

Human Services Overview

January 2025

Presentation Outline

- Staff Introductions
- General Overview
- Budget Information
- Long-Term Care
- Behavioral Health
- Vulnerable Adult Protections
- Housing and Community Support
- Program Integrity and Operations

Nonpartisan Staff Introductions

Doug Berg

Fiscal Analyst

- Long-term care
- Disability waivers
- Direct Care and Treatment
- Substance use disorder

Joe Harney

Fiscal Analyst

- Behavioral health
- Housing and community support
- Program integrity and operations

Danyell Punelli

House Research Analyst

- Long-term care
- Housing & community support

Sarah Sunderman

House Research Analyst

- Behavioral health
- Direct Care & Treatment
- Vulnerable adult protections
- Program integrity & operations

Nonpartisan Staff Roles

House Research Department

Danyell Punelli and Sarah Sunderman

- Draft bills and amendments
- Write bill summaries
- Provide background research on topics
- Answer questions on bill content and legal consequences

House Fiscal

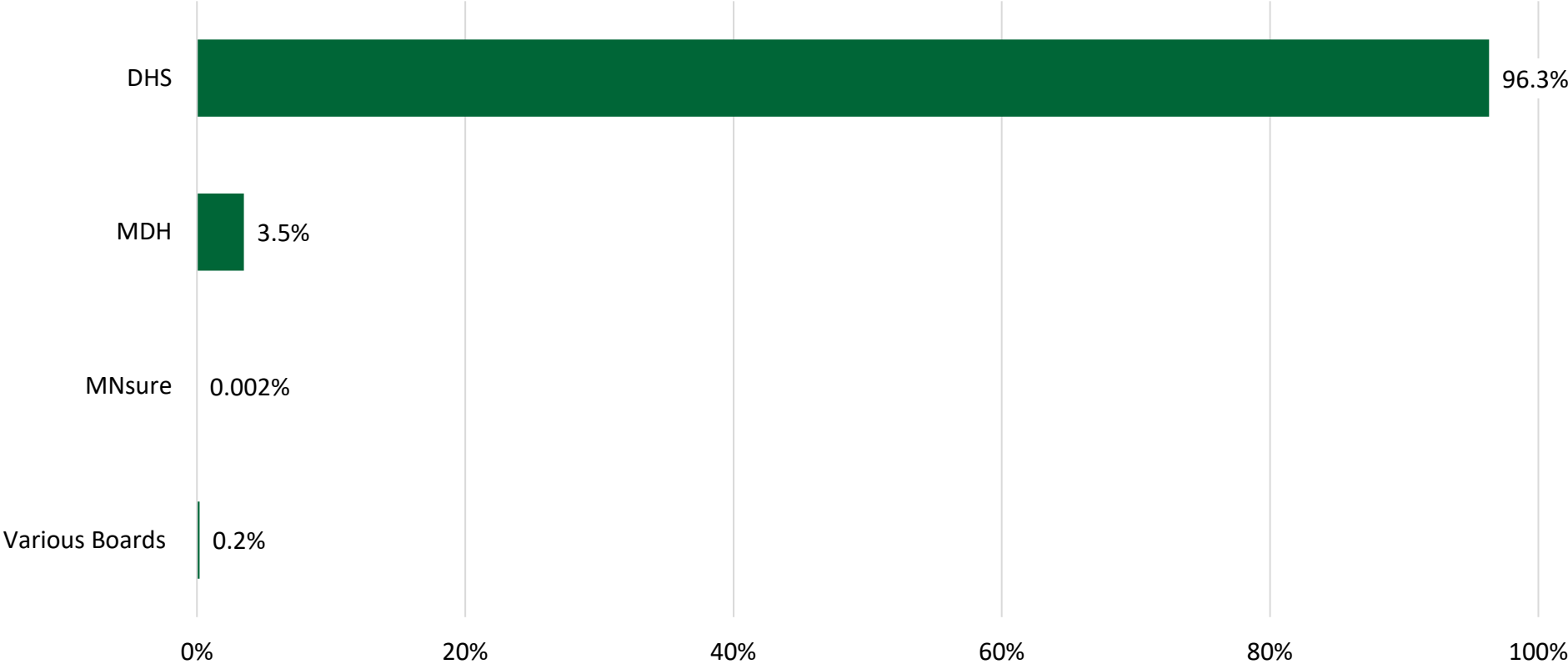
Doug Berg and Joe Harney

- Track revenue and budget effect of legislative and executive policy goals
- Interpret and analyze revenue estimates and fiscal notes
- Offer confidential fiscal analysis of spending, revenue, and policy proposals

General Overview

HHS – All Funds Expenditures

All Funds Total HHS Bill Area FY 2024-25 = \$57.173 Billion



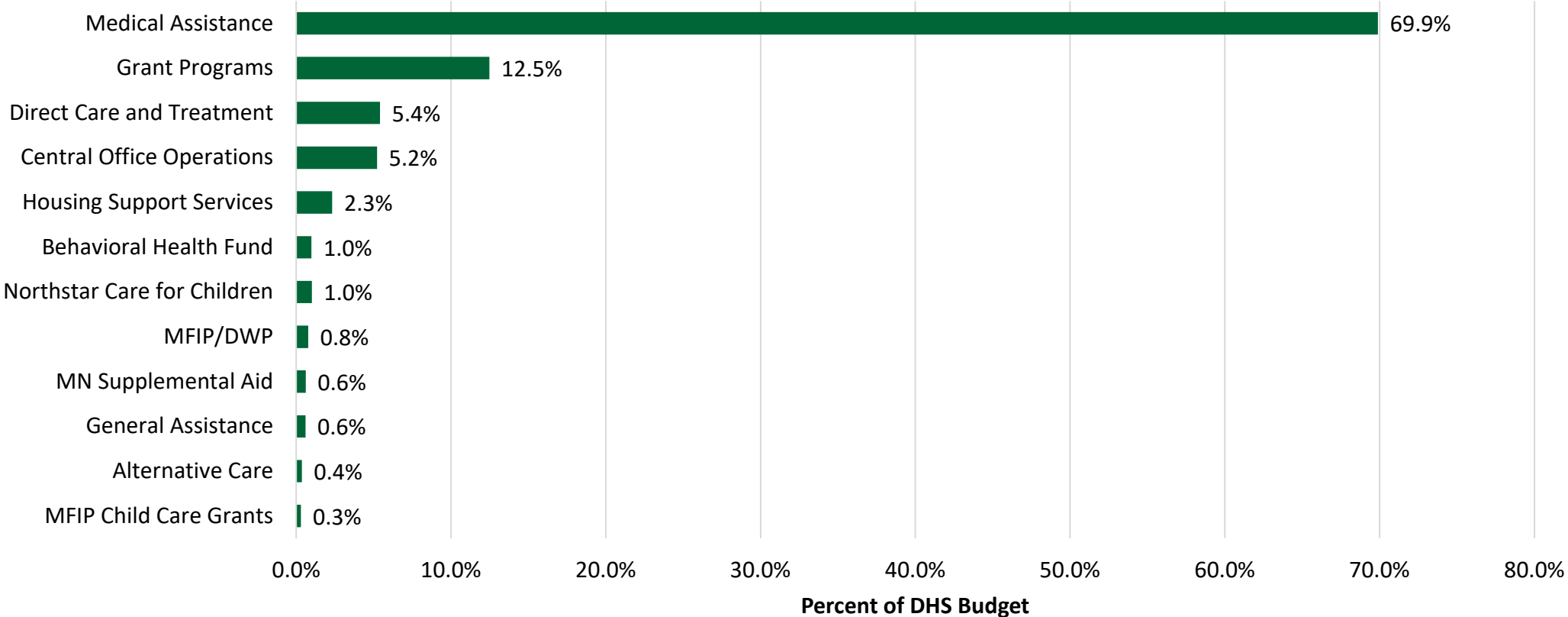
Source: Data from MMB Nov. 2024 Consolidated Fund Balance

Health Care and Human Services Programs

- Focus on health care, economic assistance, and social service programs.
- In general, programs are state-supervised (**Department of Human Services (DHS)**) and county-administered.
- Congress sets broad standards and requirements for human services programs and appropriates funds.
- The Minnesota Legislature sets human services policy for the state.

