

# MINNESOTA'S



## COVID-19 RECOVERY BUDGET

FY 2022-23 Supplemental Budget Release Rollout and Hearings





# Commissioner remarks

3/18/2021

Minnesota Department of Human Services | [mn.gov/dhs](https://mn.gov/dhs)



# Repayment of MAT Overpayments/Reimburse County IMD



Investment  
FY 2021:  
\$37.2 million

Federal law  
considers behavioral  
health residential  
treatment programs  
with more than 16  
beds institutions of  
mental disease  
(IMDs)

0 FTEs

- FY 2014 - FY 2019, DHS paid the Leech Lake Band of Ojibwe and the White Earth Band of Chippewa an incorrect rate for clients taking medication at home instead of a in facility
- January 2014 - May 2019, DHS incorrectly claimed federal funding for some substance use disorder programs.
- Proposal holds counties harmless for their share of overpayments due to DHS errors
- Proposal holds Leech Lake and White Earth tribal nations harmless for MAT overpayments due to DHS overpayment

# DCT operating adjustment



Investment  
FY 2022-23:  
\$49.9 million  
FY 2024-25:  
\$57.3 million

DCT serves  
12,000  
patients  
each year

Maintains  
299.79  
FTEs

- Provides an operating increase to cover the full cost of care for patients and clients in state-operated treatment facilities
- Increases base appropriation by about 9% for the biennium
- The increase is necessary to avoid cuts in services and to maintain safe staff-to-client ratios
- **The proposal has been adjusted to reflect the timing of hiring**





# Children and families



# Back to better: Returning from COVID emergency measures



Investment  
FY 2022-23:  
\$3.6 million

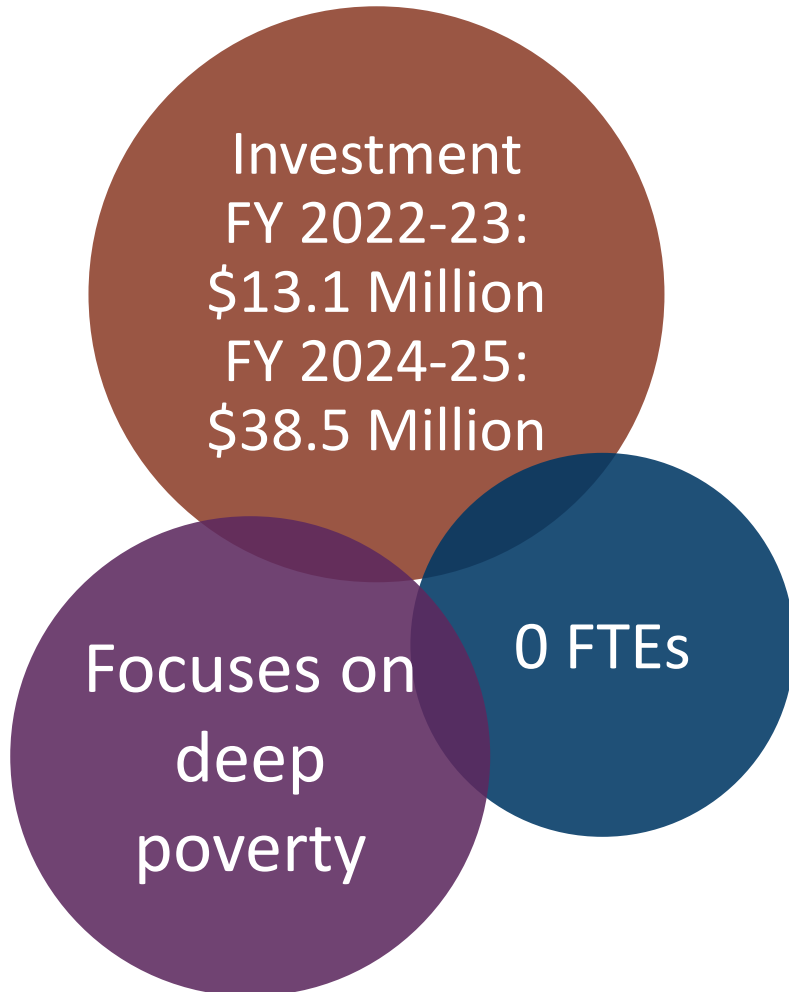
Pandemic waivers  
and modifications  
affected how people  
gained and retained  
access to programs

