

# Publicly Provided Mental Health Services in Minnesota

November 2023

## Executive Summary

Minnesota's system of publicly provided mental health services encompasses a wide range of service types and treatment methods for individuals who are enrolled in or eligible for Minnesota Health Care Programs (MHCP)—Medical Assistance (MA) or MinnesotaCare.<sup>1</sup> Services are delivered within a state-supervised, county-administered service model. Each county is responsible for developing and coordinating a mental health services system and providing mental health services for its residents, either directly or through contracts with noncounty entities. Publicly provided mental health services are funded through a combination of state and federal health care funding, state grant awards, and county funding. In fiscal year 2021, overall funding for publicly provided mental health services totaled \$1,065,070,826.

An individual must complete the required diagnostic, functional, and level-of-care assessments in order to receive mental health services that meet the individual's treatment needs. After an individual completes the required assessments, a mental health provider or agency must complete a written individual treatment plan, an individual community support plan, or an individual family community support plan (for a child) for the individual to start receiving publicly provided mental health services.

Publicly provided mental health services include crisis services, residential treatment, and community-based services. Services range from highly intensive treatment in secure facilities to community-based mental health targeted case management, with some services available for only adults, some for adults and children, in specified circumstances, and some for only children and adolescents. Each service has different eligibility, diagnostic, and staffing requirements, and different treatment modalities and objectives. Only certain providers and provider entities may enroll in MHCP to provide publicly funded mental health services. This publication does not discuss publicly funded options for substance use disorder treatment; however, co-occurring mental health and substance use disorders are common, and some mental health treatment programs specifically treat co-occurring disorders.

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<sup>1</sup> Many mental health services are also available through private pay or private health insurance coverage; this publication does not describe those services.

This publication explains how the publicly provided mental health system works and provides information on the range of available services, eligibility requirements, how the services are delivered, and how the services are funded. Charts in the appendix provide a visual description of the services available under residential and community-based mental health services.

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## County-based Service Model

### Each county is responsible for providing mental health services

Minnesota’s publicly funded mental health service delivery system is supervised by the state Department of Human Services (DHS)<sup>2</sup> and administered by the counties, which are the local mental health authorities. This means that for each person who is eligible for publicly provided mental health services, the county in which the person resides is responsible for providing or coordinating to provide appropriate mental health services.<sup>3</sup>

Each county is responsible for developing and coordinating a system of affordable, locally available adult and children’s mental health services and case management services. Counties and Tribes may directly provide certain mental health services through county board-operated entities, or may contract with mental health providers as vendors to provide services to residents. Counties may also enter into an agreement with a regional treatment center or with a state facility or program to provide services, as appropriate.

([Minn. Stat. §§ 245.465](#), [245.466](#), [245.4874](#), [245.4875](#))

<sup>2</sup> DHS directly provides certain highly intensive services for persons with complex needs. This publication does not detail these programs and services. For more information on these services, see the House Research publication *Direct Care and Treatment*, January 2020.

<sup>3</sup> In the 1990s, counties organized into multicounty mental health authorities called Adult Mental Health Initiatives (AMHIs), to collaborate to provide mental health services after the closure of many state hospitals. Currently, there are 19 AMHI regions. AMHI regions include Tribal governments, and the White Earth Nation is its own AMHI. Most AMHIs are comprised of multiple counties, but some consist of a single large county (for example, Hennepin County). ([Minn. Stat. § 245.4661](#).) For a map of AMHIs, see: <https://edocs.dhs.state.mn.us/lfsrserver/Public/DHS-7655-ENG>.

## Eligibility for Publicly Provided Mental Health Services

In order to be eligible for publicly provided mental health services, an individual must be eligible for one of the Minnesota Health Care Programs (MHCPs). Typically, this means Medical Assistance (MA) or MinnesotaCare, both of which have eligibility requirements based on an individual's monthly or annual income in relation to federal poverty guidelines.<sup>4</sup>

([Minn. Stat. §§ 256B.056](#) and [256L.03](#))

A person who is a resident of an institution for mental disease (IMD)<sup>5</sup> is only eligible for services paid under MA if the person is receiving residential psychiatric care at an accredited facility, and is under 21 years old, 21 years old but not yet 22 years old and has been receiving continuous care in the IMD since turning 21, or at least 65 years old.

([42 U.S.C. § 1396d](#))

In addition, each mental health service has diagnostic eligibility requirements. Depending on the intensity of the service, an adult must have a mental illness or a serious and persistent mental illness<sup>6</sup> or a child must have emotional disturbance<sup>7</sup> or severe emotional disturbance.<sup>8</sup> Each of these terms is defined in statute.

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<sup>4</sup> As of July 1, 2023, for adults without children and a family size of one, the income limit for MA eligibility is \$1,616 (133% of the federal poverty guideline). As of January 1, 2023, the annual income limit for MinnesotaCare eligibility for a family size of one is \$27,180 (200% of the federal poverty guideline). Counties and Tribal social services agencies can provide further information or specific eligibility questions.

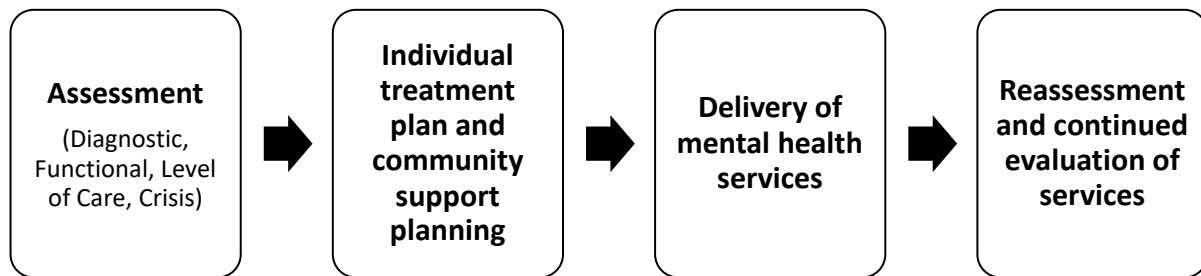
<sup>5</sup> Under federal law, states cannot use federal Medicaid funds to pay for services provided in facilities of more than 16 beds that primarily provide adult mental health or psychiatric treatment, termed "institutions for mental disease" or "IMDs." This is commonly referred to as the "IMD exclusion." ([42 U.S.C. § 1396d\(i\)](#) and [42 U.S.C. § 1396d \(a\)\(B\)](#).) For more information, see "Medicaid's Institutions for Mental Disease (IMD) Exclusion," Congressional Research Service (July 2019), <https://sgp.fas.org/crs/misc/IF10222.pdf>.

<sup>6</sup> For definitions of "mental illness" and "serious and persistent mental illness," see [Minnesota Statutes, section 245.461](#), subdivision 20.

<sup>7</sup> For definition of "emotional disturbance," see [Minnesota Statutes, section 245.4871](#), subdivision 15.

<sup>8</sup> For definition of "child with severe emotional disturbance," see [Minnesota Statutes, section 245.4871](#), subdivision 6.

