed babies under six months old are at the highest risk of getting methemoglobinemia. Methemoglobinemia can cause skin to turn a bluish color and can result in serious illness or death. Drinking water with levels of nitrate below 10 mg/L is considered safe for everyone. Only recently has scientific evidence emerged to assess the health impacts of drinking water with high nitrate on adults, but there is yet no scientific consensus on this point.

Based on provisions in Section 1431 in the Safe Drinking Water Act, the U.S. Environmental Protection Agency (EPA) directed MDH, MDA, and PCA to take immediate action to address nitrate contamination in private wells in the following eight counties in southeast Minnesota: Dodge, Fillmore, Goodhue, Houston, Mower, Olmsted, Wabasha, and Winona. Since nitrate contamination presents a risk to the health of residents, EPA is requiring all

three departments to take immediate action to address the contamination. MDH has a responsibility for ensuring the health of all Minnesotans is protected and is best positioned to lead this effort for the state.

In a November 3rd letter from the EPA, the EPA directed state agencies to develop a coordinated communication plan among the state agencies, local governments, and community water systems; identify all private wells within the eight-county area and provide well owners and users with education about nitrate and health risks; provide free laboratory analysis of drinking water samples; and to provide alternate water without cost to affected residents. MDH will additionally need to develop an online dashboard of public records that reflects the severity of nitrate continuation, measures implementation actions in the response plan, and communicate regular updates. The agencies also must provide quarterly reports to the EPA on activities addressing the directives in their letter.

Of the 94,000 private well users, an estimated 9,218 people are known to be at risk of consuming water at or above the maximum contaminant level (MCL) of 10 mg/L.

Proposal: The goal of this proposal is to ensure that people in southeast Minnesota who get their drinking water from a private well have safe water at the tap. Focusing specifically on southeast Minnesota with a well inventory, free testing, and mitigation is a new initiative.

MDH typically receives funding through the Clean Water Fund to carry out education and outreach about private well testing across Minnesota and to study contaminants that may pose a risk for private well users. However, the focused approach outlined in the EPA letter requires additional funding for staff, well inventory, well testing, and mitigation. About 91% of the funding will be used for contracts with local partners to identify all private wells in the eight counties; offer free private well testing for nitrate; and mitigate water quality issues (home water treatment, repairs, or a new well). To carry out this work, the proposal will fund local positions to manage the project, administer finances, help private well users navigate their best mitigation option, manage data, and support laboratory analysis.

This proposal will also fund MDH staff to provide quality assurance for incoming water quality data, integrate well locations into the Minnesota Well Index, technical assistance to private well users, develop public-facing dashboards demonstrating the status of the work, and a project manager.

Through this proposal, MDH, in collaboration with local partners, will conduct a well inventory to identify all private wells in the eight counties; offer free private well testing for nitrate with a goal of at least 10% (3,600) of private well households being sampled in the first year; provide mitigation for private well households that have a nitrate concentration at or above the Health Risk Limit of 10 milligrams per liter in the form of home water treatment, well repairs, or a new well (an estimated 395 households); and conduct robust outreach and education about the well inventory, well testing, and mitigation in multiple languages and develop an online dashboard to provide data, measures of progress, measures, and general updates.

Impact on Children and Families: Safe drinking water is necessary for children and families to thrive. Unlike private well users, customers of community water systems can be confident that their system is regularly testing the drinking water and making sure it meets all Safe Drinking Water Act standards. Private well users have the ongoing burden of making sure their water is safe for everyone in their home. Developing babies, infants, and children are especially vulnerable to health effects from contaminants in drinking water, such as Blue Baby Syndrome, gastrointestinal illnesses, and other waterborne diseases. Babies drink more water per pound of body weight than older children and adults; as such, they are at higher risk of being affected by contaminants in private well water. In addition to acute health issues, contaminants such as arsenic, manganese, and lead in

drinking water can have long-term effects on children and their development; they can reduce intelligence in children; cause problems with memory, attention, and motor skills; damage the brain, kidney, and nervous system; slow development; and lead to problems with behavior and hearing.