3 FTEs

## Economic assistance programs

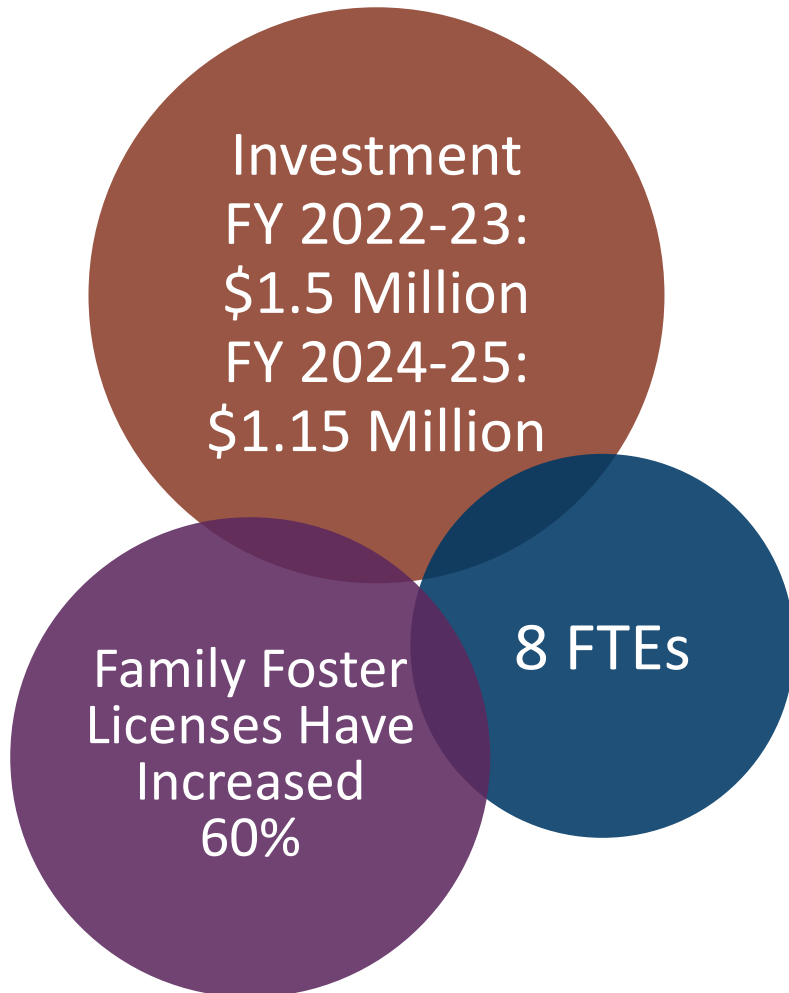
- Concentrate on cash assistance recertifications in the summer and fall
- Deferring federal SNAP recertifications
- Potentially shift recertification dates for some households to help create an even workload for county and tribal human services agencies

# MFIP COLA



- Provides an annual cost-of-living increase in cash assistance provided through the Minnesota Family Investment Program for families living in “deep poverty.”
- In the last 35 years, cash assistance has been increased once (in 2019), which has not been enough to keep up with the cost of housing and other necessities.
- Increases would be made on Oct. 1 each year, based on the Consumer Price Index.

# Maintaining Family Connections in Foster Care



- Changes requirements and reforms background study process for foster care licensing
- Clarifies requirements for locating, engaging and considering relatives as foster parents.
- Provides more training and support to 400 county and private-agency foster care licensors
- Adds eight FTEs to reduce the time it takes to evaluate, approve or deny foster care licenses or issue licensing sanctions.



