

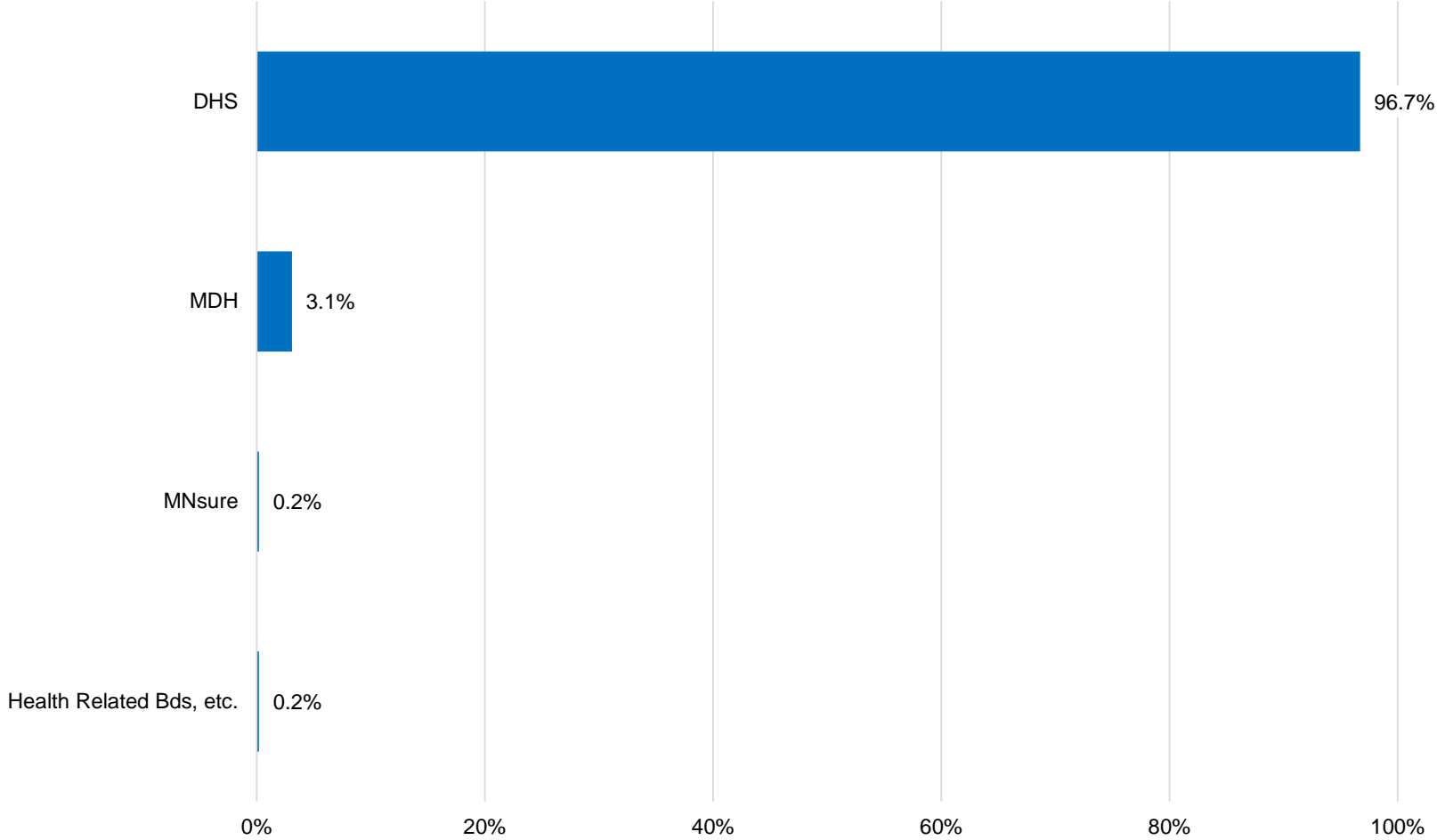
Human Services Finance and Policy

OVERVIEW OF COMMITTEE JURISDICTION

JANUARY 2021

Health and Human Services All Funds Expenditures

Base FY 2022-23 = \$46.375 billion

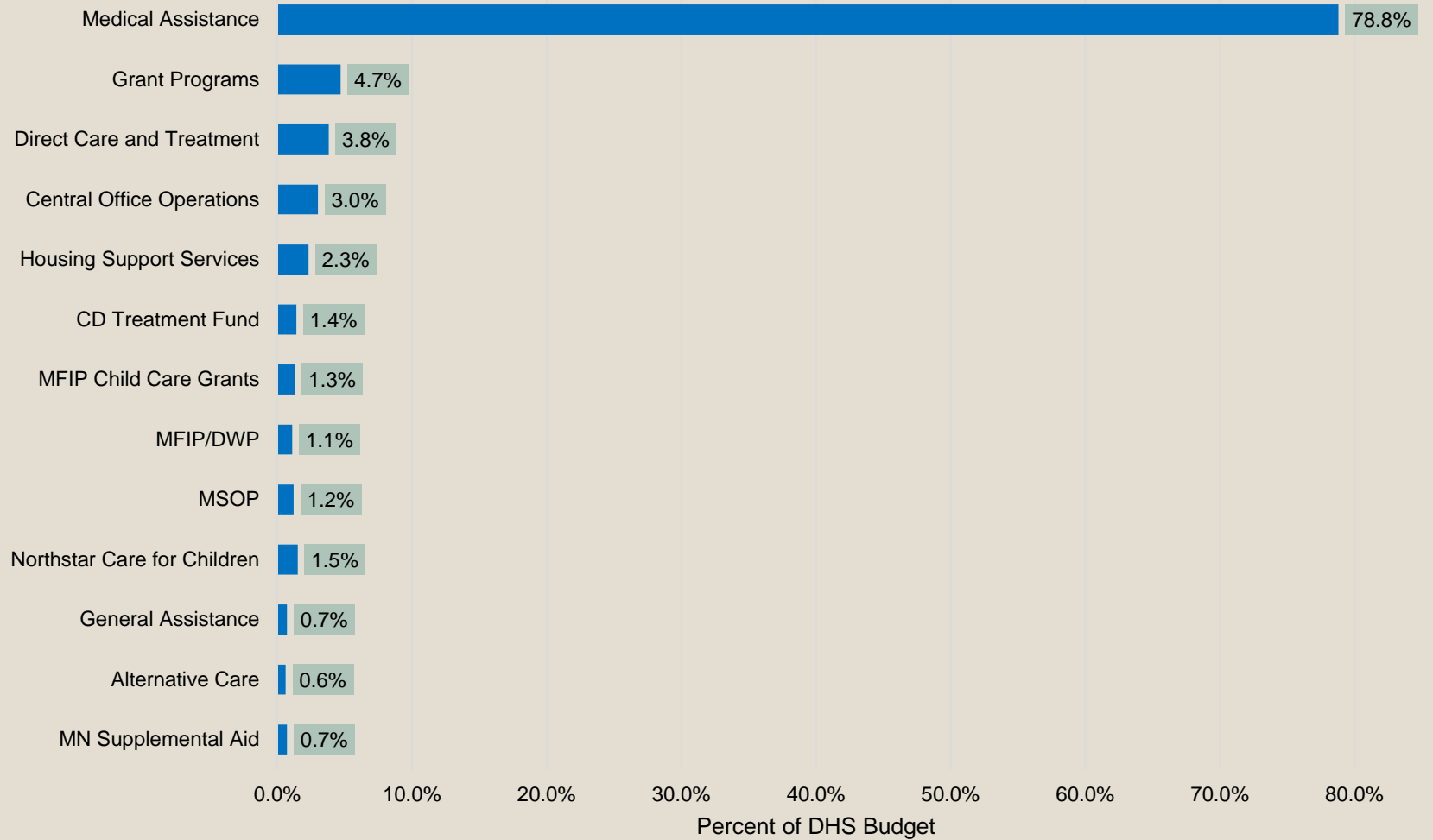


Source: Data from FY 2022-23 Agency Base Budget Books.

Health Care and Human Services Programs

- Focus on health care, economic assistance, and social service programs.
- In general, programs are state-supervised and county-administered.
 - The **Department of Human Services (DHS)** is the primary executive branch agency that oversees human services programs. DHS supervises program administration, ensures compliance with federal requirements, makes rules, and provides training, program evaluation, and technical assistance to counties.
 - Counties administer programs, accepting applications, determining client eligibility, contracting with local service providers, and referring clients to services.
- Congress sets broad standards and requirements for human services programs and appropriates funds.
- The Minnesota Legislature sets human services policy for the state. This policy is often influenced by federal requirements that are prerequisites to receiving federal funding.

Department of Human Services Budget Program Base FY 2022-23 DHS State General Fund Expenditures: \$16.398 Billion



Source: House Research and House Fiscal Analysis. Data from November 2020 Forecast.

Long-Term Care

Long-term care services are available to the elderly and disabled through:

- MA;
- state programs; and
- programs administered by the Board on Aging.