This funding allows us to identify all households with private wells in southeast Minnesota, test at least 10% of the private wells for nitrate in the first year, and mitigate water quality issues so that households can be confident their water is safe for everyone in their home. Strategies for this work will include developing partnership with programs that already have a direct interaction with small children and families, such as Women, Infants and Children clinics, childcare centers/in-home childcare, and early childhood family education programs, and other programs that have direct interaction with children and families to promote private well testing and prioritize households with babies, pregnant women, and small children for testing and mitigation.

Private well testing and mitigation of drinking water quality issues in households with children will help ensure that children are consuming water that is safe for them to drink and will not negatively affect their health or development in the short-term or long-term.

Equity and Inclusion: This proposal focuses on health equity for people who get their drinking water from a private well. Private well users are in every county, come from a variety of socio-economic, ethnic, and language backgrounds and include people of color, Native Americans, people with disabilities, people in the LGBTQ community, other protected classes, and Veterans. Private well users are not afforded the same water quality safeguards as people who get their drinking water from public water systems. This proposal aims to reduce the disparities between public water system users and private well users, and it also aims to understand and identify how to address the disparities among private well users by combining sociodemographic data with private well data to guide program development and decision-making.

This proposal will also translate educational materials into appropriate languages to ensure all Minnesotans on private wells have access to information in their preferred language about how they can protect their private well water.

Tribal Consultation: Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

IT Costs: None

Results:

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Current Value</i>	<i>Date</i>	<i>Projected Value (without)</i>	<i>Projected Value (with)</i>	<i>Date</i>
Quantity	Number of private well households invited to test their well water	n/a	January 2024	0	36,000	June 2025
Quality	Percent of key messages and outreach materials	40% <i>Nitrate in Well Water</i>	January 2024	40%	100% (additional core messages would include how to	June 2025

Type of Measure	Name of Measure	Current Value	Date	Projected Value (without)	Projected Value (with)	Date
	available in Spanish, Hmong, and Somali	and Well Testing, Results, and Options are translated			participate in well inventory, how to test for free, how to get mitigation assistance)	
Results	Number of private wells in the eight-county area newly identified and entered in the Minnesota Well Index	23,495	November 2023	24,000	36,000	June 2025
Results	Number (percent) of private well households that test their well water	n/a	January 2024	n/a	3,600 (10%)	June 2025
Results	Number (Percent) of households eligible for mitigation that have water quality issues mitigated	0	January 2024	0	395 (100%) of eligible households participate	June 2025

Statutory Change(s): None

Clean Water Legacy: Updating Fish Consumption Guidance for PFASs in Fish

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0			
Revenues	0	0	0	0
Other Funds (CWF)				
Expenditures	0	384	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	384	0	0
FTEs	0	2.0	2.0	2.0

Request:

The department requests \$384,000 as a supplemental request for Clean Water Fund for additional staff resources to work in the fish consumption guidance development program, which currently has a single research scientist assigned to the work. An additional research scientist position is needed to develop and modernize methods and guidance that considers both the increase in fish data being collected by MNDNR and MPCA, and the increased complexity of the data. In addition, the fish consumption guidance program currently lacks capacity to communicate the results of analyses, which is necessary for Minnesotans to understand how to safely eat fish caught in Minnesota.

This is an increase of 53% for the fish consumption monitoring program to develop health risk assessment methods for new contaminants in the PFAS group and related communication activities.

Rationale/Background:

For decades, Minnesotans have been given guidance on how to choose safe fish to eat from Minnesota’s waters by MDH. This guidance is based on data from monitoring done by MNDNR and MPCA as part of the Fish Consumption Monitoring Program (FCMP). MNDNR and MPCA have increased fish monitoring in the state due to increased concerns of environmental contaminants. The guidance has been calculated based on the risks associated with PCBs, mercury, and a single type of PFAS (PFOS) as well as on the known nutritional and cultural benefits provided by consuming fish. This program has been historically staffed by a single research scientist at MDH who not only reviewed the data, but also maintained a very basic web portal for the data and worked with partners to reach sensitive populations such as subsistence fishers, pregnant women, and children.

There are three specific problems this proposal will address. The first two are related to data:

In previous years only data collected as part of the FCMP were used to develop guidance. This was a relatively stable number of data points. With the recent funding increase from the Clean Water Fund to MNDNR to increase fish sampling, and the funding of increased sampling in the environment for PFAS by MPCA, the number of samples is increasing and has become variable. Additionally, the fish guidance program at MDH is now accepting data from MPCA contaminant investigation data once they are made public, which also results in an overall increase in data.