# Family First Prevention Services Act



Investment  
FY 2022-23:  
\$1.3 million  
FY 2024-25:  
\$2.2 million

Ensures  
federal  
compliance

14 FTEs

- Federal funds will offset a portion of the cost in FY 2022-23
- Adding three additional Licensing staff in FY 2024-25 to assist in licensing services modified to comply with federal law.
- Increases staff to certify providers and oversee continued implementation of the Family First Prevention Services Act, especially the new Title IV-E requirements, by the federal deadline of Oct. 1, 2021

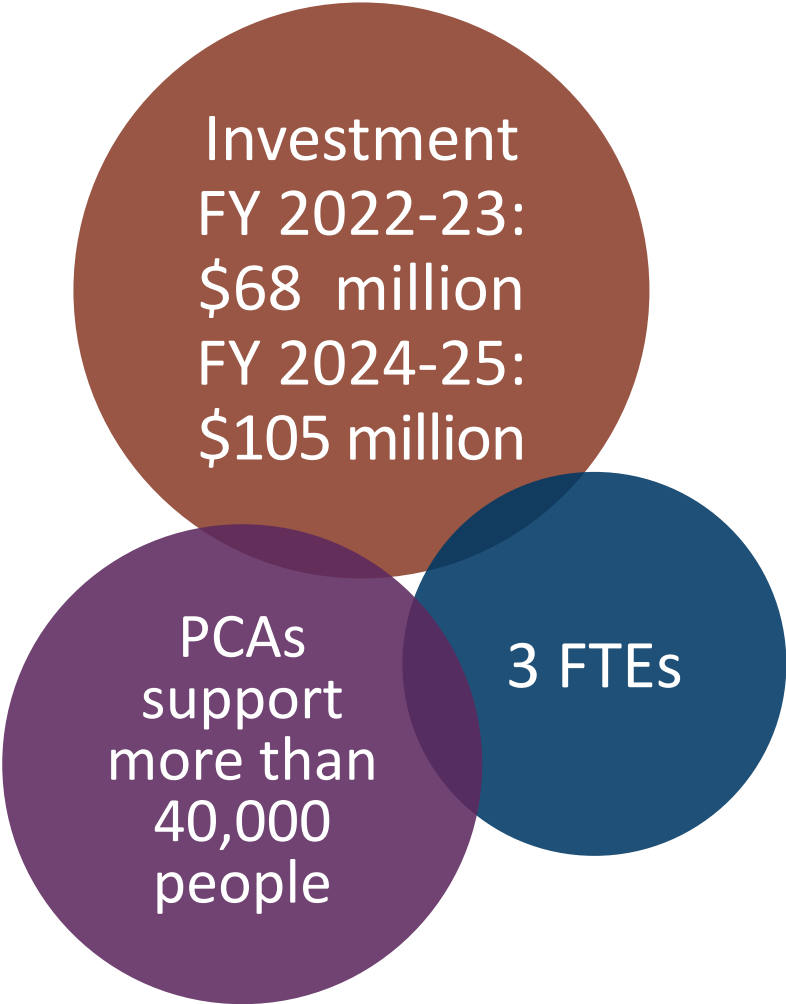




