

Subject Children’s mental health

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Overview

This bill, as amended by H2040A3, makes several changes to children’s behavioral health provisions. It updates terminology and makes clarifying changes, and requires county boards to provide needs assessments for children with mental health needs or who are involved in the juvenile justice system. The bill also adds an exception to the corporate child foster care licensing moratorium; requires rulemaking related to children’s residential facilities, youth treatment programs, and juvenile detention settings; establishes a legislative task force on children’s residential health facility licensing; requires the commissioner of human services to apply to implement a medical assistance federal reentry demonstration for detained and incarcerated juveniles; and requires an update on the children’s residential mental health crisis stabilization medical assistance benefit.

The final three sections of the amended bill require the commissioner to phase in payment rates included in the fee-for-service outpatient services rate study and appropriate money for a regional continuum of care for high-need youth and a grant to Hennepin County for a regional youth crisis stabilization program.

Summary

Section	Description
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| 1 | Duties of county board.
Amends § 245.4874, subd. 1. Modifies terminology from “mental health” to “behavioral health” and updates assessment and screening terminology to include needs assessments. Adds juvenile detention facilities and involvement in the juvenile justice system; updates and clarifies terms. |
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Section	Description
2	<p>Licensing moratorium.</p> <p>Amends § 245A.03, subd. 7. Adds an exception to the corporate child foster care licensing moratorium (foster care in which the primary license holder does not reside in the residence), to allow licensing of new child foster residence settings or community residential settings determined to be needed by the commissioner to allow movement to the community for a person who no longer requires hospital care; lists criteria for the commissioner to consider.</p> <p>Adds paragraph (c), to allow the commissioner to grant a license to a child foster residence setting to prepare beds in advance for individuals with complex behavioral or medical support needs, if the setting meets the moratorium exceptions.</p>
3	<p>Adoption of rules for licensure for youth with sexual behavior concerns.</p> <p>Proposes coding for § 245A.0952. Requires the commissioners of human services and corrections to adopt rules to govern the licensure of treatment facilities for youth who are involved in the juvenile justice system and have sexual behavior concerns.</p>
4	<p>Direction to commissioners; rules on restrictive procedures.</p> <p>Requires the commissioners of human services and corrections to amend Minnesota Rules, part 2960.0710 (children’s residential facilities and detention settings restrictive procedures certification), to require training to ensure trauma-responsive and culturally appropriate practices. Allows the agencies to amend the rule under the good cause exemption for rulemaking.</p>
5	<p>Legislative task force on children’s residential health facility licensing.</p> <p>Subd. 1. Establishment. Establishes a legislative task force to create specific licensing standards for unique levels of mental health care for children's residential facilities.</p> <p>Subd. 2. Duties. Requires the task force to identify gaps in the licensing system, review other licensing systems or best practices, solicit comments from stakeholders and government entities on potential licensing changes, and draft a report identifying licensing changes in Minnesota Rules.</p> <p>Subd. 3. Membership. Lists task force members and specifies chair and vice-chair procedures.</p> <p>Subd. 4. Meetings. Requires the task force to meet at least monthly, beginning no later than August 1, 2025, in person, unless the chair directs a meeting to be held remotely to facilitate public testimony or protect the health and safety of the task force members. Requires the task force to invite public input.</p>

Section	Description
	<p>Subd. 5. Expenses; per diem. Establishes per diem for community members of the task force.</p> <p>Subd. 6. Report. Requires the task force to submit a report to the legislature with recommendations by January 15, 2027.</p> <p>Subd. 7. Expiration. Provides for the task force to expire on January 31, 2027.</p> <p>Makes this section effective the day following final enactment.</p>
6	<p>Updates on children’s residential mental health crisis stabilization benefit.</p> <p>By July 1, 2025, requires the commissioner of human services to provide an update to the legislature on the development of the children’s residential mental health crisis stabilization medical assistance benefit. By August 1, 2025, requires the commissioner to share a draft of the report required in 2024 session law detailing the children's residential mental health crisis stabilization benefit (due by October 1, 2025) with counties.</p>
7	<p>1115 waiver for medical assistance reentry demonstration for juveniles.</p> <p>By September 1, 2025, requires the commissioner of human services to apply to implement a medical assistance federal reentry demonstration for detained and incarcerated juveniles. Specifies that the application must include behavioral health screening, diagnostic, and targeted case management services for juveniles pre- and post-release. Requires the commissioner to produce an application draft to counties and providers for comment by May 30, 2025.</p> <p>Makes this section effective the day following final enactment.</p>
8	<p>Implementation of outpatient and behavioral health service rates.</p> <p>Requires the commissioner of human services to begin phasing in implementation of rates included in the fee-for-service outpatient services rate study by July 1, 2025.</p> <p>Makes this section effective the day following final enactment.</p>
9	<p>Appropriation; regional continuum of care for youth.</p> <p>Appropriates \$2,000,000 in each of the next two fiscal years as onetime funding for a grant to Anoka, Carver, Dakota, Hennepin, Olmsted, Ramsey, Scott, and Washington Counties for activities related to establishing a regional continuum of care for high-need youth.</p>

Section	Description
10	<p data-bbox="316 262 1430 300">Appropriation; regional youth crisis stabilization program.</p> <p data-bbox="316 310 1430 384">Appropriates \$2,000,000 in each of the next two fiscal years for a grant to Hennepin County for a regional youth crisis stabilization program to increase access to services.</p> <p data-bbox="316 415 1430 453">Makes this section effective the day following final enactment.</p>



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