In the past, fish tissue was almost exclusively analyzed for a single type of PFAS (PFOS) as an indicator. Recent results are showing that some fish in Minnesota may have more than 10 different types of PFAS present in their tissue. There are thousands of PFAS, and most have little to no toxicity information available to conduct traditional risk analysis. Current methods being used in the fish contaminant monitoring program cannot assess

mixtures of any kind for human safety. With lab methods set to increase the number of PFAS that can be analyzed for, it is necessary to develop methods both for those that we have data on now, and into the future. This will continue to be a programmatic need for many years.

Perhaps most importantly, there is no current capacity to communicate fish guidance to Minnesotans beyond a PDF table maintained on the MDH website. This is completely inadequate to meet the needs of subsistence fishers in Minnesota—a population that is the most highly exposed to contaminants through eating fish. Developing more user-friendly materials that are targeted for language and cultural appropriateness for print and the web are imperative to reaching these communities, as well as ensuring that all other Minnesotans are protected as well.

Proposal:

This proposal is to add staffing capacity for an existing program. The increased staff time will be used to analyze larger data sets and more complex data collected by MNDNR and MPCA, as well to update communications around fish consumption guidance so that we reach our most sensitive populations in Minnesota—subsistence fishers, pregnant women, and children. Currently, staff time does not allow for additional analyses beyond historic approaches which are no longer appropriate, nor for any communications beyond updating a PDF table hosted by MDH on the web. Developing new methods to analyze the mixtures that can be present in fish is paramount to keeping Minnesotans who eat fish safe. The current communications approach is inadequate for reaching non-English speaking communities or communities that don't have internet access and can even be prohibitive for others who may lack the skills to understand the table.

This proposal requests funding for the staff resources:

- Communications Specialist 3 position to develop and implement a communication and outreach plan to engage with subsistence fishers and other highly exposed communities as well as develop a new general communications approach to fish consumption guidance that relies more on techniques that are more accessible to all Minnesotans.
- Research Scientist 3 position to address data analysis and methodological development needs.

Much of the pressure to modernize the fish program at MDH is due to increased demands for risk analyses from our partners, MPCA and MNDNR. MNDNR recently received \$900,000 over a biennium to increase capacity to the sampling portion of the Fish Contaminant Monitoring Program. MPCA also received tens of millions of dollars recently received for increased PFAS monitoring in the environment, which will include fish sampling. Without an update to staffing and risk assessment methods at MDH, much of the data MNDNR and MPCA collect will not be usable because they are sampling for new contaminants MDH lacks the scientific processes suitable to analyze those contaminants. In addition, there may be a delay in notifying Minnesotans about problematic water bodies due to insufficient staff.

Additionally, MPCA was recently able to make public and share investigational monitoring fish data from Pool 2 of the Mississippi and Lake Rebecca near Hastings with MDH. Because of the lack of communications staff in the fish program to develop a communications plan and interface with the other agencies involved to ensure outreach to the correct populations happened, limited MDH staff had to step in to guide the process, setting aside work in their normal program areas. This highlighted the strong need for a dedicated staff to be at the ready to engage with affected communities and populations, as well as work with the other agencies so they understand the public's needs as we moved through publicizing the new guidance. As MPCA engages with MDH on fish guidance development when there is an ongoing site investigation, these events will likely increase over

time. Working with subsistence fishers and other highly exposed communities should be an ongoing endeavor to ensure appropriate education and awareness, not on a case-by-case basis.

Programmatic success will be measured by the development and implementation of a more meaningful communications strategy to reach all Minnesotans through engagement activities with diverse community groups, greater accessibility through state information systems and ongoing updating of data sharing systems. Additionally, the development and application of new fish consumption guidance for chemicals mixtures to replace outdated historical approaches would also be a measurable outcome.

Impact on Children and Families:

Eating fish has long been recognized as a healthy dietary choice for a lean meat, good source of dietary nutrients such as omega-3 fatty acids and is an economical choice for Minnesota's families. The risks from the contaminants can outweigh the benefits for fish caught from some water bodies in Minnesota. The presence and concentrations of contaminants can change over time, so it is important that Minnesota families receive regular, accurate guidance on what water bodies and fish are safe, who can eat the fish safely, and how frequently they can be eaten. There is not an equivalent healthy, economical choice to replace fish for many Minnesota families who subsistence fish.