Department of Human Services Budget

DHS State General Fund Expenditures: \$20.455 Billion
Fiscal Years 2024-25 Gross without \$145.7 federal offset



Source: House Research and House Fiscal Analysis. Data from November 2024 Forecast.

Agency Structure Changes – Department of Human Services (1/4)

FY 2024-25 Biennium vs FY 2026-27 Biennium

DHS Budget Activity FY 2024-25	FY 2026-27 Location
Central Office – Finance & Management	Remains with DHS
Central Office – Children & Families	Moved to Dept. of Children, Youth, and Families (DCYF)
Central Office – Children & Families – Homelessness, etc. Administration	Remains with DHS – New Homelessness, Housing & Support Services Admin. Budget Activity
Central Office – Health Care	Remains with DHS
Central Office – Continuing Care	Remains with DHS
Central Office – Community Support	Remains with DHS
Central Office – Office of the Inspector General	Remains with DHS – Parts related to DCYF transfer to that agency by 6.30.2025
MN Family Investment Program (MFIP)/ Diversionary Work Program	Moved to Dept. of Children, Youth, and Families
MFIP Child Care Grants	Moved to Dept. of Children, Youth, and Families

Agency Structure Changes – Department of Human Services (2/4)

FY 2024-25 Biennium vs FY 2026-27 Biennium

DHS Budget Activity FY 2024-25	FY 2026-27 Location
General Assistance	Remains with DHS
Minnesota Supplemental Aid	Remains with DHS
Housing Support	Remains with DHS
Medical Assistance	Remains with DHS
Alternative Care	Remains with DHS
Behavioral Health	Remains with DHS
Northstar Care for Children	Moved to Dept. of Children, Youth, and Families
Support Services Grants	Moved to Dept. of Children, Youth, and Families
Basic Sliding Fee Child Care Grants	Moved to Dept. of Children, Youth, and Families

Agency Structure Changes – Department of Human Services (3/4)

FY 2024-25 Biennium vs FY 2026-27 Biennium

DHS Budget Activity FY 2024-25	FY 2026-27 Location
Child Care Development Grants	Moved to Dept. of Children, Youth, and Families
Child Support Enforcement Grants	Moved to Dept. of Children, Youth, and Families
Children’s Services Grants	Moved to DCYF with some exceptions
Children & Community Services Grants	Moved to DCYF with some exceptions
Refugee Grants	Remains with DHS
Children & Economic Support Grants	Moved to DCYF with some exceptions
Fraud Prevention Grants	Remains with DHS
Other Health Care Grants	Remains with DHS
Other Long-Term Care Grants	Remains with DHS

Agency Structure Changes – Department of Human Services (4/4)

FY 2024-25 Biennium vs FY 2026-27 Biennium

DHS Budget Activity FY 2024-25	FY 2026-27 Location
Aging & Adult Services Grants	Remains with DHS
Deaf & Hard of Hearing Grant	Remains with DHS
Supportive Housing Grants	Remains with DHS
Adult Mental Health Grants	Remains with DHS
Children’s Mental Health Grants	Remains with DHS
CD Grants (non-entitlement)/Compulsive Gambling Grants (Standing)	Remains with DHS
Direct Care & Treatment (MH & Substance Abuse, Community Services, Forensic Services, MN Sex Offender Program, DCT Operations)	Separates from DHS as the new Direct Care & Treatment agency for Fiscal Years 2026-27