# Community supports and behavioral health



# Increase payment rates for PCA services



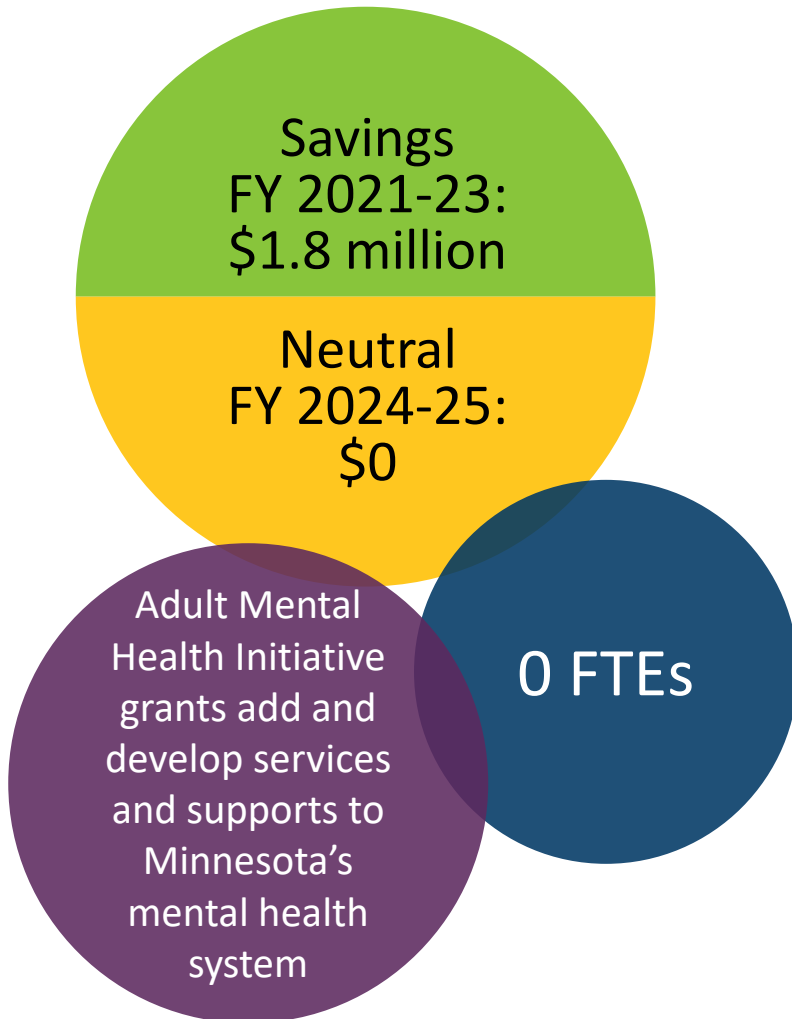
Investment  
FY 2022-23:  
\$68 million  
FY 2024-25:  
\$105 million

PCAs  
support  
more than  
40,000  
people

3 FTEs

- **Proposal now includes cost reporting for PCA and CFSS agencies**
- Cost reporting will support data-driven improvements to future rate setting
- Funds obligations to SEIU-represented union workers as specified in in January 2021 negotiated contract, which increases wages, paid time off, provides training grants.
- Impacts all PCA rates, not just union employees

