



April 18, 2024

Chairs Hoffman, Wiklund, Liebling, Noor and Pinto,

On behalf of Minnesota's 87 counties and our work to deliver quality human services that positively impact communities across the state, the Association of Minnesota Counties (AMC), the Minnesota Association of County Social Service Administrators (MACSSA) and the Minnesota Inter-County Association (MICA) thank you for your work to assemble supplemental budget bills that seek to best address the emerging needs of our state's most vulnerable.

We recognize that with limited one-time budget resources and an uncertain economic landscape, resources must be focused on urgent needs. It is with that same sense of urgency that counties have approached our analysis of the five budget proposals spanning human services legislative committee jurisdictions. We are eager to work with you and partners at the Department of Human Services (DHS) in the weeks ahead as you develop this legislation.

Safety net capacity

Counties are a vocal partner in the Priority Admissions Task Force charged with examining civil commitment policies and Direct Care and Treatment (DCT) capacity. Throughout this process, counties have supported increases in DCT capacity and county relief for cost shares when individuals not meeting medical criteria (DNMC) are being transferred between state-operated services placements.

We believe that capacity increases must happen before policy changes are made or pressures in the system will just shift, not be relieved. Even with limited budget resources, counties believe that creative solutions can be brought forward to more fully leverage one-time funds to expand DCT capacity.

- Counties support expanded capacity of DCT psychiatric beds at forensics. [*SF 5335 Article 8, Section 2 – HF5280 Article 8, Section 2*]
- Counties support the DHS directive to pursue a Medical Assistance Reentry Demonstration 1115 Waiver, including an inclusive workgroup, capacity building grants and phase one implementation dollars. [*HF5280 Article 3, Sections 13, 14, 17, 18*]
- Counties support House and Senate proposals that recognize the unpredictable impact of DNMC costs on counties. With limited budget targets, we support relief for Beltrami and Todd counties. [*SF5335 Article 4, Section 3 – HF5280 Article 4, Section 3*]
- Counties support provisions in both human services proposals to prohibit the closure of the Carlton Community Addiction Recovery Enterprise (CARE) facility for women. [*SF5335 Article 4, Section 2; House spreadsheet, line 124*]

We share your goal of adding capacity across our mental health continuum of care and hope that these investments represent an initial downpayment on capacity in a non-budget year. We recognize that with limited budget targets, making counties' request for permanent elimination of Does Not Meet Medical Criteria cost of care is not possible but look forward to continuing discussions next session.

Direct Care and Treatment agency governance

We appreciate that transition to a new Direct Care and Treatment agency requires careful consideration of governance, efficiency and learning from the past. As local mental health authorities, counties play a crucial role in

care coordination and delivery of deep-end services that affect individuals before, during and after they are served in a state-operated facility.

- We appreciate the consideration of Senate approvals for the new DCT executive director and voting board members contemplated in the House and Senate human services proposals. However, counties should have a voting member position on the new executive board. [*SF5335 Article 5 – HF5280 Article 5*]

Technology modernization

Last year's historic human services IT investments position the state to address our crumbling infrastructure. However, the nearly \$200 million did not include resources for counties to do the local work necessary to effectively implement future technology upgrades or implement "last mile" technologies to make these systems work for counties' unique populations.

- Counties appreciate the House (\$9 million) and Senate (\$10.4 million) investments proposed for SSIS upgrades. [*SF4699 – HF2476 Article 7*]

Counties urge lawmakers to support the Governor's proposal to invest \$15 million in SSIS upgrades to work alongside child welfare and children's mental health investments to avoid county workers from needing to engage in additional manual processes and workarounds. We also encourage you to consider \$5 million in one-time infrastructure dollars for local implementation and policy-only language that would set a precedent that future state IT investments should include a percentage for counties to develop and collaborate on "last mile" innovations, introduced as SF4390/HF4578 (Kupec/Virnig).