The contaminants found in fish are mostly likely to negatively affect those in the life stages of pregnancy, infancy and childhood. Unfortunately, pregnant women and their fetuses, and children, are the populations who also need the nutritional benefits of fish the most. Providing sound consumption guidance that is based on fish data that is collected by MNDNR and MPCA is important to the health of many Minnesotans, including children and families. Adding capacity would allow for MDH to analyze more contaminants, and to communicate in a meaningful way that all Minnesotans can understand.

Equity and Inclusion:

A cornerstone of this proposal is to develop better communications that all Minnesotans can access and understand. While we already have contacts with many of the subsistence fishing communities and regularly translate our materials into Hmong and Spanish, there is work to be done to understand in a deeper way who our subsistence fishing communities really are. Over time the demographics of Minnesota have changed so it is important to revisit what communities need specific outreach. Beyond that, moving to a more graphics-based communication style that is easy to understand would benefit everyone.

There is also a technical component to this proposal. When we develop new risk assessment methods for analyzing the risk and benefits from fish, part of that analysis will be to characterize how much fish a subsistence fishing family is eating. Whenever a chemical risk assessment is done, in order to understand what kind of health effects we might expect from a contaminant, we have to be able to characterize how toxic a chemical is, and how much a person is being exposed to. The term 'subsistence fisher' has up to this point been difficult to characterize. This would be an area of focused research as new methods are developed. It is important to ensure that we are not underestimating how much people who rely on fish are eating because that would also underestimate toxicity.

Tribal Consultation: Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

Though this proposal does not have a direct effect on Tribes, it is important to note that unlike other environmental media that can be contaminated, such as water or soil, fish have not only a nutritional benefit, but also for many Minnesotans, especially Tribes, a spiritual and cultural benefit. It has long been the policy of the fish program to engage with Tribes to ensure that, when we have new or updated fish guidance, we communicate and offer a meeting to review our findings and hear any thoughts they may have. These communications tend to be sporadic. With more staff we would be able develop and deepen those relationships. Because many of our Tribes are also subsistence fishing communities, this is a specific area of outreach that will be pursued.

Results:

Part A: Performance measures

Currently, fish consumption guidance is updated on an annual basis for three contaminants: PCBs, mercury, PFOS. Future annual guidance would be updated for PCBs, mercury, PFOS alone and PFAS mixtures (where present).

Fish consumption guidance would be developed and released from public data from investigations as available. This has currently not been in practice.

Current methods rely on outdated information from EPA for PFAS and PFOS. Methods would be updated to include multiple PFAS in addition to PFOS (mixtures) and would add contaminants as new data becomes available.

Current methods rely on outdated exposure information (how many grams people eat, how many pounds people weigh, etc.). New methods would be updated to include current information and risk assessment methods to capture exposure more accurately.

Current communications are broadly limited to updating a website and a PDF table. Moving forward, a communications plan would be developed to identify communities with highest exposures and how to engage with them, how to generally communicate through pictures and colors so more Minnesotans understand and can follow the guidance, and to identify ways our community partners can better disseminate fish consumption guidance to their stakeholders. A fresh website that includes a map will be created.

Statutory Change(s):

None

Health Maintenance Organization Financial Exams: Schedule and Expenses

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	0	0	0	0

Request: This proposal would change the requirement for MDH to conduct financial examinations of health maintenance organizations (HMO) from every three years to every five years, to make these timelines consistent with those for insurance companies. MDH contracts with the Department of Commerce to conduct these exams.

Rationale/Background: When HMOs were originally established in the 1973, the statute allowed for an exam every three year schedule due to the newly made entities and has remained as such since that time. Shifting the exam schedule to every five years aligns with the schedule used by the Department of Commerce so that all organizations that provide insurance coverage are examined on a consistent timeframe regardless of which state agency regulates them. Aligning these timeframes will reduce the administrative burden for regulated entities, while ensuring a cadence of examinations that is consistent and equitable across the health insurance market. Mechanisms will continue to be in place to respond more rapidly to financial or other regulatory concerns at an HMO outside of the routine financial examination process, as they are now.