## Process for Mental Health Service Delivery



### Assessments

Before an individual can receive publicly provided mental health services, the individual must undergo certain assessments to determine clinical eligibility for services.

A **diagnostic assessment** is a written report evaluating an individual's mental health and is conducted via face-to-face interview by an eligible provider,<sup>9</sup> with or without medical services.<sup>10</sup> A standard diagnostic assessment report must include:

- the individual's age;
- the individual's current living situation, including the client's housing status and household members;
- the status of the individual's basic needs;
- the individual's education level and employment status;
- the individual's current medications;
- any immediate risks to the individual's health and safety;
- the individual's perceptions of the individual's condition;
- the individual's description of the individual's symptoms, including the reason for the individual's referral;
- the individual's history of mental health treatment; and
- cultural influences on the individual.

<sup>9</sup> Eligible providers of diagnostic assessments include: clinical nurse specialists, licensed independent clinical social workers, licensed marriage and family therapists, licensed professional clinical counselors, licensed psychologists, psychiatric advanced practice registered nurses (APRNs), psychiatrists, Tribally certified mental health professionals, and mental health practitioners who qualify as clinical trainees.

<sup>10</sup> Only a psychiatrist, clinical nurse specialist in mental health, or psychiatric APRN may perform a diagnostic assessment with medical services.

A diagnostic assessment must: (1) identify at least one mental health diagnosis and recommend mental health services; or (2) find that the individual does not meet the criteria for a mental health disorder.

There are four types of diagnostic assessments: a standard diagnostic assessment, an extended diagnostic assessment, a brief diagnostic assessment, and an adult diagnostic assessment update. For more information on the types of diagnostic assessments and additional requirements for children's diagnostic assessments, see [Minnesota Statutes, section 245I.10](#), subdivisions 4 and 5, and [Minnesota Rules, part 9505.0372](#).

A **functional assessment** is conducted after an individual's diagnostic assessment, through a process that allows involvement of an individual's family and other supports and providers. A functional assessment must assess and document how the individual's mental illness symptoms impact the individual's functioning in the following areas:

- mental health symptoms
- mental health service needs
- substance use
- vocational and educational functioning
- social functioning
- interpersonal functioning, including relationships with the family and other supports
- ability to provide self-care and live independently
- medical and dental health
- financial assistance needs
- housing and transportation needs

A functional assessment must be completed for an individual to be eligible for the following services:

- adult mental health targeted case management
- adult rehabilitative mental health services (ARMHS)
- assertive community treatment (ACT)
- adult day treatment
- dialectical behavior therapy intensive outpatient program
- intensive residential treatment services (IRTS)
- children's intensive behavioral health services
- children's intensive nonresidential rehabilitative mental health services

For more information on functional assessment requirements, see [Minnesota Statutes, section 245I.10](#), subdivision 9, and [Minnesota Statutes, section 245.462](#), subdivision 11a.

A **level of care assessment** is a tool used to decide the appropriate level of care and intensity for an individual with a mental health disorder. The tool differs depending on the age of the individual.

- 5 years of age or younger: the Early Childhood Service Intensity Instrument (ESCII)
- 6 to 17 years of age: the Child and Adolescent Service Intensity Instrument (CASII)
- 18 years of age or older: the Level of Care Utilization System for Psychiatric and Addiction Services (LOCUS)

A level of care assessment must be completed for an individual to receive the following services, within timeframes specified in relevant statutes:

- IRTS
- ARMHS
- adult day treatment
- ACT
- intensive community rehabilitative services
- partial hospitalization
- children's intensive behavioral health services
- children's intensive nonresidential rehabilitative mental health services

([Minn. Stat. § 245I.02](#), subd. 19)

For individuals who screen positive as having a potential mental health crisis, a **crisis assessment** must be completed. A crisis assessment is an immediate face-to-face assessment conducted at the individual's location by a physician, mental health professional, or a qualified member of a crisis team,<sup>11</sup> that evaluates any immediate needs for mental health services. Time permitting, a crisis assessment also evaluates the individual's:

- current life situation;
- health information, including current medications;
- sources of stress;
- mental health difficulties and symptoms;
- strengths;
- cultural considerations;
- support network;
- vulnerabilities;
- current functioning; and
- preferences for care.

Depending on the needs identified in an individual's crisis assessment, the individual may be eligible for crisis intervention and stabilization services, including residential crisis stabilization, and a combination of individual, group, and family psychotherapy sessions and family psychoeducation sessions. For more information on crisis assessments, see [Minnesota Statutes, section 256B.0624](#), subdivisions 1, 5, and 6a, and [Minnesota Statutes, section 245I.10](#).

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<sup>11</sup> See [Minn. Stat. § 256B.0624](#), subsd. 2, 5, and 6a.

## Individual Treatment Plan and Community Support Planning

After an individual completes the required assessments, a mental health provider or agency must complete a written **individual treatment plan (ITP)** for the individual to start receiving publicly provided mental health services. A provider or agency must adhere to the ITP when providing mental health services to the individual, except in limited circumstances.<sup>12</sup>

The provider or agency completing the ITP must use a planning process that is culturally appropriate, person- or child-centered, and allows for the involvement of family and other natural supports. The ITP must identify the participants involved in the individual's treatment planning, and the individual must participate in his or her own treatment planning.

An ITP must be based on the individual's diagnostic assessment and baseline measurements, and identify:

- the individual's treatment goals;
- measurable treatment objectives;
- a schedule for accomplishing goals and objectives;
- a treatment strategy; and
- individuals responsible for providing services and supports.

If the individual has a history of not engaging in treatment and has been court-ordered to participate in treatment or take neuroleptic medications, the ITP must include a strategy to engage the individual in treatment.

The individual must approve his or her own ITP, unless the ITP is ordered by a court pursuant to a civil commitment action. If an individual disagrees with the ITP, the provider must document the reasons for the disagreement. If the provider cannot obtain the individual's approval of the ITP, a mental health professional must attempt to get approval from a person authorized to consent on the individual's behalf within 30 days after the individual's previous ITP expires.

The provider or agency must review the individual's ITP every 180 days and update the ITP to reflect treatment progress, new treatment goals, or, if applicable, changes in the provider's approach to the individual's treatment.

ITP requirements and frequency may differ between services. For example, under [Minnesota Statutes, section 245I.23](#), subdivision 7, IRTS requires an ITP within ten days of admission to the facility, updates within 40 and 70 days of admission, and additional information on referrals and resources for the individual's health and safety.

([Minn. Stat. § 245I.10](#), subds. 7 and 8)

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<sup>12</sup> Exceptions under [Minnesota Statutes, section 245I.10](#), subdivision 7, include: (1) services for which a completed diagnostic assessment is not required; (2) when developing a service plan; and (3) when a client re-engages in services.