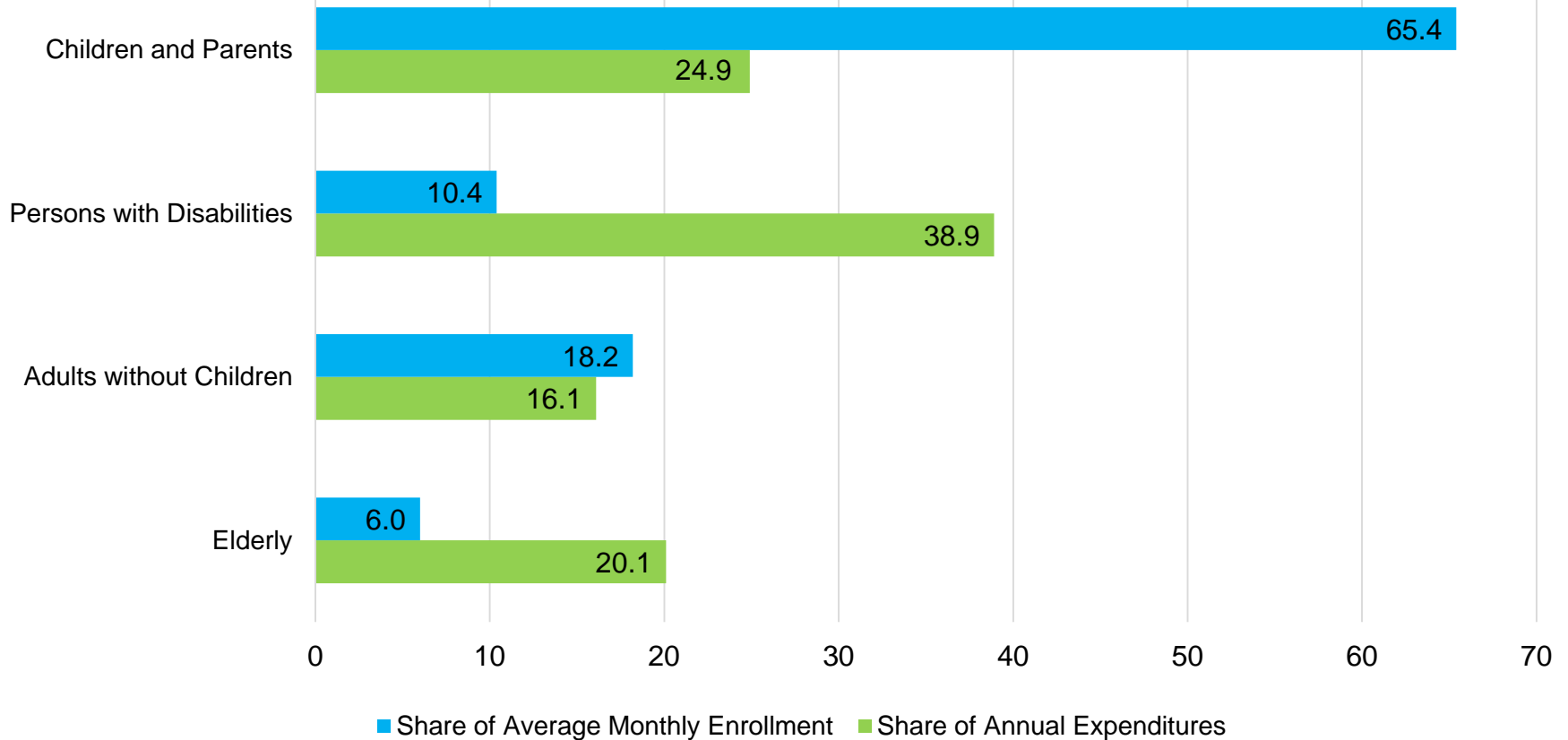
Long-Term Care

Long-term care services provided under MA include:

- Nursing facility services
- Intermediate Care Facilities for Persons with Developmental Disabilities (ICF/DD)
- Home health care
- Personal Care Assistance (PCA) services
- Alternative Care (AC) Program
- Home and Community-Based Waiver Services (HCBS)

MA Enrollees and Expenditures

FY 2020 Medical Assistance Enrollees and Expenditures by Enrollee Type



Source: House Research. Data provided by DHS.