Budget Information

Fiscal Year 2026-2029 General Fund Base by Program

Agency/Budget Activity	Nov 24 Forecast FY 2026	Nov 24 Forecast FY 2027	Nov 24 Forecast FY 2026-27	Nov 24 Forecast FY 2028	Nov 24 Forecast FY 2029	Nov 24 Forecast FY 2028-29
Human Services Department						
Central Office Operations	278,708	273,125	551,833	273,125	273,125	546,250
Forecasted Programs	7,985,894	8,435,184	16,421,078	9,017,434	9,682,293	18,699,727
Grant Programs	315,919	319,844	635,763	319,870	319,889	639,759
Subtotal DHS	8,580,521	9,028,153	17,608,674	9,610,429	10,275,307	19,885,736
DHS - Federal Reimbursement	(44,414)	(44,384)	-88,798	(44,384)	(44,384)	-88,768
Subtotal DHS (net)	8,536,107	8,983,769	17,519,876	9,566,045	10,230,923	19,796,968
Direct Care and Treatment	547,615	547,682	1,095,297	547,682	547,682	1,095,364
Council on Disability	2,408	2,409	4,817	2,409	2,409	4,818
Mental Health Ombudsman	3,648	3,648	7,296	3,648	3,648	7,296
General Fund Base	8,542,163	8,989,826	17,531,989	9,572,102	10,236,980	19,809,082

Data from MMB 2024 General Fund Balance Statement – Dollars in 1,000's

Fiscal Years 2026-2029 General Fund Base by Budget Activity (1/3)

Agency/Budget Activity	Nov 24 Forecast FY 2026	Nov 24 Forecast FY 2027	Nov 24 Forecast FY 2026-27	Nov 24 Forecast FY 2028	Nov 24 Forecast FY 2029	Nov 24 Forecast FY 2028-29
Human Services Department						
<u>Central Office Operations</u>						
Finance & Management	136,108	135,458	271,566	135,458	135,458	270,916
Health Care Management	38,013	33,772	71,785	33,772	33,772	67,544
Continuing Care Mangement	49,165	49,069	98,234	49,069	49,069	98,138
Community Support	22,936	22,908	45,844	22,908	22,908	45,816
Comp. Gambling Chem & Mental Hlth (standing)	59	59	118	59	59	118
Homelessness, Housing & Support Services	6,548	5,980	12,528	5,980	5,980	11,960
Office of the Inspector General	25,879	25,879	51,758	25,879	25,879	51,758
Subtotal Central Office	278,708	273,125	551,833	273,125	273,125	546,250
<u>Forecasted Programs</u>						
General Assistance	82,545	84,802	167,347	85,394	86,001	171,395
Minnesota Supplemental Aid	67,113	69,089	136,202	71,164	73,299	144,463
Housing Support	267,065	277,747	544,812	287,463	297,695	585,158
Medical Assistance Grants (LTC Facilities, LTC Waivers, E&D Basic)	7,394,914	7,829,457	15,224,371	8,397,200	9,047,151	17,444,351
Alternative Care Program	55,610	56,101	111,711	56,101	56,101	112,202
Behavioral Health Fund	118,647	117,988	236,635	120,112	122,046	242,158
Subtotal Forecasted Programs	7,985,894	8,435,184	16,421,078	9,017,434	9,682,293	18,699,727

Data from MMB 2024 General Fund Balance Statement – Dollars in 1,000's

Fiscal Years 2026-2029 General Fund Base by Budget Activity (2/3)

