

Minnesota Behavioral Health System

By Nathaniel M. Olson

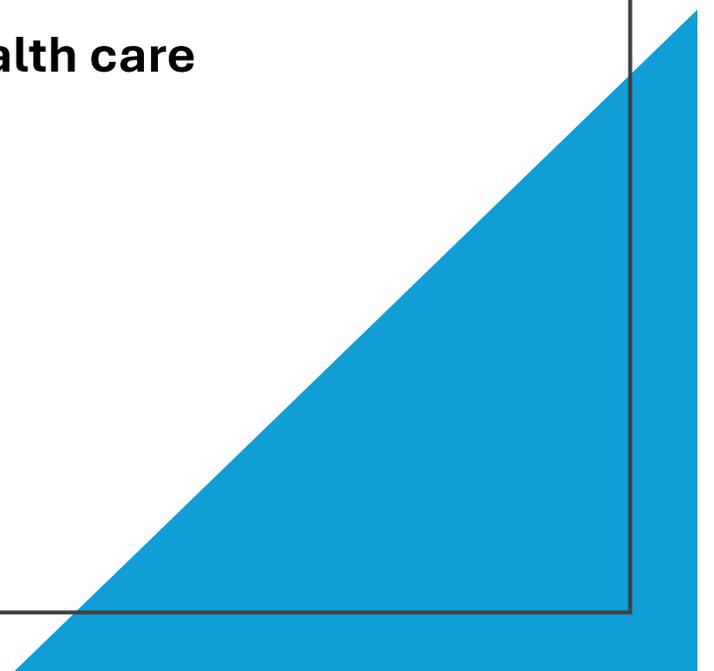
What Is Behavioral Health?

Mental health + substance use disorder services

Focus on prevention, treatment, crisis response, and recovery

Integrated with physical health care

Plus People



Minnesota Behavioral Health System (Overview)



Behavioral health includes **mental health services, substance use disorder (SUD) treatment, and recovery supports**



Minnesota follows the federal SAMHSA definition, emphasizing **promotion of well-being, treatment, and recovery support**



Services are designed to be **integrated with physical health care** and delivered close to home [mn.gov], [senate.mn]

How the System Is Organized



State-supervised,
county-administered

Core Service Areas

Mental Health Services

- Crisis response (adult & children's crisis services)
- Outpatient therapy and psychiatry
- Case management
- Intensive services (ACT, ARMHS, day treatment, residential care)
- Peer and family support

Core Service Areas

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Crisis response (adult & children's crisis services)

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Case management

Intensive services (ACT, ARMHS, day treatment, residential care)

Peer and family support services [dhs.state.mn.us]

Populations Served

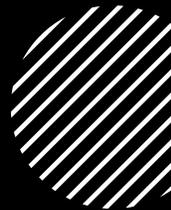
Populations Served

- **Children & youth** (school-linked services, day treatment, residential care)
- **Adults** with serious mental illness
- Individuals with **co-occurring mental health and substance use disorders**
- Special focus on **community-based and culturally responsive services**
- **People with Disability**





Key System Challenges (Widely Cited)