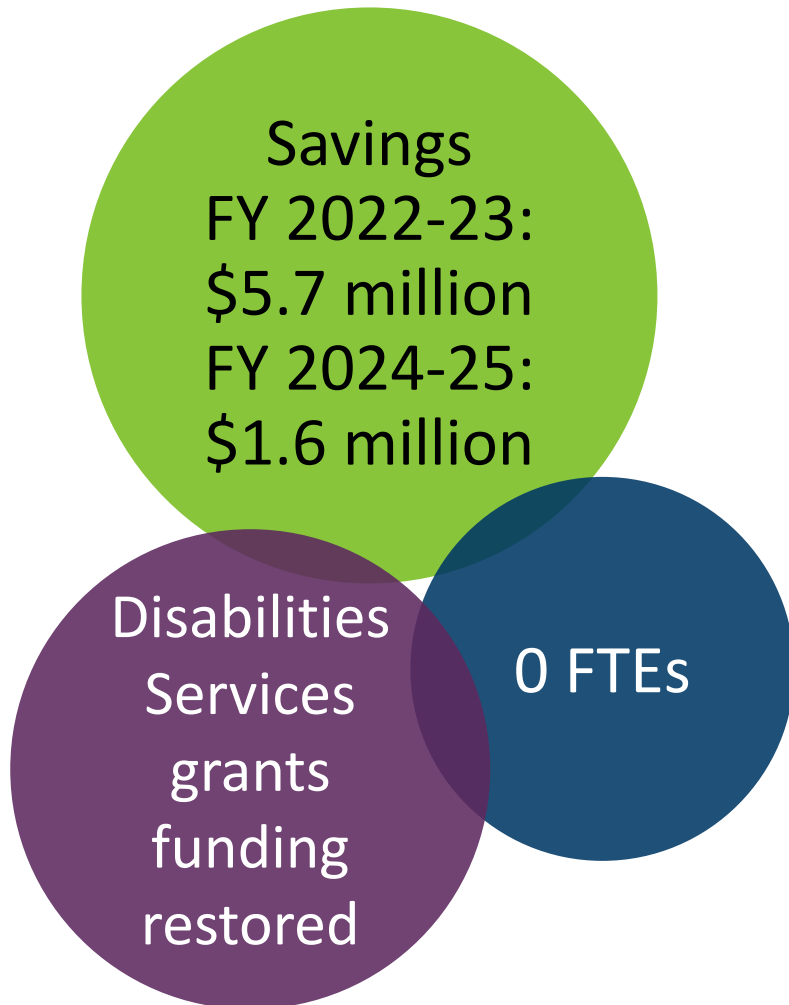
# Right-size behavioral health grants



- Reduces or eliminates certain behavioral health grants
- Funding for Adult Mental Health Initiative grants is fully restored.
- Mental Health First Aid Training and SUD Recovery Peer grants are refinanced with federal funds and maintained at their current levels for grantees.

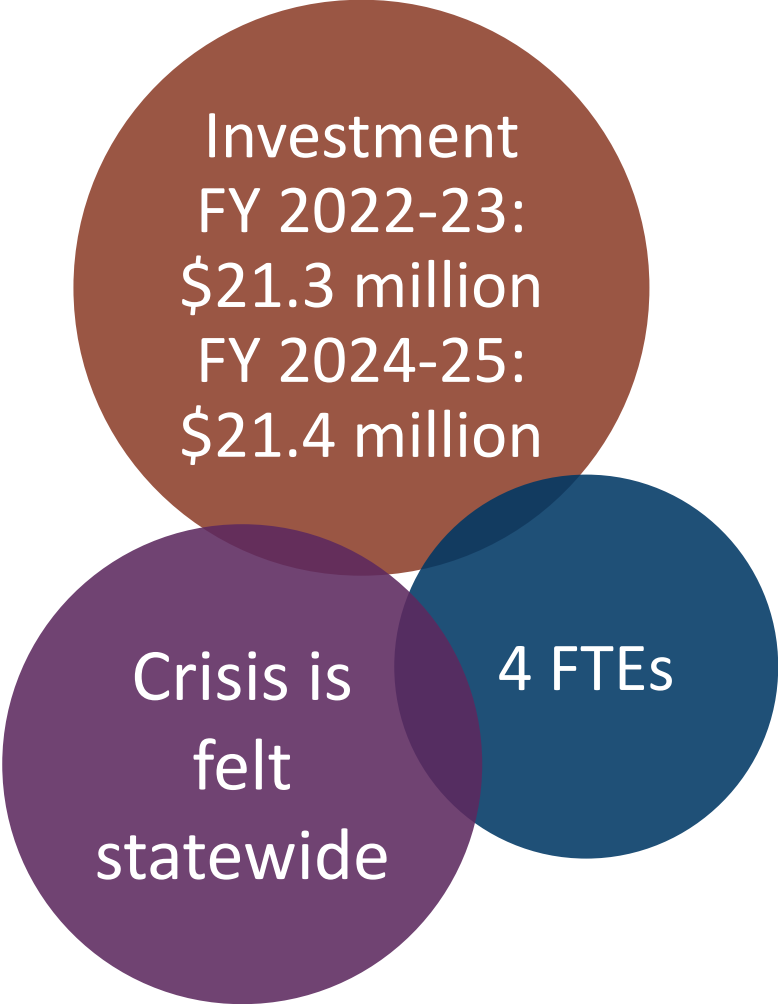


# Realigning disability grants



- Funding restored for certain disability grants
- Reductions to Family Support and SILS grants are now one-time only and reflect underspending.
- Savings from the reduction to State Quality Council grants is reinvested in Regional Quality Council grants.