Long-Term Care

Long-term care programs provided by the state include:

- Long-Term Care Consultation Services
- Family Support Grants
- Consumer Support Grants
- Semi-Independent Living Services (SILS)
- Essential Community Support Services

Long-Term Care

Programs administered by the Board on Aging include:

- Senior LinkAge Line and related information services
- MinnesotaHelp
- Senior Nutrition Services
- Caregiver Grants
- Dementia Grants
- Minnesota Senior Corps
- Ombudsman for Long-Term Care

Health Department Long-Term Care Activities

Regulation of long-term care facilities and providers

- Nursing homes and boarding care homes
- Housing with services establishments
- Home care providers
- Assisted living facilities (beginning August 1, 2021)

Office of Health Facility Complaints

Long-term care workforce programs

Initiatives to prevent or address COVID-19 in long-term care facilities

Behavioral Health

Substance Use Disorder (SUD) Treatment

Assessment

- Interview with a counselor to assess a person's substance use and SUD treatment needs and placement. This is commonly referred to as a comprehensive assessment or "Rule 25" assessment.*

Treatment

- Detoxification/withdrawal management
- Residential and nonresidential programs
- Halfway houses/sober homes
- Extended care

Recovery community organizations, peer-based recovery support services, and service coordination.

Behavioral Health

Substance Use Disorder Treatment

Counties and tribes are responsible for:

- Assessing the treatment needs of a resident (“Rule 25”), if under a service agreement, until July 1, 2022;
- Determining financial eligibility for publicly-funded treatment;
- Pre-authorization of and placement in appropriate SUD treatment services for persons assessed by the county or tribe (until July 1, 2022); and
- Paying the state for 22.95% of the cost of services for individuals not enrolled in MA.

Behavioral Health

Substance Use Disorder Treatment

Publicly-funded SUD treatment is provided via either managed care or under fee-for-service, through the **Behavioral Health Fund (BHF)**.

- In order to be eligible for BHF funding, the recipient must meet clinical requirements, have no insurance to cover the full cost of treatment, and either be enrolled in a public health care program or meet BHF income and household guidelines.

