



AMHI Reform: Funding Formula Overview

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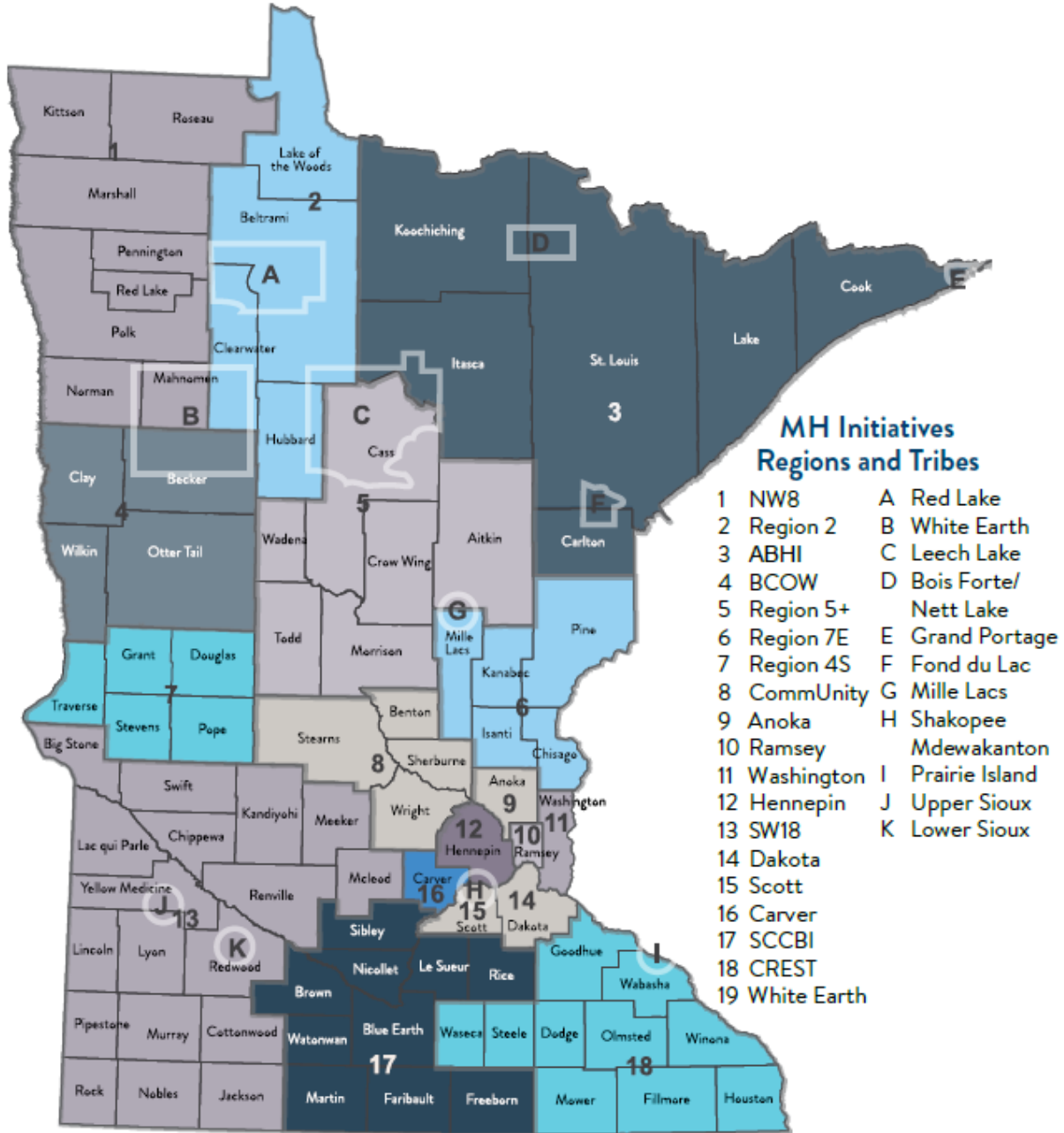
About Adult Mental Health Initiatives

- Adult Mental Health Initiatives (AMHI) are regional organizations that oversee adult mental health services and funding to counties and tribal governments in their area
- AMHIs serve as a mechanism for regional collaboration to build effective community-based mental health services across Minnesota
- AMHIs were established in 1996 as “pilot projects” under [Minnesota Statute 245.4661](#) and continue to operate under this statute
- 19 self-formed regions – they could realign if so choose
 - 7 single-county initiatives in the metro area
 - 11 multi-county initiatives in greater Minnesota
 - 1 tribal initiative – White Earth Nation

History of AMHI Funding

- Initial funding determinations for AMHIs were based on proximity to state hospitals that closed in the 1990s.
- AMHI funding is distributed as block grants.
 - In 1996, six regions were funded with a total of \$1.849M.
 - Today, 19 AMHI regions receive a total of \$33.5M per year in funding.
 - Current allocations range from \$1.49 to \$21.29 per capita (adult only).
- AMHI funding is vulnerable and has been reduced in the past (2003, 2005, and 2009) during budget deficits and to cover costs of other services.