Proposal: This proposal is a change to an existing requirement, to align financial examination timelines with those for insurance companies that are regulated by the Department of Commerce (every five years). The change to financial examination cadence would occur on a rolling basis, to level out the number of reviews conducted in any year. The department will be able to better manage the regulatory duties and continue to evaluate future needs for this program.

Impact on Children and Families:

This proposal reduces administrative burden for health maintenance organizations that provide coverage to children and families, including through the Medicaid program, but does not directly impact children and families.

Equity and Inclusion: This proposal reduces administrative burden for health maintenance organizations that provide coverage to people from communities that experience health inequities, including through the Medicaid program, but does not directly impact equity and inclusion goals.

Tribal Consultation: Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

IT Costs: None

Results:

Type of Measure	Name of Measure	Current Value	Date	Projected Value (with)	Date
Quantity	Cadence of conducting financial examinations of health maintenance organizations	Every 3 years	FY23	Every 5 years	FY25

Statutory Change(s): M.S. 62D.14

Health Professional Clinical Training Expansion Grant Program

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	0	0	0	0

Request: This request amends the Health Professionals Clinical Training Expansion Grant Program under Minnesota Statutes, section 144.1505 by removing the per-year limitations on grantee funding. Currently, statutory language specifies that “a training grant shall not exceed \$150,000 for the first year, \$100,000 for the second year, and \$50,000 for the third year per program.” The new language would keep the \$300,000 per grant maximum but would allow the funds to be spent in a different cadence over the three-year period to meet each program’s needs, without annual limitations.

Rationale/Background: Grantees in the Health Professionals Clinical Training Expansion Grant Program have consistently expressed a need to spend less in the first year of the program as they establish their training, and more in years two and three as the training program is fully underway. Allowing grantees to spend their grant funds as needed, rather than as prescribed, over the three-year grant period will be more responsive to the needs of these training programs while not increasing their budgets.

Proposal: This request is a change to the existing Health Professionals Clinical Training Expansion Grant Program to allow grantees greater flexibility in how they spend grant funds over the three-year grant period. This change could be implemented for all grantees beginning in fiscal year 2025. This request was informed by grantee feedback, and the Minnesota Department of Health (MDH) will continue to evaluate whether the change was successful in sustaining clinical training programs and allowing grantees to fully use their grants funding within the three-year grant period.

Impact on Children and Families:

This change will facilitate the development of health professional clinical training programs, which have the potential to improve the lives of the next generation of all Minnesotans by meeting the critical need for health care professionals in our state.

Equity and Inclusion: This change will facilitate the development of health professional clinical training programs, which have a potential positive impact for the identified groups, both as trainees in these programs and recipients of care provided by program graduates.

Tribal Consultation: Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

IT Costs: None

Results: MDH works with grantees in the Health Professionals Clinical Training Expansion Grant Program to define performance measures specific to their project. Grantees include performance measures in their work plan and submit results to MDH on a quarterly basis.

Statutory Change(s): Minnesota Statutes, section 144.1505, as amended by Laws 2023, Chapter 70, Article 4, Section 25

Loan Forgiveness Repayments

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Health Care Access Fund				
Expenditures	0	(281)	(281)	(281)
Revenues	0	(281)	(281)	(281)
Special Revenue Fund				
Expenditures	0	281	281	281
Revenues	0	281	281	281
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	0	0	0	0

Request: This request would allow MDH to maximize the potential of its health professional loan forgiveness program by creating a dedicated account in the special revenue fund for repayment and canceled contracts from the state loan forgiveness program. This will allow funds that are returned to the program due to participant eligibility changes to be reinvested in health professional loan forgiveness awards without the risk of losing the funds if funds are returned without time to give out new awards before the end of the biennium. Total annual repayments are approximately \$281,000, or eight percent of the base program budget each year.

Rationale/Background:

The purpose of the Minnesota Health Professional Loan Forgiveness Program is to recruit and retain health care professionals to needed areas and facilities in Minnesota. Loan forgiveness is an important benefit for health care professionals as well as health care facilities and communities experiencing a shortage of access to health care services. Eligibility requirements are established by [Minnesota Statutes, Section 144.1501](#).