An **individual community support plan** for case management services for adults with serious and persistent mental illness is based on an individual's diagnostic and functional assessments. The plan identifies services an individual needs related to:

- developing independence or improved functionality in daily living;
- health and medication management;
- social functioning;
- interpersonal relationships;
- financial management;
- housing;
- transportation; and
- employment.

([Minn. Stat. § 245.462](#), subd. 12)

An **individual family community support plan** for case management services for children with severe emotional disturbance incorporates the child's ITP and must be developed within 30 days of intake, based on a diagnostic assessment. The community support plan must state:

- the goals and expected outcomes of each service and criteria for evaluating the effectiveness and appropriateness of the service;
- the activities for accomplishing each goal;
- a schedule for each activity; and
- the frequency of face-to-face contacts by the case manager.

The child's case manager must implement and monitor service delivery based on the community support plan and must review the plan at least every 180 days.

([Minn. Stat. § 245.4871](#), subd. 19)

## Service Delivery

Once an individual and provider or agency complete the required assessments, treatment planning, and community support planning, the individual may begin receiving appropriate mental health treatment services. These may be crisis services, residential (inpatient) treatment services, or community-based (outpatient) treatment services, or some combination thereof, depending on the individual's assessed needs and treatment objectives. An individual's needs and goals are periodically evaluated, and assessments may be repeated to ensure that services continue to be necessary and appropriate. Each publicly provided mental health service has specified criteria, requirements, and goals, as detailed in the following section.



## Types of Services

Most publicly provided mental health services are specified covered services under MA, and some services are named as eligible services for grant funding. The services listed below often include multiple mental health treatment-related activities that are eligible for MHCP reimbursement.

### Crisis and Emergency Services

Each county and Tribe has a designated phone number to call for mental health crisis response services. These numbers can be found on the DHS website, for both [adults](#) and [children](#), and services are available 24 hours a day, seven days a week. Under [Minnesota Statutes, section 403.03](#), subdivision 1, 911 emergency response services must also include referrals to mental health crisis teams, where available. In addition, the Suicide and Crisis Lifeline can be reached nationwide by dialing 988; the Lifeline assists individuals in crisis or emotional distress and connects them to local crisis services.

### Mobile Crisis Response Services

When someone contacts the county regarding an adult or child having a mental health crisis, a mobile crisis intervention team may provide **mobile crisis response services** in the individual's home or at another nonclinic site. A mobile crisis response services provider must be operated by a county board or Tribe, or have a contract with a county board to provide services. Services must be available 24 hours a day, seven days a week, and a provider must be able to respond to calls for services within a designated service area. A mobile crisis provider must have at least one mental health professional on staff at all times, and at least one additional staff member who is capable of leading a community mental health crisis response. A **mobile crisis intervention team** must be led by a mental health professional, clinical trainee, or mental health practitioner who meets applicable statutory requirements for qualifications, training, experience, and supervision.

Mobile crisis response services include:

- crisis screening;
- crisis assessment;
- crisis intervention;
- community-based crisis stabilization;
- mental health certified peer specialist services; and
- family psychoeducation.

### Crisis Response Steps



A crisis **screening** determines whether a mental health crisis exists, identifies the individuals involved, and determines an appropriate response. If an individual screens positive for a crisis, an immediate crisis **assessment** then identifies any need for emergency services, referrals to other resources, or crisis intervention. Crisis **intervention** services are short-term, face-to-face, intensive services provided promptly in an emergency or mental health crisis; within 24 hours, the crisis team must develop a crisis intervention treatment plan. An individual may then receive community-based **stabilization** services, according to the crisis intervention treatment plan, in order to restore his or her level of functioning.

[\(Minn. Stat. § 256B.0624\)](#)

**Residential crisis response** and **crisis stabilization services** may be provided in a supervised, licensed, short-term residential program, for an individual who needs a structured setting to restore his or her level of functioning and to avoid the need for more intensive services or hospitalization. For adults, a residential crisis stabilization program with an adult foster care license must serve no more than four residents. A program may receive a licensing variance to serve five to 16 residents.

Within 12 hours of an individual's admission, the program must evaluate the individual's immediate needs, and, within 24 hours, must complete a crisis treatment plan based on the individual's referral information and assessment of immediate needs. Licensed programs must follow an individual's crisis treatment plan and must have the capacity to provide:

- crisis stabilization services;
- rehabilitative mental health services;
- health services and medication administration; and
- referrals to community providers.

[\(Minn. Stat. §§ 245I.011, 245I.23, 256B.0624\)](#)

In 2022, the legislature added licensing and admission requirements for children's residential facilities to provide **children's residential crisis stabilization services** for individuals under 21 years of age in need of crisis services. Eligible individuals may be referred to residential crisis stabilization services by a mental health professional, a physician assessing the individual in an emergency department, or a qualified member of a mobile crisis team.

Service capability, assessment, and treatment planning requirements for these facilities are similar to those for adult residential crisis response and stabilization programs. The new

children’s residential crisis stabilization standards and related sections went into effect on January 1, 2023.

([Minn. Stat. §§ 245.4882](#); subd. 6; [245.4885](#), subd. 1; [245A.26](#); [256B.0624](#), subds. 3 and 7)

## Residential Services

Individuals who need the most intensive mental health treatment may receive services in residential (inpatient) settings. Under federal law, states cannot use Medicaid (MA in Minnesota) funds to pay for services provided in facilities of more than 16 beds that primarily provide adult mental health or psychiatric treatment, termed “institutions for mental disease.” Thus, residential treatment services for adults are generally provided in facilities or hospital units with 16 or fewer beds.<sup>13</sup>

**Inpatient hospital services** may be appropriate for intensive, short-term psychiatric treatment to stabilize an individual with acute mental health needs or in a mental health crisis. An inpatient hospital visit must be medically necessary, and services may be provided by physicians (including psychiatrists), clinical nurse specialists in mental health, psychiatric advanced practice registered nurses, or licensed psychologists with a physician’s order.

([Minn. Stat. § 256B.0625](#), subd. 1)

Certain **state-operated facilities**, such as Anoka Metro Regional Treatment Center, and community behavioral health hospitals provide residential treatment to adults with mental illness. These are secure facilities that provide acute psychiatric treatment for individuals with complex mental illnesses and behavior disorders. For more information on facilities and services provided directly by DHS, see the House Research publication [Direct Care and Treatment, January 2020](#).

**Intensive residential treatment services (IRTS)** are medically monitored services for adults with mental illness, provided in nonhospital residential facilities of five to 16 beds. Qualified mental health staff are available 24 hours a day, and individuals typically remain in an IRTS facility for less than 90 days. An IRTS treatment team consists of mental health professionals, mental health practitioners, clinical trainees, certified rehabilitation specialists, mental health rehabilitation workers, and mental health certified peer specialists. An IRTS facility must evaluate and document an individual’s immediate needs within 12 hours of admission and complete an initial treatment plan within 24 hours of admission.

In order to be eligible for IRTS, an individual must:

- be 18 years of age or older;
- be diagnosed with mental illness;
- have a substantial disability because of the mental illness, and three or more areas of significant functional impairment;

<sup>13</sup> The IMD exclusion is found at [U.S.C. title 42](#), section 1396d (a)(B).