Agency/Budget Activity	Nov 24 Forecast FY 2026	Nov 24 Forecast FY 2027	Nov 24 Forecast FY 2026-27	Nov 24 Forecast FY 2028	Nov 24 Forecast FY 2029	Nov 24 Forecast FY 2028-29
Human Services Department						
<u>Grant Programs</u>						
Children’s Services Grants	500	500	1,000	500	500	1,000
Children & Community Services Grants	2,655	2,655	5,310	2,655	2,655	5,310
Refugee Grants	0	0	0	0	0	0
Children & Economic Support Grants	67,095	72,095	139,190	72,095	72,095	144,190
Fraud Prevention Grants	3,018	3,018	6,036	3,018	3,018	6,036
Other Health Care Grants	4,811	4,811	9,622	4,811	4,811	9,622
Other LTC Grants	2,747	1,925	4,672	1,925	1,925	3,850
Aging & Adult Services Grants	33,861	33,862	67,723	33,862	33,862	67,724
Deaf & Hard of Hearing Grants	2,886	2,886	5,772	2,886	2,886	5,772
Disabilities Grants	28,154	27,827	55,981	27,827	27,827	55,654
Housing Support Grants	10,364	10,364	20,728	10,364	10,364	20,728
Adult Mental Health Grants	120,169	120,169	240,338	120,169	120,169	240,338
Childrens's Mental Health Grants	34,648	34,648	69,296	34,648	34,648	69,296
CCDTF Non-entitlement Grants	3,247	3,247	6,494	3,247	3,247	6,494
Compulsive Gambling Grants (standing)	1,764	1,837	3,601	1,863	1,882	3,745
Subtotal Grants	315,919	319,844	635,763	319,870	319,889	639,759

Data from MMB 2024 General Fund Balance Statement – Dollars in 1,000’s

Fiscal Years 2026-2029 General Fund Base by Budget Activity (3/3)

Agency/Budget Activity	Nov 24 Forecast FY 2026	Nov 24 Forecast FY 2027	Nov 24 Forecast FY 2026-27	Nov 24 Forecast FY 2028	Nov 24 Forecast FY 2029	Nov 24 Forecast FY 2028-29
Direct Care and Treatment						
Mental Health & Substance Abuse	184,833	184,833	369,666	184,833	184,833	369,666
Community Based Services	13,412	13,412	26,824	13,412	13,412	26,824
Forensic Services	155,125	155,125	310,250	155,125	155,125	310,250
MSOP	119,694	119,694	239,388	119,694	119,694	239,388
Operations	74,551	74,618	149,169	74,618	74,618	149,236
Subtotal DCT	547,615	547,682	1,095,297	547,682	547,682	1,095,364
Council on Disability	2,408	2,409	4,817	2,409	2,409	4,818
Mental Health/DD						
Ombudsman	3,548	3,548	7,096	3,548	3,548	7,096
UMN Drug Trial Monitoring	100	100	200	100	100	200
FY 23 carryforward	0	0	0	0	0	0
Mental Health Ombudsman	3,648	3,648	7,296	3,648	3,648	7,296
General Fund Base	8,542,163	8,989,826	17,531,989	9,572,102	10,236,980	19,809,082