Proposal: The proposal would allow the deposit of monies that are repaid or cancelled to a dedicated account in the special revenue fund. The program would continue to use funds to make awards to new loan forgiveness participants, and there will be no changes to the eligibility, application, or awards for participants. Funding for the health professional loan forgiveness program is from both the general fund and health care access fund. This change would avoid blending root general fund and health care access fund activities in the health care access fund, and would ease the forecasting and budgeting process for the health care access fund by placing the funds into a dedicated account in the special revenue fund.

This is a technical accounting change to an existing program. Current professions receiving loan forgiveness are:

- Physicians
- Rural advance practice providers
- Long term care nurses
- Registered nurses
- Nurse faculty
- Dentists
- Rural dental therapists
- Rural pharmacists
- Psychologists
- Marriage and family therapists
- Mental health counselors
- Social workers

- Licensed alcohol and drug counselors
- Psychiatric nurses

Each year the program has more qualified applicants than it has funds to make awards. In 2023, over 350 eligible health professionals applied for slightly more than 150 awards. Allowing ease of access to the funds that were returned by awardees who defaulted on their loans would allow the program to fund more qualified applicants working in underserved areas and help healthcare providers in those areas retain clinicians. While the funds currently are available, they must be re-awarded by the end of the biennium, where if they were in a special revenue fund, the fund transfer could be made annually to allow time to re-award the funds.

Based on past experience, we anticipate that approximately eight percent of the budget is available each year to be re-awarded. In some years, funds are returned with sufficient time to re-award them; in FY 2023, \$280,710 was re-awarded from an appropriation of \$3,240,000, primarily due to participants defaulting on their loans and returning the loan plus interest to MDH. But often, the funds are returned too late in the biennium to be re-awarded. Creating a special fund will allow these funds to be appropriated in a timelier way, ensuring that any funds that are returned late in the biennium remain available to be re-awarded.

Making these changes will not affect the number of FTEs required to support the program and will ease the administrative transfer process by creating a smoother way to administer the fund transfers.

Impact on Children and Families: The Loan Forgiveness program is used to recruit and retain health care providers to needed areas. This proposal will allow the program to make more awards that support healthcare providers serving children and families in high need areas.

Equity and Inclusion: This proposal would reduce inequities in health care access by helping healthcare providers in underserved rural or urban areas retain clinicians.

Tribal Consultation: Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
 No

IT Costs: None

Results:

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Current Value</i>	<i>Date</i>	<i>Projected Value (with)</i>	<i>Date</i>
Quantity	% of awards re-awarded out after loan default or late returns	0%	FY23	8%	FY25

Statutory Change(s): MS 144.1501, Subd. 5. Penalty for nonfulfillment.

Substance Use Treatment, Recovery, and Prevention Account Updates

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Department of Health				
General Fund				
Expenditures		5,500	5,500	5,500
Revenues				
Net Fiscal Impact = (Expenditures – Revenues)		5,500	5,500	5,500
FTEs		3.0	3.0	3.0

Recommendation: The governor recommends that amounts appropriated in the Laws of 2023 for the Substance Use Treatment, Recovery, and Prevention account under Minnesota Statutes, section 342.72, be appropriated to the Minnesota Department of Health (MDH). Effective fiscal year 2025, MDH will receive general fund appropriations for the purpose of implementing the elements of section 342.72 that MDH has authority to implement under the Comprehensive Drug Overdose and Morbidity Prevention Act in section 144.0528.

Rationale/Background: The legislature appropriated money in the Laws of 2023, chapter 63, to the Office of Cannabis Management to implement the dedicated account established under Minnesota Statutes, section 342.72, for Substance Use Disorder Treatment, Recovery, and Prevention grants; however, after additional consideration the MDH is better positioned to administer the program. MDH has subject-matter expertise and established programs for prevention of substance use disorders, drug overdose, and mental health.

Proposal: MDH will implement the provisions of section 342.72 that MDH also has authority to implement under the Comprehensive Drug Overdose and Morbidity and Prevention Act in section 144.0528. These additional funds in the dedicated account at MDH will increase the number of grants reaching organizations and institutions throughout the state to enhance MDH’s existing work and grant programs for youth focused prevention work, peer support services and programs, harm reduction programs, culturally specific community-led programs, and linkage to care resources and initiatives.