Workforce shortages



Limited access to timely care

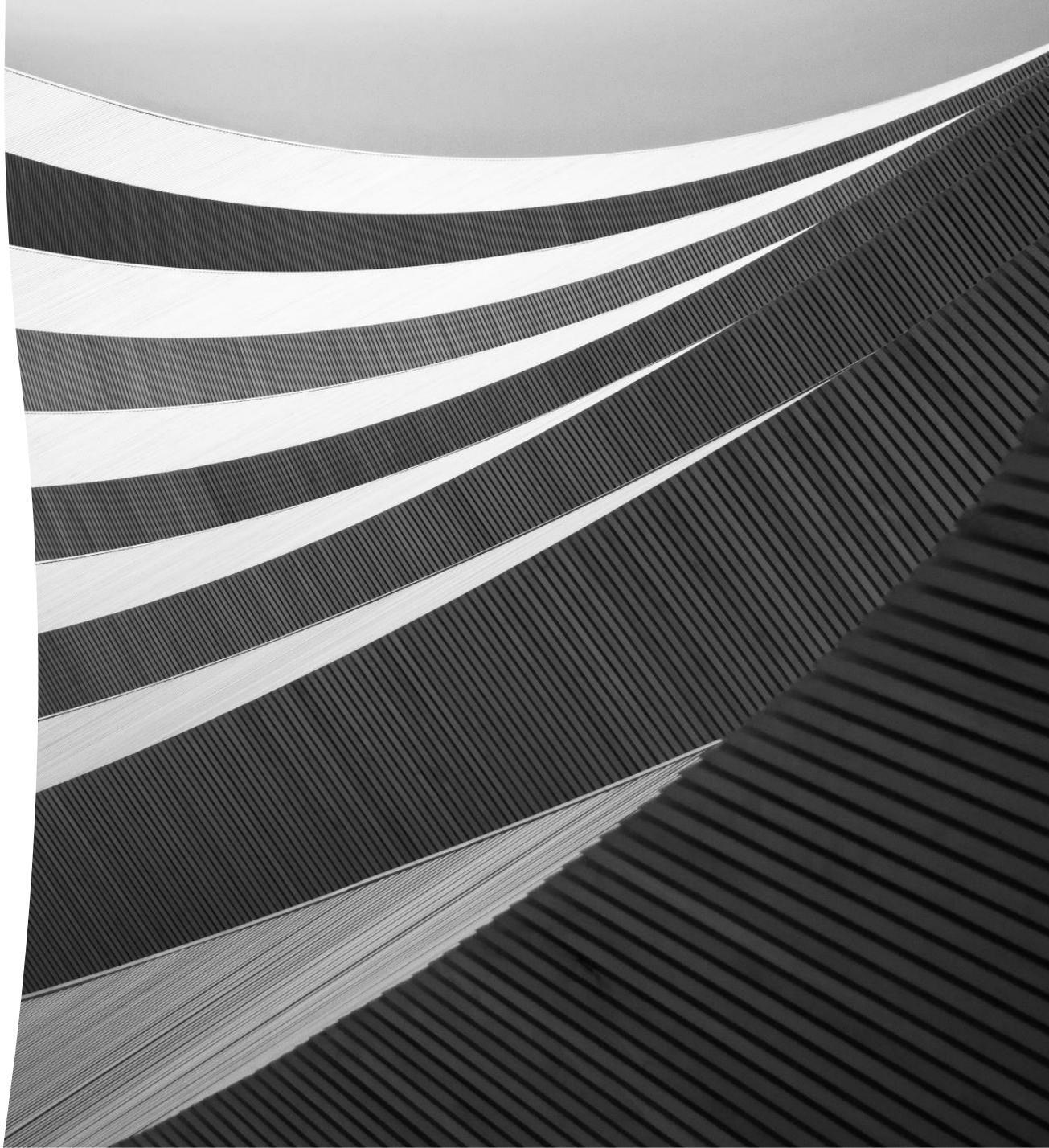


Heavy reliance on hospital emergency departments for mental health crises



Underpayment of mental health services impacting provider capacity\

Funding and Coverage



Behavioral health services in Minnesota are funded through:

Medicaid (Minnesota Health Care Programs)

State and federal grants

Private insurance, with parity requirements for mental health and SUD services

Widely Cited System Challenges

Recent fact sheets and policy summaries explicitly describe ongoing challenges:

- **Workforce shortages**
- **Limited access to timely care**
- **Heavy reliance on hospital emergency departments for mental health crises**
- **Underpayment of mental health services**, which affects provider capacity and workforce sustainability

Key State Resources Mentioned Online

- **Minnesota Department of Human Services (DHS)** — system oversight and program administration
[\[dhs.state.mn.us\]](https://dhs.state.mn.us)
- **FastTrackerMN / FindCareMN** — tools to locate mental health and SUD services statewide
[\[fasttrackermn.org\]](https://fasttrackermn.org), [\[findcaremn.org\]](https://findcaremn.org)
- **988 Suicide & Crisis Lifeline** — 24/7 crisis support with access to mobile crisis teams
[\[health.state.mn.us\]](https://health.state.mn.us)

Key Areas Involving Behavioral Health Fraud

- Behavioral health services in Minnesota are primarily overseen by the Department of Human Services (DHS), including through its Behavioral Health Administration (BHA). Fraud has been reported in: Early Intensive Developmental and Behavioral Intervention (EIDBI): This Medicaid benefit provides services for children and youth under 21 with autism spectrum disorder (ASD). Multiple federal charges have been filed against providers for billing millions for undelivered or fraudulent services. For example, one case involved a provider (Star Autism Center) fraudulently obtaining over \$6 million in reimbursements.
- Adult Rehabilitative Mental Health Services (ARMHS), Assertive Community Treatment (ACT), and other mental health/substance use programs: These fall under high-risk Medicaid categories where billing for nonexistent or exaggerated services has been alleged.
- Related programs overlapping with behavioral health: Such as Housing Stabilization Services (HSS) (for people with mental illnesses or substance use disorders), Peer Recovery Support Services, and Integrated Community Supports (ICS). These have seen indictments for billing maximum authorized amounts while delivering minimal or no services, with funds misused for personal gain (e.g., travel, real estate).

Federal and state investigations

- Federal and state investigations (involving the U.S. Attorney's Office, FBI, HHS-OIG, and Minnesota Attorney General's Medicaid Fraud Control Unit) have led to dozens of charges, guilty pleas, and convictions since 2021–2022, with more in 2025–2026. Prosecutors have linked schemes to "fraud tourism" (out-of-state actors setting up fake providers) and even AI-generated fake records in some cases.

What the Minnesota DD Waiver Is

The **DD Waiver** pays for **home- and community-based services** for **children and adults** who have a **developmental disability or related condition** and who need the **level of care provided in an Intermediate Care Facility for Persons with Developmental Disabilities (ICF/DD)**. The waiver exists as an **alternative to institutional care**, with the goal of supporting **independence, safety, health, and community integration**

Services can be delivered in:

- A person's own home
- A family or relative's home
- Family foster care homes
- Corporate residential settings