AMHI Map



AMHI Reform Goals

- Develop a funding formula
- Move AMHIs out of pilot status
- Develop improved outcome measures

Funding formula development – 2019-2022

- 2019: Pre-development research and efforts by AMHI reform team
 - Application of Equity Analysis in the project design and formation of the AMHI Reform Team
- 2020-2021: Contract with Forma ACS, Inc. for research and development of a formula model
 - Stakeholder engagement and input throughout contract timeline and model development
 - Model developed June 30, 2021
- June-Nov 2021: Stakeholder workgroup to co-create the weights for the variables within the model for county-based AMHIs
- Oct 2021-TBD 2022: Stakeholder workgroup to co-create a tribal AMHI funding formula using the county-based model as a starting point

Stakeholder engagement for AMHI Reform

- Stakeholder engagement & participatory decision making process are top priorities for AMHI Reform
- Stakeholder workgroups co-created the funding formula
 - Planning additional workgroups to continue co-creation of AMHI reform goals
- Other engagement methods used as well:
 - Regular quarterly statewide AMHI meetings
 - Survey of AMHI Stakeholders in March 2021
 - Presentations to MACSSA, State Advisory Council on Mental Health, and American Indian Mental Health Advisory Council
 - Regular Gov Delivery updates
 - Publicized information on [AMHI Website](#)
 - Regular email communication with workgroup members

Variables and data sources in the formula

The formula model recognizes variation in mental health service need and access across the state because it includes many different factors:

- Population
 - Statewide (Census)
 - Medicaid enrollee (DHS)
 - Medicare enrollee (Federal, public)
- Social determinants of health (SDOH)/medical risk
 - SMI/SPMI, SUD, deep poverty, homelessness, past incarceration, and medical risk (DHS)
- Area deprivation index (ADI)
 - Measure of neighborhood deprivation or disadvantage at 9-digit zip code level
 - Combines many factors to compare levels of disadvantage across the state - housing, employment, income, etc.
- Rural factor using rural urban commuting area (RUCA) codes
 - Measure of rural or urban based on 9-digit zip code level

Formula weights – set by workgroup

- Statewide population, 10%
- Medicare population, 10%
- Medicaid population, 10%
- SDOH/Risk, 20%
- ADI, 25%
- Rural factor (RUCA), 25%
- SDOH/Risk sub-weights:
 - SMI/SPMI, 30%
 - SUD, 20%
 - Deep poverty, 20%
 - Medical risk, 15%
 - Homelessness, 15%
 - Past incarceration, 0%

Allocations

AMHI	Current historical allocation	Per Capita (Adults)	Preliminary formula-based allocation	Per capita (Adults)
ABHI	\$3,829,186	\$15.41	\$2,889,427	\$11.63
Anoka	\$765,075	\$2.81	\$1,370,917	\$5.04
BCOW	\$1,181,263	\$9.44	\$1,390,577	\$11.11
Carver	\$319,933	\$4.13	\$268,042	\$3.46
CommUnity	\$1,249,432	\$3.83	\$1,929,595	\$5.92
CREST	\$2,297,954	\$6.92	\$3,133,147	\$9.43
Dakota	\$482,776	\$1.49	\$1,440,388	\$4.43
Hennepin	\$5,809,267	\$5.87	\$5,355,162	\$5.41
NW8	\$1,453,914	\$21.29	\$964,816	\$14.13
Ramsey	\$4,466,053	\$10.57	\$2,805,213	\$6.64
Region 2	\$595,725	\$9.62	\$944,301	\$15.24
Region 4S	\$664,642	\$12.37	\$727,274	\$13.54
Region 5+	\$1,236,491	\$8.67	\$2,088,819	\$14.65
Region 7E	\$1,715,762	\$13.04	\$1,141,504	\$8.68
SCCBI	\$4,210,082	\$17.23	\$2,633,257	\$10.78
Scott	\$228,859	\$2.11	\$412,173	\$3.79
SW18	\$2,229,288	\$10.70	\$3,072,057	\$14.74
Washington	\$604,982	\$3.04	\$774,014	\$3.89
White Earth Nation	\$158,688	n/a	TBD	n/a
Total	\$33,499,372		\$33,499,372	\$7.71

Allocations may be impacted by the finalization of the Tribal Funding Formula and are also subject to change due to any increase or decrease in the total AMHI fund

Next steps for AMHI Reform

- Funding formula (CY 2025)
 - Review and respond to any feedback from the legislature
 - Complete the tribal funding formula workgroup objectives
 - Plan for and begin the funding formula implementation plan stakeholder workgroup
- Moving AMHIs out of pilot status
 - Statute update stakeholder workgroup
 - Review current outcome measures and identify improved outcome measures

AMHI Reform timeline – current known efforts

- Feb 1, 2022
 - DHS submits funding formula report to the Minnesota Legislature
- Spring/Summer 2022
 - DHS will convene a stakeholder workgroup to co-develop the funding formula implementation plan
- Jan 1, 2023-Dec 31, 2024
 - Contracts using current allocations
- February 2023
 - DHS releases final implementation plan and announces formula-based allocations
 - Note: regional allocations are subject to changes brought about by additions to or reductions of AMHI fund
- Jan 1, 2025-Dec 31, 2026
 - First contract using allocations informed by the funding formula

Thank You!