Behavioral Health

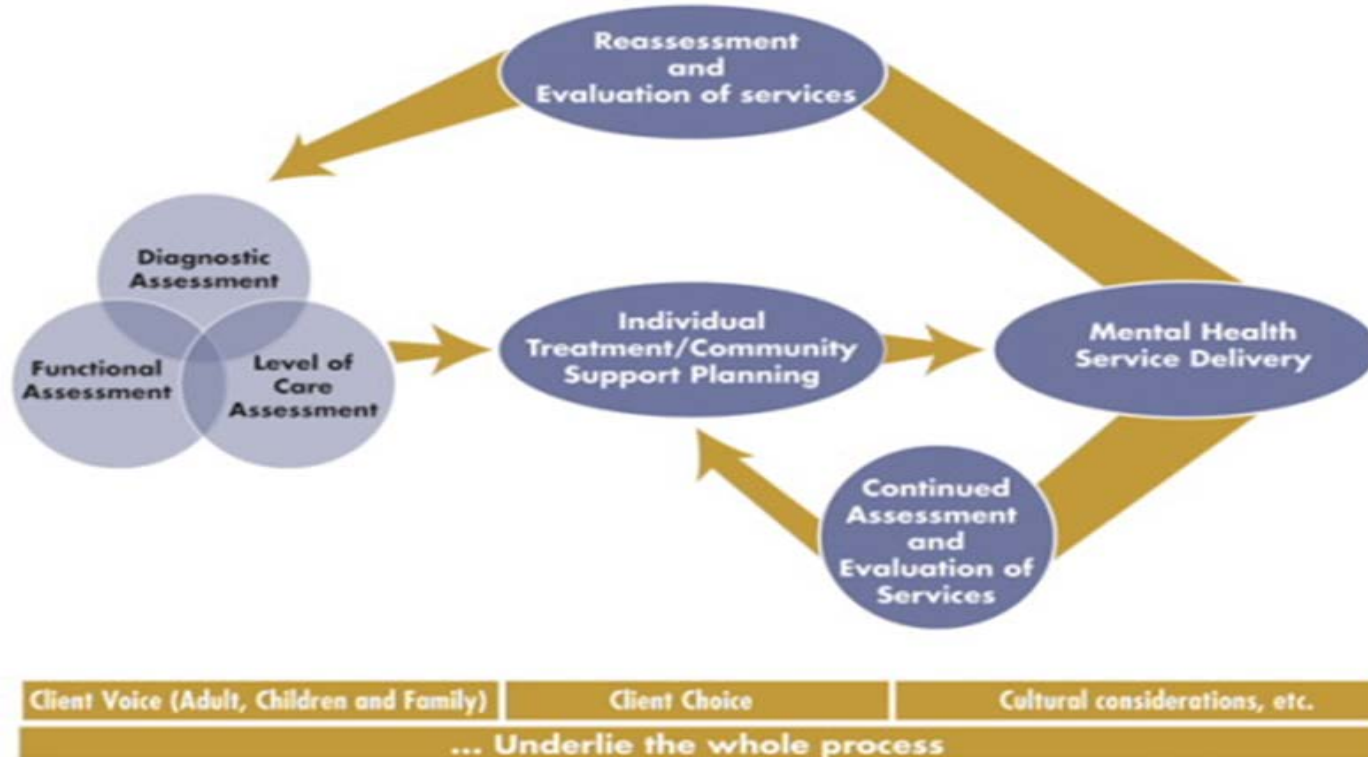
Mental Health

- Counties are responsible for developing mental health services for children and adults. Counties may provide services directly, contract with private entities to provide services, and refer individuals to community resources.
- The programs and services must comply with the statutory requirements of the Children's Mental Health Act (Minn. Stat. §§ 245.487 to 245.4888) and the Adult Mental Health Act (Minn. Stat. §§ 245.461 to 245.4711).
- Funding comes from federal, state, and county sources.
- Public health care programs and private insurance pay for some mental health services.

Behavioral Health

Mental Health

- Six components of mental health service delivery



Behavioral Health

Types of Adult Mental Health Services

- **Emergency services**
 - crisis phone numbers
 - mobile crisis services
 - crisis intervention teams
- **Residential services**
 - Short-term inpatient hospital treatment
 - Intensive Residential Treatment Services (IRTS)
 - Certified Community Behavioral Health Clinics (CCBHCs)
 - Behavioral health home services
- **Nonresidential services**
 - Day treatment/outpatient therapy
 - Assertive community treatment (ACT)
 - Adult rehabilitative mental health services (ARMHS)
 - Certified peer specialists
 - Targeted case management
 - Medication management
 - Adult mental health urgent care and drop-in centers
 - First episode psychosis coordinated specialty care (can be residential)
 - Partial hospitalization program