# Emergency shelter, HMIS, community living grants



Investment  
FY 2022-23:  
\$21.3 million  
FY 2024-25:  
\$21.4 million

Crisis is  
felt  
statewide

4 FTEs

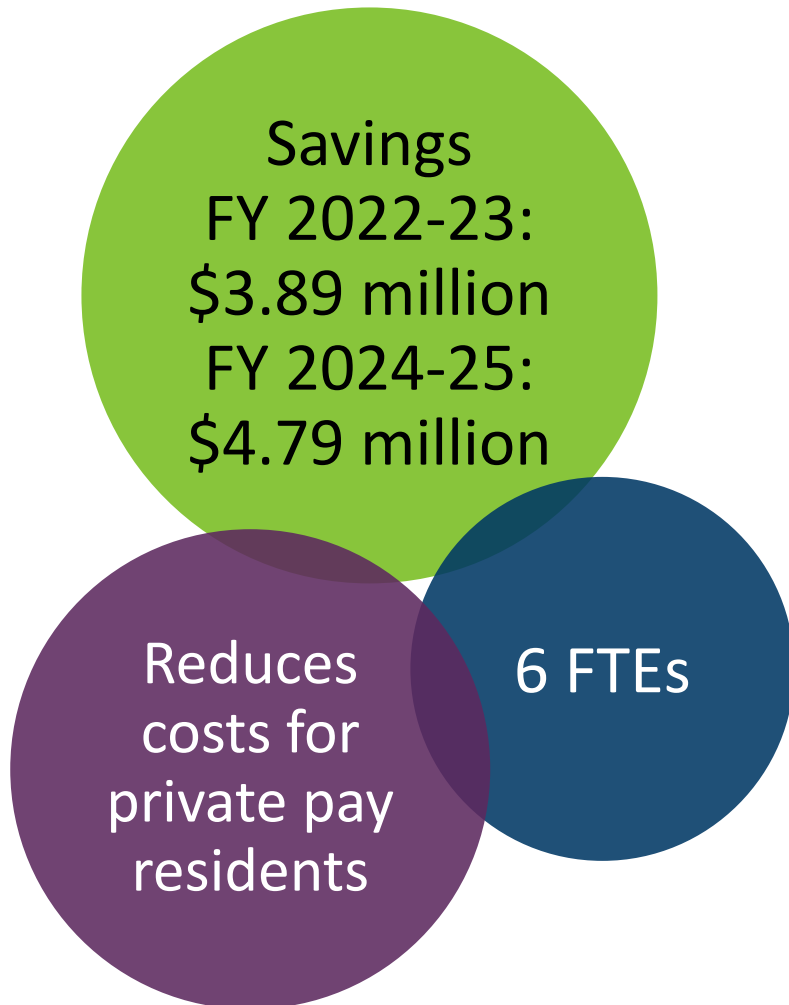
- Two additional FTEs are added to the Housing Division to meet the higher than expected demand for Housing Stabilization Services
- Homelessness is an ongoing crisis that impacts communities across the state.





# Older adults

# Nursing facility reassessment and consumer improvements



Provides financial protections for nursing home residents and savings to the state and consumers by:

- Requiring timely health assessments to ensure that residents are not billed for therapy services or isolation services they are no longer receiving.
- Adding six new forensic accountants and auditors to ensure program integrity
- Complying with new federal requirements for assessing nursing facility residents' care needs
- Continuing nursing facility consumer satisfaction survey and keep pace with cost growth since 2006



# Thank You!