- have a history of recurring or prolonged inpatient hospitalizations in the past year, significant independent living instability, homelessness, or frequent use of other mental health services (with poor outcomes); and
- in the written opinion of a mental health professional, have needs that available community-based services cannot provide, or be likely to experience a mental health crisis or require a more restrictive setting without IRTS.

An IRTS provider must have the capacity to directly provide:

- rehabilitative mental health services;
- crisis prevention planning;
- health services and medication administration;
- treatment for co-occurring substance use disorder;
- family and natural supports engagement and education; and
- referrals to assist with transitions to other settings.

([Minn. Stat. §§ 245I.23, 256B.0622](#))

## Community-based Services

For individuals who need mental health services but whose circumstances or conditions do not necessitate placement in a residential setting, many services are provided in community-based (outpatient) settings or in an individual's home.

**Assertive Community Treatment (ACT)** provides intensive in-home treatment and rehabilitative mental health services to individuals with a serious mental illness. Services are provided by an interdisciplinary ACT team and are available 24 hours per day, seven days per week. The ACT team leader or psychiatric care provider must complete an initial assessment on the day of the individual's admission to ACT and complete a 30-day individual treatment plan.

Services provided by an ACT team include the following:

- Assertive engagement with clients
- Benefits and finance support
- Co-occurring substance use disorder treatment
- Crisis assessment and intervention
- Employment services
- Family psychoeducation and support
- Housing access
- Medication education, assistance, and support
- Mental health certified peer specialist services
- Physical health services
- Rehabilitative mental health services
- Symptom management
- Therapeutic interventions to address specific symptoms
- Wellness self-management and prevention

In order to be eligible for ACT, an individual must:

- be age 18 or older;<sup>14</sup>
- have a primary diagnosis of schizophrenia, schizoaffective disorder, major depressive disorder with psychotic features, other psychotic disorders, or bipolar disorder;
- have significant functional impairment;
- have a need for continuous high-intensity services;
- have no other equally or more effective community-based services options available; and
- as documented in writing by a mental health professional, have a need for mental health services that cannot be met by other available services, or be likely to experience a mental health crisis or need a more restrictive setting with ACT services.

[\(Minn. Stat. § 256B.0622\)](#)

**Partial hospitalization** is a time-limited, structured program consisting of individual, group, and family psychotherapy and other therapeutic services provided by multidisciplinary staff in an outpatient hospital facility or community mental health center. To be eligible for partial hospitalization services, an individual must be experiencing an acute episode of mental illness that would otherwise meet the criteria for inpatient hospitalization. Partial hospitalization is an alternative to inpatient hospitalization for an individual who has family and community resources to support the individual living in the community.

[\(Minn. Stat. § 256B.0671](#), subd. 12)

**Adult day treatment** is short-term treatment for adults with serious and persistent mental illness, consisting of group psychotherapy, group rehabilitative interventions, and other therapeutic group services, provided by a multidisciplinary team. Eligible providers include hospitals, community mental health centers, or entities that are under contract with a county to provide adult day treatment services. Adult day treatment services seek to stabilize an individual's mental health status, improve functioning impaired by the individual's symptoms, and improve independent living and social skills.

In order to be eligible for adult day treatment services, an individual must:

- be 18 years of age or older;
- not reside in a nursing facility, hospital, IMD, or state-operated treatment center (unless the individual has an active discharge plan to move within 180 days);
- have a primary diagnosis of mental illness;
- have three or more areas of significant functional impairment;

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<sup>14</sup> The commissioner of human services may approve individuals ages 16 and 17 for ACT. [\(Minn. Stat. § 256B.0622](#), subd. 2a)

- be experiencing symptoms that impair the individual’s thought, mood, behavior, or perception, preventing the individual from functioning with a less intensive service;
- need a highly structured treatment approach; and
- have the capacity to engage in and benefit from the treatment and reasonably be expected to gain improved functioning through treatment.

([Minn. Stat. §§ 245.4712](#) and [256B.0671](#), subd. 3)

**Adult rehabilitative mental health services (ARMHS)** provides in-home services that enable an individual whose abilities have been impaired by mental illness to develop and achieve psychiatric stability, social competencies, personal and emotional adjustment, independent living skills, family roles, and community skills. ARMHS services also include medication education, certified peer specialist services, and transition to community living services.

ARMHS provider entities must be certified by the state, and the certification will specify which services the provider entity is qualified to provide.

In order to be eligible for ARMHS, an individual must:

- be 18 years of age or older;
- have a primary diagnosis of a serious mental illness or traumatic brain injury;
- have a substantial disability or functional impairment in at least three areas; and
- have a recent standard diagnostic assessment documenting medical necessity for ARMHS to address the individual’s disability and functional impairments.

([Minn. Stat. §§ 245I.02](#), subd. 33, and [256B.0623](#))

**Mental Health Targeted Case Management (MH-TCM)** assists eligible adults and children with accessing medical, social, educational, vocational, and other services connected to mental health needs. Provider agencies (counties, Tribes, or entities contracted with county boards) employ case managers or case manager associates<sup>15</sup> to provide the following services:

- completing a functional assessment;
- developing an individual community support plan (for adults) or individual family community support plan (for children);
- referring and connecting the individual to natural supports, community resources and service providers, and available health and rehabilitation services, as necessary; and
- monitoring and coordinating services, outcomes, and emerging needs.

MH-TCM does not include direct provision of therapy or treatment, or legal services. In general, an MH-TCM case manager must meet with the individual face-to-face on a monthly basis. The required face-to-face contact may be completed via interactive video or telephone (for adult

<sup>15</sup> Case manager and case manager associate requirements are listed in [Minnesota Statutes, section 245.462](#), subdivision 4, and [section 245.4871](#), subdivision 4.

MH-TCM) contact, under circumstances specified in statute.<sup>16</sup> MH-TCM services may be provided to individuals residing in the community, or residing in hospitals, nursing facilities, or residential care settings.

In order to be eligible for adult MH-TCM, an individual must:

- have a serious and persistent mental illness, as determined by a diagnostic assessment;
- be determined by a county or Tribe to be eligible for MH-TCM, but has refused to participate in a diagnostic assessment;<sup>17</sup> or
- be a transition-aged youth who has received children’s MH-TCM services within 90 days of turning 18 years old.

In order to be eligible for children’s MH-TCM, a child must have a diagnosis of severe emotional disturbance and meet one of the following criteria:

- have been admitted to or be at risk of admission to residential treatment for emotional disturbance;
- be a Minnesota resident receiving residential treatment for emotional disturbance via an interstate compact;
- have a diagnosis of psychosis, clinical depression, risk of harming self or others, or psychopathological symptoms as a result of abuse or trauma within the past year; or
- have significantly impaired functioning as a result of severe emotional disturbance for at least one year, or a time span likely to last at least one year.