Behavioral Health

Adult Mental Health Continuum of Services



ARMHS—Adult Rehabilitative Mental Health Services

IRTS—Intensive Residential Treatment Services

ACT—Assertive Community Treatment

MH-TCM — Mental Health Targeted Case Management

Behavioral Health

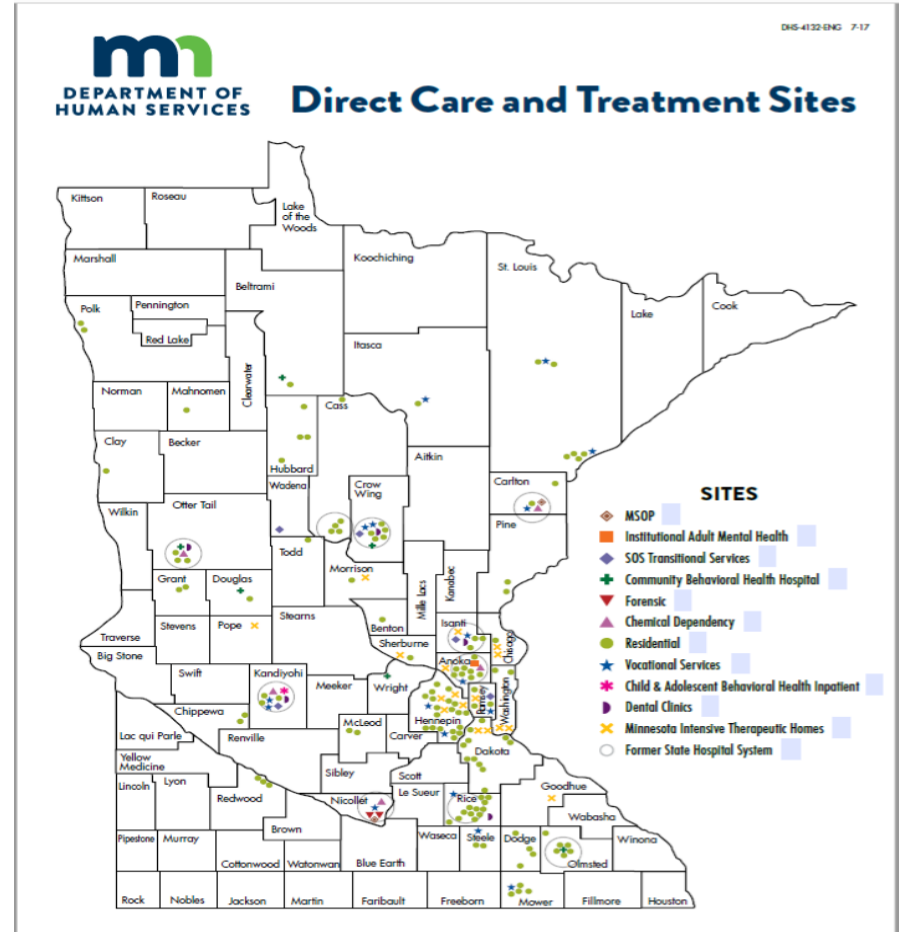


ARMHS—Adult Rehabilitative Mental Health Services IRTS—Intensive Residential Treatment Services ACT—Assertive Community Treatment
 CTSS—Children's Therapeutic Support Services PRTF—Psychiatric Residential Treatment Facility

Behavioral Health

Direct Care and Treatment

State-operated health care services for individuals with complex needs related to mental illness, substance use disorder, developmental disabilities, traumatic brain injury, and those committed as mentally ill and dangerous.



Behavioral Health

Direct Care and Treatment

- **Adult mental health**
 - Inpatient treatment at community behavioral health hospitals and Anoka Metro Regional Treatment Center
 - Minnesota Specialty Health System
- **Child and Adolescent Behavioral Health Services (CABHS)**
 - Outpatient and residential services in Willmar
 - Minnesota Intensive Therapeutic Homes
- **Community Addiction Recovery**
- **Enterprise (C.A.R.E.)**
- **Community support services**
- **Rehabilitation services**
- **Forensic services**
 - Minnesota Sex Offender Program
 - Minnesota Security Hospital
 - Forensic Nursing Home
 - Transition Services
 - Competency Restoration Program
- **Special-care dental clinics**

Behavioral Health

Minnesota Sex Offender Program (MSOP)

- Court-ordered treatment program for individuals civilly committed by the court as sexually dangerous persons or as having a sexual psychopathic personality.
- As of January 1, 2021, 737 individuals were receiving treatment in secure facilities.
- Two secure facilities: Moose Lake and St. Peter
 - Typically an individual begins treatment at Moose Lake and transfers to St. Peter if they progress in the treatment process.
- **Provisional discharge** can be granted by the Special Review Board and the Supreme Court Appeal Panel. If granted, the individual is still civilly committed, but allowed to live in the community under certain conditions.

Income Assistance Programs

Includes a variety of programs that provide assistance to low-income households including:

- Minnesota Family Investment Program (MFIP)
- General Assistance (GA)
- Supplemental Security Income (SSI)
- Minnesota Supplemental Aid (MSA)
- Housing Support
- Food Support (SNAP and MFAP)
- Child Care Assistance Program (CCAP)

Income Assistance Programs

Administration

MFIP, GA, MSA, Housing Support, and CCAP are state supervised, county-administered programs.

SSI is a federal program that is administered through local offices of the Social Security Administration, using uniform, nationwide standards.

SNAP is a federal program that is administered by counties under the supervision of DHS.

Income Assistance Programs

Income Eligibility Standards

Income eligibility standards for the income assistance programs vary – some are set in federal law and some are set in state statutes.

- Federal law –
 - SSI (federal benefit rate)
 - SNAP (165% FPG)
- State statutes –
 - MFIP (about 130% FPG)
 - GA (\$203/month for an individual; \$260/month for a couple)
 - MSA (MSA standard)
 - Housing Support (generally, income below \$934/month)
 - CCAP (47% SMI at program entry; 67% SMI at eligibility redetermination; 85% SMI during the eligibility period)

Income Assistance Programs

Asset Eligibility Standards

- For MFIP, GA, and Housing Support, the equity value of personal property must not exceed \$10,000 for applicants and participants
- The SSI asset limit is \$2,000 for an individual and \$3,000 for a couple
- The MSA asset limit is the same as SSI for SSI recipients and the same as MFIP and GA for non-SSI recipients
- There is no asset limit for SNAP recipients if their income is less than 165% of FPG and they receive a domestic violence brochure
- Under federal law, the CCAP asset limit is \$1,000,000 in countable assets

Income Assistance Programs

Maximum Monthly Benefits, 2021

Program	Benefits
MFIP	\$1,068 for a family of three
GA	\$203 for one adult \$260 for a couple
SSI	\$794 for an individual \$1,191 for a married couple
MSA	\$855 for an individual \$1,282 for a married couple
Housing Support	\$934 basic room and board rate
Food Support	\$535 for a family of three
CCAP	Varies based on county, age of child, and provider type

Income Assistance Programs

FY 2020 Expenditures

Program	Federal Funding	State Funding	Local Funding
MFIP	\$175,891,473	\$101,685,610	\$0
GA	\$0	\$49,778,343	\$0
SSI *	\$671,996,000	\$0	\$0
MSA	\$0	\$43,502,787	\$0
Housing Support	\$0	\$181,976,789	\$2,654,701
Food Support *	\$515,554,598 **	N/A	\$0
CCAP	\$130,513,490	\$112,439,821	\$2,941,235

Source: Department of Human Services, November 2020 Forecast background data tables.