Impact on Children and Families: According to the 2019 Minnesota Student Survey of 8th, 9th, and 11th graders, 11% reported living with someone who drinks too much alcohol and 5% reported living with someone who uses illegal drugs or abuses prescription drugs. Homelessness, and the correlated prevalence of substance use disorders, impacts families and youth disproportionately. Half of all people experiencing homelessness statewide were in families (3,214) or unaccompanied youth under 25 (746).

Equity and Inclusion: American Indian and Black Minnesotans have disproportionately high rates of fatal and nonfatal overdoses, and they are also over-represented among those experiencing homelessness. Disparities also exist by geography, income, and education level. Moreover, most people (62%) counted in the statewide homeless Point-in-Time count in 2020 identified as Black, Indigenous, or People of Color. The seven prevention strategies outlined in the Act address shared risk factors while also strengthening resilience and protective factors at individual, family, and community levels.

Tribal Consultation: Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

Results:

Part A: Performance measures

Building on results proposed for Comprehensive Drug Overdose and Morbidity Prevention Act: Minnesota Statutes, section 144.0528:

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Current Value (Date Assessed)</i>	<i>Future Value with changes adopted:</i>	<i>Date Assessed by:</i>
Quantity	Implementation of evidence-based local overdose prevention policies and programs	No baseline established	10 policies adopted and programs implemented	12/31/2024
Results	Overdose deaths and rate per 100,000 population	1,012 deaths and 17.7 per 100,000 population (December 2020)	800 deaths and 14 per 100,000 population	12/31/2024
Results	Nonfatal overdoses and rate per 100,000	14,475 nonfatal overdoses; 254/100,000 population (December 2020)	11,000 and 192.8 per 100,000 population	12/31/2024

Statutory Change(s):

M.S. 342.72

Laws of 2023, Chapter 63

Supplemental Nursing Service Agencies Updates

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund Expenditures	0	0	0	0

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	0	0	0	0

Request: The department is seeking to update statutes regarding MDH registered Supplement Nursing Services Agencies (SNSAs), which have increased over 400% in Minnesota in the last three years. In addition, this proposal may impose fines up to \$1,000 for each deficiency on SNSAs for uncorrected statutory violations. Fines are deposited as fee revenue in the general fund if assessed.

Rationale/Background: SNSAs are a person, firm, corporation, partnership, or association engaged for hire in the business of providing or procuring temporary employment in health care facilities for nurses, nursing assistants, nurse aids, and orderlies. MDH is responsible for the oversight of SNSAs through annual unannounced surveys, complaint investigations and other actions necessary to ensure compliance. The use of staff employed by SNSAs in Minnesota nursing homes has significantly increased over the last several years across the state due to long-term care staffing shortages. MDH is finding it increasingly harder to determine ownership structure and is seeking changes to better clarify statutory requirements. Additionally, it is critically important to ensure staff hired by the SNSAs, and sent into long-term care facilities and other health care settings, are qualified, trained, and competent to perform work. MDH is seeking changes to better clarify training and competency of SNSA employed individuals. This proposal will also include fining authority language that may be imposed upon registered SNSAs for failure to comply with statutory requirements.

Proposal: This would be a change to an existing program, including clarifying definitions and specifying the documents a limited liability company must submit for registration. For purposes of better organization, language in Minnesota Statutes, section 144A.72, subdivisions 1 (4),(5), (6) and (7) is to be relocated to Minnesota Statutes, section 144A.71, subdivision 2. This proposal also includes fining authority language that may be imposed upon registered SNSAs for failure to comply with statutory requirements.

Impact on Children and Families: Requiring consistent qualifications, training and competency will help to ensure a high quality of care and services across the state for children, families, and other vulnerable individuals.

Equity and Inclusion: This proposal addresses assurance of quality care for Minnesotans in health care facilities. This can be accomplished by ensuring staff meet consistent qualifications, training, and competency.

Tribal Consultation: Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

IT Costs: None

Results: This proposal will help ensure staff hired by the SNSAs, and sent into long-term care facilities and other health care settings, are qualified, trained, and competent to perform work.

Statutory Change(s): Minnesota Statutes 144A.70 – 144A.74 and 144.057