([Minn. Stat. §§ 245.462](#), subds. 3, 4, 6, 12; [245.4711](#); [245.4871](#), subds. 3, 4, 6, 18, 19; [256B.0625](#), subds. 20, 20b; [256B.076](#); [Minnesota Rules, parts 9505.0322](#) and [9520.0900](#) to 9520.0926)

**Intensive outpatient treatment – dialectical behavioral therapy (DBT)** incorporates clinical and rehabilitative therapeutic interventions, using a combination of individual therapy, group skills training, team consultation meetings, and telephone coaching, if needed. DBT is provided by a team of treatment providers, certified by DHS, that includes a team leader who is a mental health professional specializing in DBT. To be eligible for DBT, an individual must:

- be 18 years of age or older;
- have a diagnosis of borderline personality disorder or have multiple mental health diagnoses and be exhibiting certain behaviors, and be at significant health and safety risk in multiple ways;
- have mental health needs that cannot be met with other available community-based services;

<sup>16</sup> See [Minnesota Statutes, section 256B.0625](#), subdivision 20b, for requirements for targeted case management through interactive video.

<sup>17</sup> In this case, an individual is eligible for up to four months of MH-TCM services; for continued services, the individual must obtain a diagnostic assessment. [Minn. Rules, part 9505.0322](#), subpart 4.

- be documented to be at risk of:
  - a need for a higher level of care;
  - intentional self-harm, impulsive behavior, or chronic thoughts of self-harm;
  - a mental health crisis; or
  - decompensation of mental health symptoms;
- be capable of understanding and participating in DBT; and
- be able and willing to follow program policies.

Some adolescents aged 12 to 17 enrolled in MHCP may be eligible for DBT. To be eligible, an adolescent must:

- have a mental health diagnosis, including but not limited to a substance-related disorder; and
- have documented deficits in three problem areas, after a functional assessment.

([Minn. Stat. § 256B.0625](#), subd. 5); [DHS Provider Manual – Dialectical Behavioral Therapy Intensive Outpatient Program \(DBT IOP\)](#))

**Other outpatient treatment services** are available through clinics and other facilities, and can include individual, group, and family therapy, medication management, psychological testing, and individual treatment planning.

**Behavioral health home** providers, who are certified by DHS, may provide integrated primary care, mental health, and social services for adults with serious mental illness or children with emotional disturbance. Behavioral health home services are provided using a team approach, and include comprehensive care management, care coordination, health promotion, comprehensive transitional care, individual and family supports, referral to community and social support services, and using health information technology to connect between services.

([Minn. Stat. § 256B.0757](#))

Many of these community-based services may be provided in a **certified community behavioral health clinic (CCBHC)**. The CCBHC model began as a federal demonstration project in 2017, and Minnesota recently added CCBHCs to its Medicaid state plan. CCBHCs provide outpatient integrated mental health and substance use disorder treatment, screening, care coordination, and other services for adults and children, regardless of an individual’s ability to pay. As of July 2023, there were 14 CCBHCs in Minnesota.

([Minn. Stat. § 245.735](#) and [256B.0625](#), subd. 5m)

## Services Specifically for Children and Adolescents

A range of services are available specifically for children and adolescents in both residential and community-based settings.

**Psychiatric residential treatment facilities (PRTFs)** are treatment facilities that provide psychiatric services in a residential setting for individuals under 21 years of age. PRTF providers



are selected through the DHS request for proposals process, and must be certified by the Minnesota Department of Health, meet licensing requirements for supervised living facilities, be licensed by DHS, and be accredited by an eligible accreditation organization. Providers must offer and have the capacity to provide the following:

- individual care planning and review
- treatment seven days per week, which may include individual, family, and group therapy
- individual therapy at least twice weekly
- family engagement activities at least once per week
- care consultation with other professionals
- coordination of educational services between local and resident school districts and the PRTF
- 24-hour nursing
- direct care and supervision
- supportive services for daily living and safety
- positive behavior management

In order to be eligible for PRTF admission, an individual must:

- be under 21 years old<sup>18</sup> when admitted;
- be enrolled in MHCP;
- have a mental health diagnosis, with clinical evidence of severe aggression or a finding that the individual poses a risk to self or others;
- have functional impairment and a history of difficulty functioning safely and successfully in the community;
- be unable to care for his or her own physical needs or have caregivers who are unable to safely meet the individual's needs;
- require physician-directed psychiatric residential treatment to improve his or her condition;
- have exhausted other community-based mental health service options, or clinical evidence indicates that such services cannot provide the necessary level of care; and
- have been referred for PTRF treatment by a qualified mental health professional.

([Minn. Stat. §§ 256B.0625](#), subd. 45a, and [256B.0941](#))

**Children's residential treatment** is provided 24 hours per day in a community residential setting, rather than a hospital setting. Facilities must be licensed by DHS<sup>19</sup> to provide residential

<sup>18</sup> If an individual is under 21 years old when admitted, he or she may continue to receive services until reaching 22 years of age or meeting discharge criteria, whichever occurs first. ([Minn. Stat. § 256B.0625](#), subd. 45a.)

<sup>19</sup> Licensed facilities may also be certified as Qualified Residential Treatment Facilities (QRTFs), under the federal Families First Prevention Services Act (Pub. L. No. 115-123, Title VII). County agencies and Initiative Tribes may claim federal Title IV-E reimbursement for foster care payments when a child in foster care is placed in a QRTF for residential treatment. For more information, see [DHS Bulletin #21-68-17](#) and [Minnesota Statutes, sections 260C.007](#), subd. 26d; [260C.702](#); [260C.704](#); [260C.706](#); [260C.708](#); and [260C.714](#).

mental health treatment services under the clinical supervision of a mental health professional and must contract with a county to provide services.<sup>20</sup>

Services are provided based on a child's individualized treatment plan and are aimed at preventing placement in more intensive settings, helping the child improve family living and social skills in order to return to the community, stabilizing a child in crisis, and working with a child's family to improve their ability to care for the child at home. The length of a child's stay is based on treatment needs and is reviewed every 90 days. Children's residential treatment facilities must also provide services to assist children and families with discharge planning and transitioning back to the child's community.

In order to be eligible for children's residential treatment, an individual must:

- be under 18 years old;
- be eligible for MHCP;
- meet the criteria for severe emotional disturbance; and
- have undergone screening by the appropriate entity prior to placement in a facility.

([Minn. Stat. §§ 245.4882](#) and [256B.0945](#))

Two state-operated programs also provide residential mental health services for children.

**Minnesota intensive therapeutic homes (MITH)** is a **state-operated program** that offers residential mental health services provided in family foster care settings for individuals who are under 21 years old. **Child and Adolescent Behavioral Health Services (CABHS)** provides inpatient psychiatric treatment for children and adolescents who require intensive treatment in a secure setting. For more information on facilities and services provided directly by DHS, see [Direct Care and Treatment, January 2020](#).