* Source: Department of Human Services Family Self-Sufficiency and Health Care Program Statistics, November 2020. Expenditures are for FY 2019.

** Includes state MFAP funding.

Income Assistance Programs

Average Monthly Recipients, FY 2019 and 2020

Program	FY 2019	FY 2020
MFIP	81,908	79,756
GA *	23,176	23,361
SSI	93,544	N/A
MSA	31,782	32,379
Housing Support	20,488	20,961
Food Support	393,197	N/A
CCAP **	15,350	14,668

* Average monthly cases.
** Average monthly families.

Source: Department of Human Services, November 2020 Forecast background data tables, and Family Self-Sufficiency and Health Care Program Statistics, November 2020.

Income Assistance Programs

Other Programs

Emergency Services Grants – provides homeless persons essential services and emergency shelter

Food Shelf Program – provides funds to about 300 Minnesota food shelves to purchase food and fund operating and administrative expenses

Emergency Food Assistance Program – distributes USDA donated food to families and individuals using on-site meal programs, food shelves, and shelters

Family Assets for Independence in Minnesota (FAIM) - helps low-income Minnesotans increase their savings and build financial assets

Income Assistance Programs

Child Support Enforcement

- Federal law requires each state to establish a child support enforcement program and sets broad standards and requirements.
- The federal government provides TANF and child support enforcement funding to states with child support systems that meet federal requirements, and matches 66% of county and state spending on child support enforcement in Minnesota.
- The Minnesota Legislature has established child support policy within the parameters established by the federal government. DHS is responsible for oversight of the child support system, which counties administer.
- In fiscal year 2019, Minnesota collected and disbursed child support totaling approximately \$570.1 million.
- In fiscal year 2019, for every \$1 spent, DHS collected \$3.14 in child support.

Protection of Children and Vulnerable Adults

Child Welfare Services

- Federal law requires each state to provide intervention and services to protect children from abuse and neglect.
- The legislature establishes the policy to implement federal law and provide services to families so their children are safe.
 - Maltreatment of Minors Act, Minn. Stat. Ch. 260E
 - Minn. Stat. Ch. 260C
- Funding for services comes from federal, county, and state sources.

Protection of Children and Vulnerable Adults

Child Welfare Services – Maltreatment of Minors Act

- Any person may voluntarily report known or suspected maltreatment.
- The following **mandatory reporters** must report suspected or known maltreatment in the preceding three years to the local welfare agency, applicable law enforcement, or other responsible agency:
 - Professionals or professionals' delegates in the healing arts, social services, hospital administration, psychological or psychiatric treatment, child care, education, correctional supervision, probation or corrections, or law enforcement;
 - Members of the clergy who received the information through ministerial duties.

Protection of Children and Vulnerable Adults

Child Welfare Services – Maltreatment of Minors Act

- Counties are responsible for providing child welfare services when a child is alleged to have been maltreated in the home, through an investigation or family assessment.
- Law enforcement is required to investigate reports that allege violation of a criminal law, in cooperation with county agencies.
- When a caregiver **outside** of the child's home is alleged to have maltreated a child, the responsible agency investigates the alleged maltreatment in the facility or other setting.

Protection of Children and Vulnerable Adults

Child Welfare Services

- If a child is not safe in a home, or a parent has not cooperated with a service plan, a county may file a **Child in Need of Protection or Services (CHIPS)** case.
 - The child is placed in foster care, and a case plan is developed to attempt to reunify the family within 6-12 months.
 - Review hearings every 3 months
- If the home remains unsafe after the child is in foster care for 11 months, the county will file a permanency petition.
 - Termination of parental rights (TPR) and adoption, guardianship to the commissioner of human services (adoption with parental consent), or transfer of permanent legal and physical custody to a relative.
 - Court decisions must always be governed by the best interests of the child.

Protection of Children and Vulnerable Adults

Child Welfare Services - Permanency

Permanency = reunification, adoption, transfer of permanent legal and physical custody to a relative (TPLPC, or “kinship”).