Targeted case management

Targeted case management is a complex yet necessary function to ensure that children and adults are effectively and efficiently connected to the services they need. Our state is woefully out of compliance with federal regulations, and there is an urgency to move toward reform.

- Counties appreciate language in the House human services proposal to direct DHS to consult with counties to improve case management information systems and comply with federal regulations. [*HF5280 Article 7, Section 2*]
- Counties have concerns with language in the House human services proposal that requires counties that utilize contracted case management services to go out for RFP every two years to evaluate culturally specific case management offerings. We believe that this onerous process will impact the desired effect of increasing the availability of culturally appropriate services. [*HF5280 Article 1, Sections 9, 12, 15, and 17*]

MnCHOICES timelines

MnCHOICES is a technology tool that is the gateway to critical services for our seniors and individuals with disabilities. Counties see the need to streamline processes and adjust current timelines to promote financial sustainability and program integrity and ensure informed choice for individuals. We also know that simplifying these timelines plays a role in hospital decompression and moving individuals more swiftly into appropriate placements.

- Counties support provisions in the House and Senate human services proposals to modify experience requirements for certified MnCHOICES assessors to increase available workforce, and the extension of MnCHOICES assessments validity from 60 to 365 days to recognize the often slowly-changing needs of individuals and current system backlogs. [*SF5335 Article 1, Sections 11-12 – HF5280 Article 1, Sections 10-11*]
- We also support SF5335 amendments that include two additional no-cost proposals as additional ways to simplify MnCHOICES processes: (1) moving the timeline to respond to long-term care consultation requests from 20 calendar days to 20 working days and allowing counties to contract for assessments for individuals

using the state plan PCA program (and Community First Support Services, CFSS). The provisions are also included in HF4949 (Fischer).

Counties also support language that directs counties to work with DHS to develop a streamlined reassessment with policy guardrails around when such a reassessment might be utilized. We recognize that we must consider cost and federal compliance concerns and pledge to continue conversations with the department to address them.

Investments in children, youth and families

Counties recognize the fractured, disparate system of support that Minnesota's children and families face – from economic supports to mental health services to support during crisis. Counties thank the leadership of the Legislative Task Force on Child Protection and committee chairs for their thoughtful policy proposals and investments that seek to protect and enhance support for our youngest residents. We support:

- New Medical Assistance benefit for children's crisis residential services [*SF4699 Article 9, Section 12 – HF4571 Article 9, Section 28*]
- Creation of the Department of Children, Youth and Families Intergovernmental Advisory Council [*SF 4699 Article 14, Section 1/HF 2476 Article 5, Section 1*]
- Direction to DHS to conduct a comprehensive child welfare fiscal analysis [*HF2476 Article 1, Section 10*] and encourage the restoration of practice modelling within the provision

Layla Jackson Law

Counties strongly support efforts to address disproportionality in Minnesota's child protection system. We remain concerned that without significant investments in the county workforce, training, culturally responsive programming and technology, the legislation cannot be successfully implemented across all 87 counties. We also have concerns with the language in that it may unintentionally impact compliance with the Federal Adoption Safe Families Act. We support the investment of \$1.7 million to support culturally responsive programming and encourage lawmakers to consider similar investments in culturally responsive training initiatives like the Equity Partnership. Finally, we would ask for your consideration of phased implementation of the law with continued assessment of local capacity needs and workforce impact. [*SF 4699 Article 16*]

County-Administered Rural Medical Assistance (CARMA)

Counties support provisions in the House and Senate bills that direct DHS to work with counties and county-based purchasing plans to develop a new and improved model to uniquely manage Medical Assistance benefits in rural counties. [*SF4699 Article 2, Section 8 – HF4571 Article 1, Section 9*]

As your omnibus bills move forward in the process, please consider counties as a committed partner and resource for your deliberations. Again, thank you for your commitment to our state's health and human services system and the children, individuals and families we all serve.

Sincerely,



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