**Youth Assertive Community Treatment (ACT)** and **Intensive Rehabilitative Mental Health Services (IRMHS)** are intensive nonresidential services for youth diagnosed with serious mental illness or co-occurring mental illness and substance use disorder. Services are available 24 hours a day, seven days per week, delivered by a multidisciplinary team that specializes in the treatment of a specific age group. Youth ACT/IRMHS services include the following:

- |   |   |
|---|---|
| ▪ Individual, family, and group psychotherapy   | ▪ Medication management and education                             |
| ▪ Individual, family, and group skills training   | ▪ Mental health case management                                   |
| ▪ Crisis assistance, intervention, and stabilization services, or coordination of crisis services | ▪ Care coordination   |
|   | ▪ Support network psychoeducation, consultation, and coordination |

<sup>20</sup> Under certain circumstances, listed in [Minnesota Statutes, section 256B.0945](#), subdivision 1, eligible service costs may be claimed by children's residential treatment facilities located out of state or in states that border Minnesota.

- Clinical consultation to the child’s employer or school
- Assessment of treatment progress and effectiveness
- Transition services
- Integrated dual disorders treatment
- Housing access support

In order to be eligible for Youth ACT/IRMHS services, an individual must:

- be at least eight years old, but not more than 21 years old;
- have a diagnosis of serious mental illness or co-occurring mental illness and substance use disorder;
- have a level of care determination sufficient to demonstrate that the services are needed;
- be likely to need services from the adult mental health system in the future; and
- have a current diagnostic assessment indicating the need for these services.

([Minn. Stat. § 256B.0947](#))

**Children’s Intensive Behavioral Health Services (CIBHS)**<sup>21</sup> is a set of treatment services for children with mental illness who live in family foster care settings or who are at risk of out-of-home placement, and who require intensive intervention without 24-hour medical monitoring. Provider agencies must be certified by DHS, and may be county-operated entities, Indian Health Service facilities, or noncounty entities that contract with a Tribe or county. CIBHS services must be provided by a qualified mental health professional or supervised clinical trainee, with the required training and certifications. CIBHS services include:

- individual, family, and group psychotherapy;
- individual, family, and group psychoeducation;
- crisis planning;
- clinical care consultation; and
- individual treatment plan development.

Services must be provided at least three days per week (six hours per week), unless fewer service hours are required as a child transitions to a lower level of care. CIBHS services are provided in the child’s home, day care, school, or other community-based setting, and must involve the child’s family. Services must be medically necessary, and developmentally and culturally appropriate for the child.

In order to be eligible for CIBHS, an individual must:

- be 20 years old or younger;
- be living in a licensed family foster care setting or be at risk of out-of-home placement;

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<sup>21</sup> These services were previously known as intensive treatment in foster care. See [Laws 2022, chapter 99](#), article 1, sections 17 to 23.

- have a documented mental illness diagnosis;
- have a standard diagnostic assessment documenting the need for CIBHS; and
- have a level-of-care evaluation completed by the county, Tribe, or case manager that indicates the need for intensive intervention.

[\(Minn. Stat. § 256B.0946\)](#)

**Children’s therapeutic services and supports (CTSS)**, which includes children’s day treatment programs, is a flexible package of time-limited mental health services for children and adolescents who require varying levels of intervention and who have been diagnosed with emotional disturbance or mental illness. CTSS providers must be enrolled MHCP providers and must be certified by DHS before providing services. Eligible provider entities include:

- county-operated entities;
- community mental health centers;
- hospital-based providers;
- Indian Health Services;
- rehabilitative mental health providers (noncounty entities); and
- school districts.<sup>22</sup>

Services include individual, group, and family psychotherapy, skills training, crisis planning, and service plan development and review. Some providers may additionally be certified to provide CTSS day treatment services in a site-based, structured outpatient treatment program.

In order to be eligible for CTSS, an individual must:

- be under 21 years of age;
- have a standard diagnostic assessment within one year of CTSS services beginning, documenting a diagnosis of an emotional disturbance or mental illness and showing medical necessity for CTSS to address an identified disability or functional impairment; and
- have a completed and signed individual treatment plan.

[\(Minn. Stat. § 256B.0943\)](#)

Many community-based services may be provided through **school-linked behavioral health services**, a grant program aimed at increasing children’s access to behavioral health services. Grantees provide behavioral health treatment services within schools and connect students with additional services at the local level, as needed. Grantees may also provide assessment, teacher consultation, care coordination, and school-wide staff development and capacity building. Eligible providers include:

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<sup>22</sup> School-based providers may contract with a certified CTSS community provider, or employ mental health staff directly to conduct individualized education plan evaluations.

- certified mental health clinics;
- community mental health centers;
- Indian health services facilities;
- CTSS providers;
- mental health or substance use disorder provider agencies enrolled in MA, employing at least two full-time equivalent qualified mental health professionals or two qualified licensed alcohol and drug counselors;
- licensed substance use disorder treatment providers; and
- licensed professionals in private practice who meet statutory requirements.

In addition to the services listed above, grantees may use grant funds for:

- supporting families in meeting a child's needs;
- providing transportation for students to receive school-linked behavioral health services when school is not in session; or
- purchasing equipment, connection charges, on-site coordination, and other costs related to delivering services via telehealth.

([Minn. Stat. § 245.4901](#))

Several additional outpatient services are eligible for children's mental health grant funding, including early childhood mental health services, respite care, and first episode of psychosis services. For the list of grant-eligible services, see [Minnesota Statutes, section 245.4889](#), subdivision 1.

## Eligible Providers of Publicly Funded Mental Health Services

Each mental health treatment service specifies staffing requirements and qualifications in statute or rules; different treatment modalities require providers that have a range of expertise and specialties.

**Mental Health Professionals** who are eligible to enroll with MHCP as providers of publicly funded mental health services include:

- licensed psychologists;
- licensed professional clinical counselors;
- licensed marriage and family therapists;
- licensed independent clinical social workers;
- psychiatric or osteopathic physicians;
- psychiatric advanced practice registered nurses;
- clinical nurse specialists;
- certified mental health rehabilitative professionals; and

- professionals certified by Tribes.