Northstar Care for Children provides monthly assistance payments for children in foster care, and children who are adopted or whose custody is transferred to a relative.

- Kinship or adoption assistance eligibility determination is started by county or tribal staff, with a final determination made by DHS.
- Payments based on age, and supplemental payments are based on the child’s assessed special needs

Protection of Children and Vulnerable Adults

Services for Vulnerable Adults

- Individuals who are age 18 and older who are: impaired physically, mentally, or emotionally and unable to protect themselves from maltreatment; residents or inpatients of a facility; receive certain outpatient services; or receive certain home care services.
- Maltreatment is defined as abuse, neglect, or financial exploitation, all of which are defined in Minn. Stat. § 626.5572.
- Certain people are required to report suspected maltreatment (“mandated reporters”). Any person may report suspected maltreatment.
- Reports of suspected maltreatment must be made to the common entry point (MAARC), which must be available 24 hours a day to accept reports.

Protection of Children and Vulnerable Adults

Services for Vulnerable Adults

Reports are screened and referred to the appropriate lead investigative agency within 2 working days.

Counties, law enforcement, DHS, and MDH assess and investigate allegations of maltreatment, within statutory timelines.

Counties provide protective services when needed.

Program Integrity and Operations

Provider Fraud Prevention

The DHS Office of Inspector General (OIG) oversees fraud prevention and recovery efforts for all DHS-administered public programs.

DHS procedures and initiatives to reduce provider fraud and improper payments include:

- Educating providers
- Recommending system edits to prevent improper claim payment
- Conducting provider screening visits
- Operating a surveillance and integrity review section (SIRS) to investigate MA provider and recipient fraud
- Requiring personal care assistant agencies to develop and implement policies and procedures to verify service

DHS contracts with outside entities to conduct post-payment provider audits to identify and recover overpayments and identify underpayments.

Program Integrity and Operations

Recipient Fraud Prevention

Minnesota Restricted Recipient Program – recipients placed in program after reviews show abuse or misuse of medical services. Recipients are restricted to one primary care provider, clinic, hospital, and pharmacy for 24 or 36 months, reducing costs by \$5,000-\$6,000 per year.

The state and counties work together to prevent **public assistance recipient fraud**.

- Fraud prevention programs prevent and reduce improper payments by resolving eligibility questions for caseworkers.

Program Integrity and Operations

Fraud Prevention Investigations

Fraud investigators:

- In CY 2018, completed 9,137 public assistance recipient fraud investigations, identified approx. \$7,000,000 in overpayments
- In CY 2018, reviewed 3,923 MinnesotaCare eligibility cases
- In CY 2020, opened 443 MA provider investigations, identified over \$13,000,000 in overpayments
- In CY 2020, opened 239 CCAP provider investigations, identified over \$1,000,000 in overpayments, and issued 4 administrative disqualifications to non-compliant providers

Program Integrity and Operations

DHS Program Regulation

Licensing

- 23,064 programs and providers held DHS licenses or certifications in 2020.
- Certain licensing functions are delegated to counties, and some private agencies have been authorized to perform licensing functions related to child placement and child foster care.
- DHS directly licenses and regularly monitors all other programs and issues correction orders or other licensing actions for violations of rules or statutes.

Investigations

- Receive and investigate allegations of maltreatment of a child or a vulnerable adult served by a licensed program or provider.
- Receive and investigate alleged licensing violations.
- Between CY 2015 and CY 2020, allegations of maltreatment and licensing violations received by DHS increased from 7,076 to 8,254 (17%).
- In 2017, 244 reports with maltreatment substantiated, after 761 completed investigations.

Program Integrity and Operations

Background Studies

DHS conducts background studies on all individuals who provide direct contact services to children or vulnerable adults, to determine whether the individual has committed an act that would disqualify him or her from providing those services.

- “Direct contact” means providing face-to-face care, training, supervision, counseling, consultation, or medication assistance to clients in health and human services programs.

Also required for certain others, such as guardians and conservators, people who provide foster care, people seeking adoption, and people over 13 living in the household where a licensed program is provided.

Program Integrity and Operations

Background Studies

NetStudy 2.0 is the health and human services background study system, fully implemented in 2017.

- Requires **fingerprint** and **photographs**
- Searches more records than previous system
- Electronic updates of study subjects' criminal records; electronic employer notifications

Disqualifying conduct and crimes listed in Minn. Stat. section 245C.15.

In CY 2020, DHS received 429,284 background study applications, with 9,659 disqualified (2%).

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