**Provider entities and agencies** that are eligible to enroll with MHCP to provide publicly funded mental health services include:

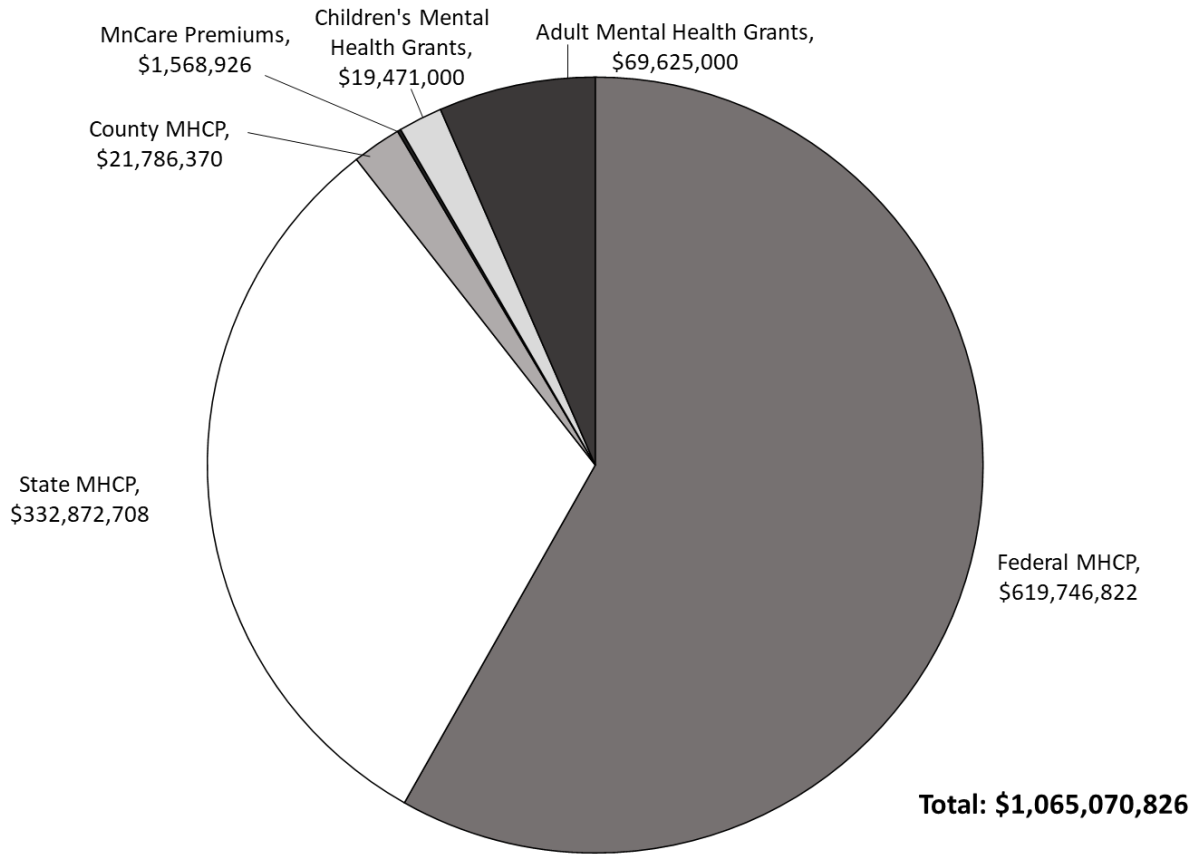
- community mental health centers;
- county human services agencies;
- school districts;
- hospitals;
- physician-directed clinics;
- adult day treatment providers;
- mental health rehabilitation service agencies with county contracts;
- Indian health services or facilities;
- CCBHCs;
- PRTFs; and
- behavioral health home service providers.

## **Funding for Mental Health Services**

Publicly provided mental health services are financed through a combination of state, federal, and local (county) funding, including adult mental health grants, children’s mental health grants, and funding through MHCP. The following charts illustrate the main funding sources in fiscal year 2021, and MHCP funding by eligibility group in fiscal year 2021.

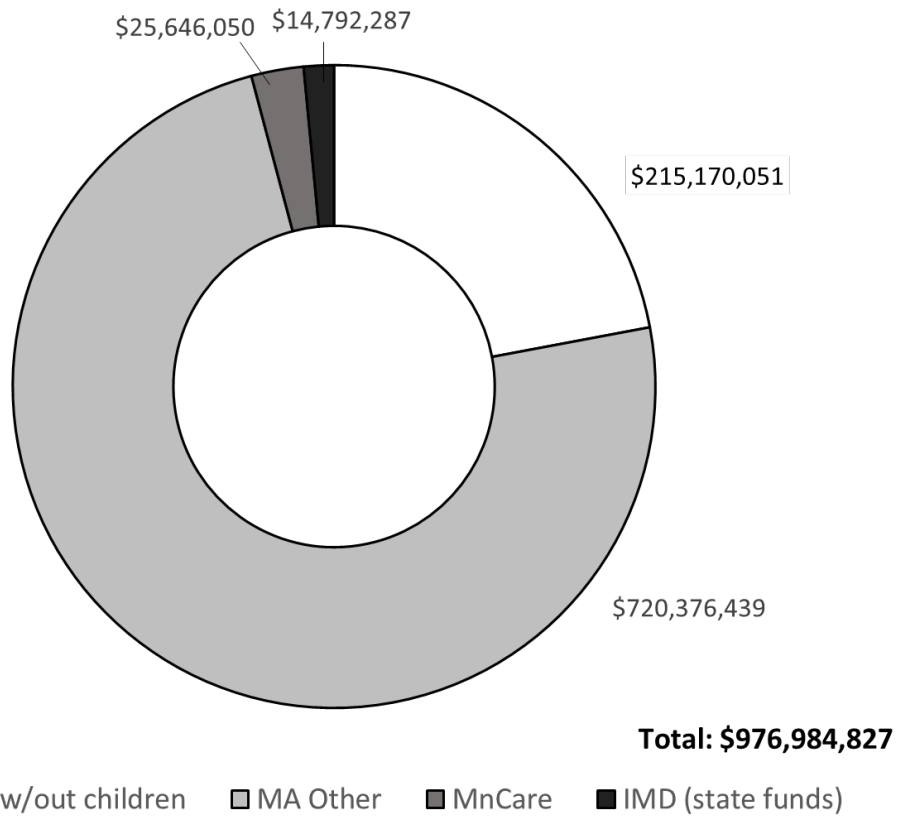
The largest source of overall funding for mental health services came from federal MHCP funds, which provided \$619,746,822 in fiscal year 2021, followed by state MHCP funds, which provided \$332,872,708 in fiscal year 2021. Other funding sources included county MHCP funds, MinnesotaCare premiums, and adult and children’s mental health grants. Of the combined federal and state MHCP funding in fiscal year 2021, \$720,376,439 was funded through medical assistance and \$215,170,051 was funded through medical assistance for adults without children. MinnesotaCare and IMD state funds comprised the remaining MHCP funding.

### Overall Mental Health Services Funding Fiscal Year 2021



Source: Minnesota Department of Human Services

### Minnesota Health Care Programs Mental Health Services Funding by Eligibility Group Fiscal Year 2021

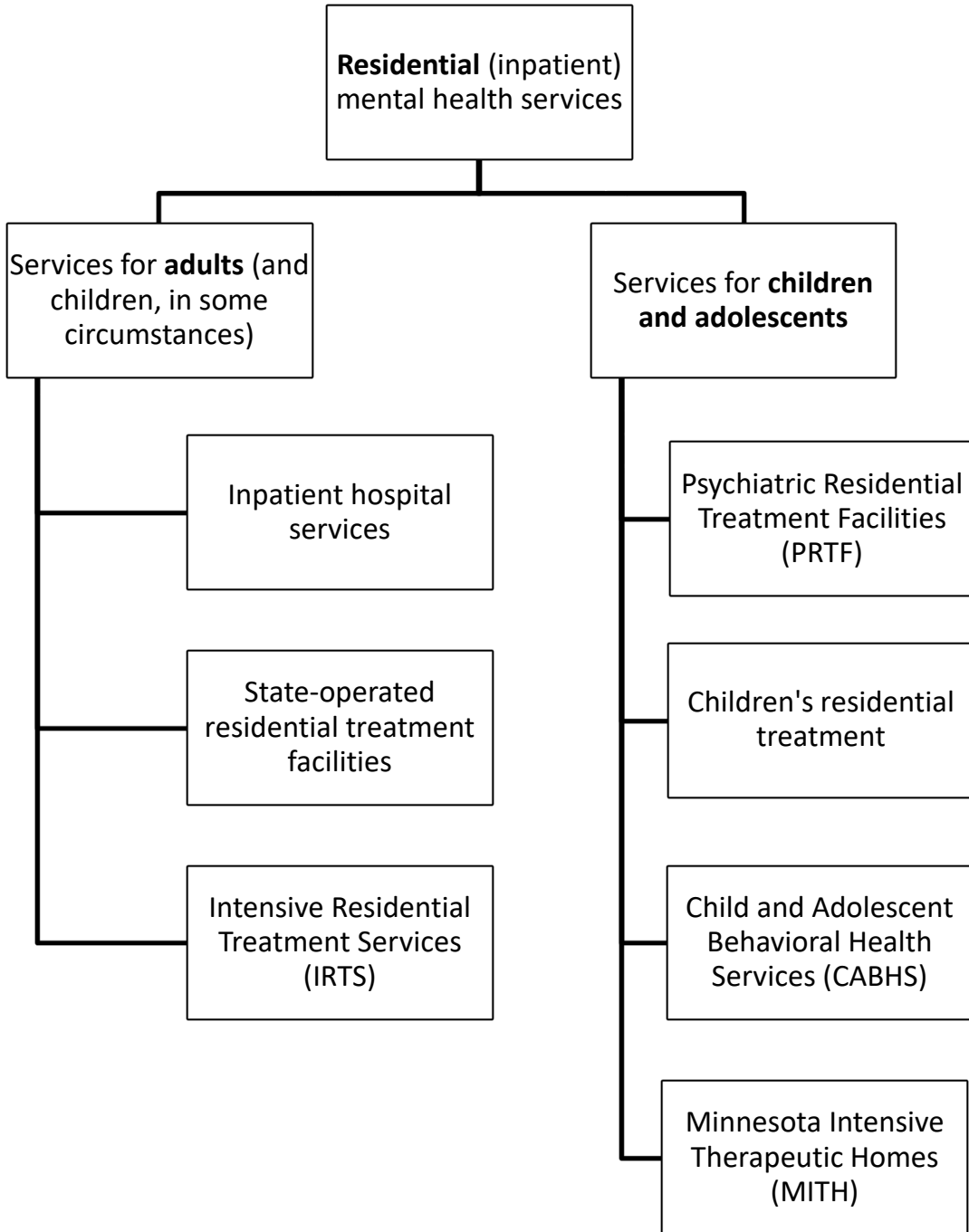


Source: Minnesota Department of Human Services

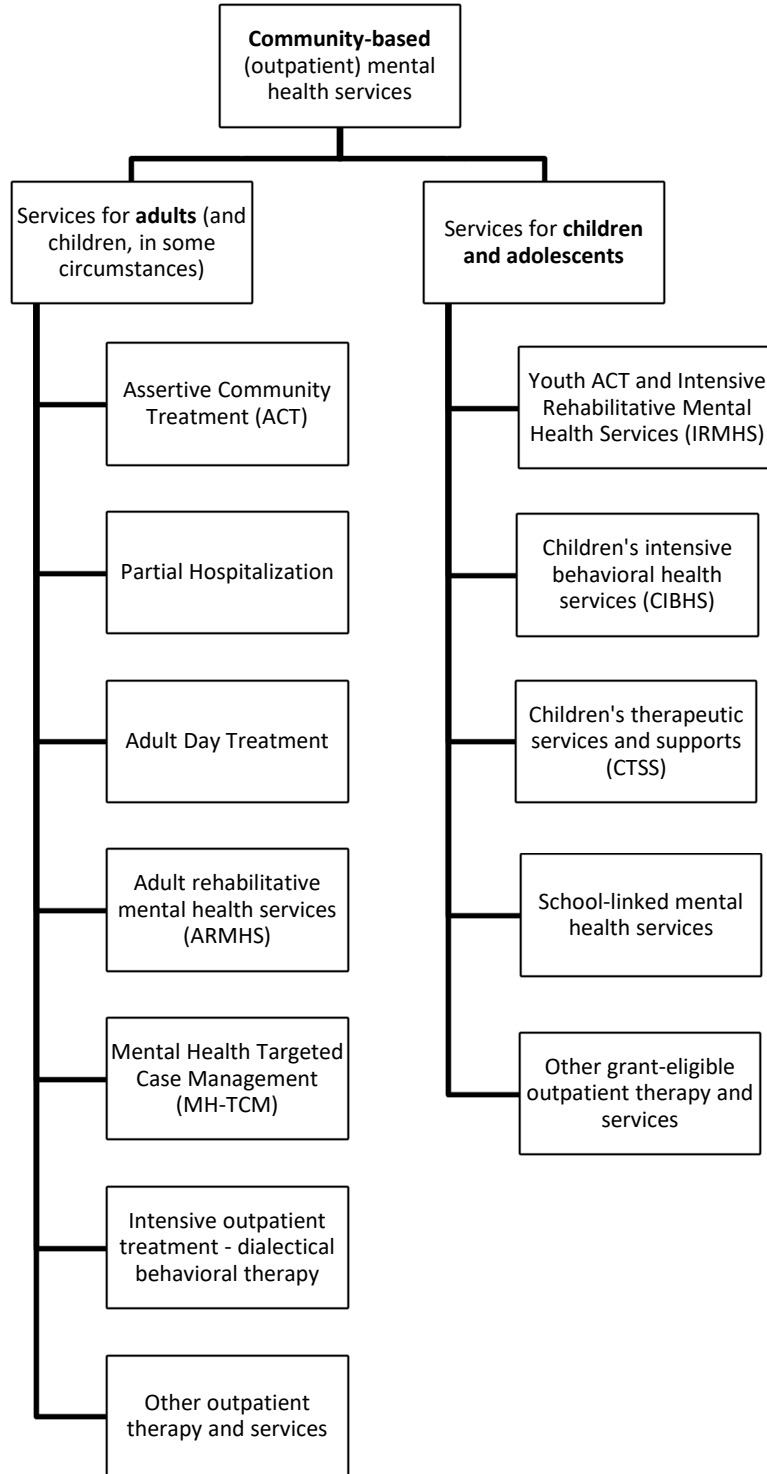


# Appendix: Residential and Community-Based Mental Health Services

## Residential Mental Health Services



### Community-based Mental Health Services



Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.

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