Data from MMB 2024 General Fund Balance Statement – Dollars in 1,000's

Long-Term Care

Long-Term Care Services Providers

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

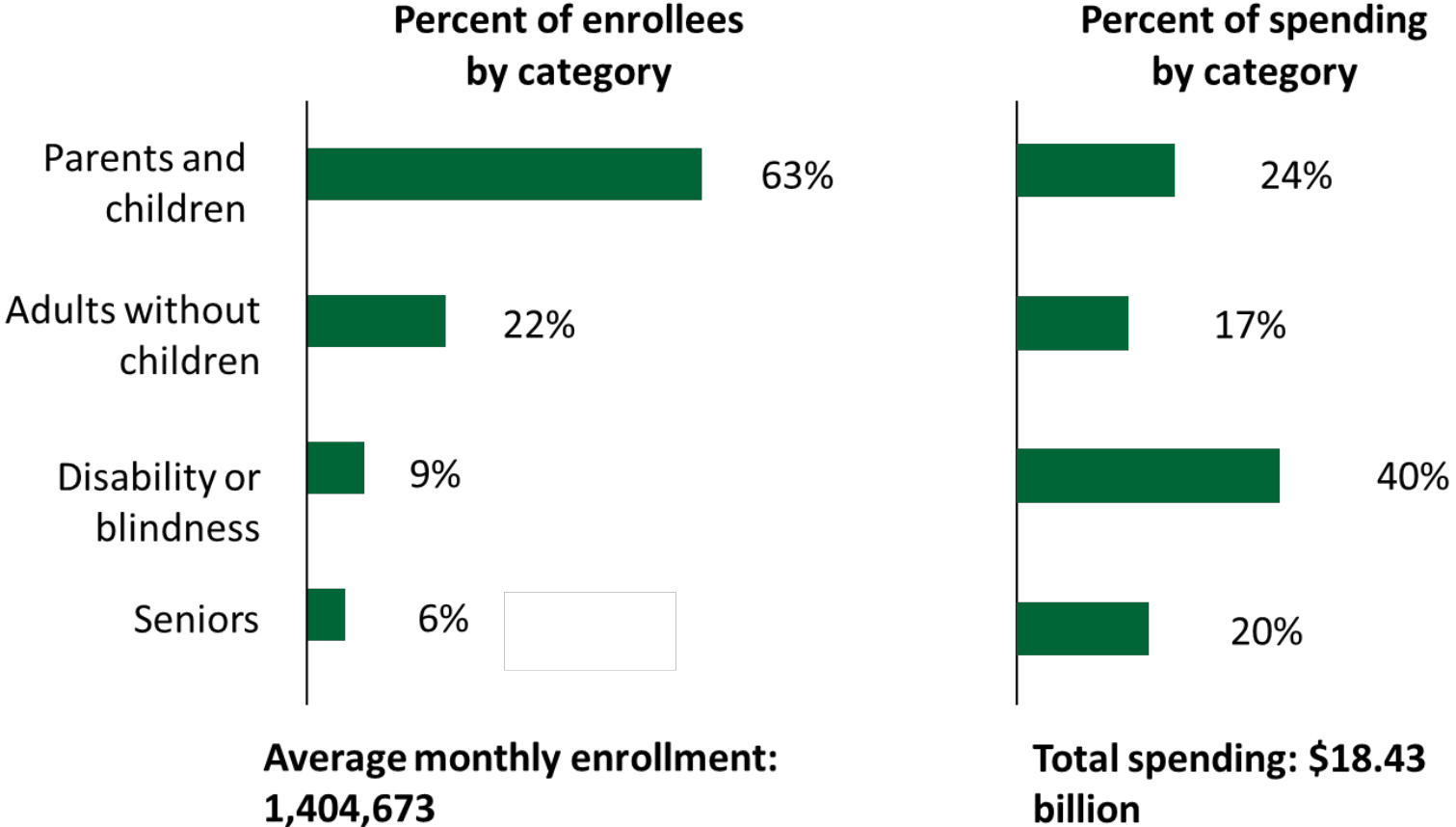
- MA;
- state programs; and
- programs administered by the Board on Aging.

Long-Term Care Services Provided Under MA

Program	Monthly Average Recipients	FY 2024 Federal Funds	FY 2024 State Funds
Nursing Facility Services	11,285	639,912,899	527,209,142
ICF/DD	731	47,934,168	41,812,035
Home Health Care	1,515	5,908,350	5,067,044
Home Care Nursing	687	61,672,497	56,293,259
Personal Care Assistance	26,734	553,481,872	445,783,532
Alternative Care	2,514	25,192,803	23,041,551
HCBS Waivers	59,371	2,727,804,267	2,504,362,483

Source: November 2024 Forecast, Department of Human Services background data tables

MA Enrollees and Expenditures – FY 2023



Long-Term Care: State Programs

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: Board on Aging

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

Behavioral Health

Substance Use Disorder (SUD) Treatment

Assessment

- Interview to evaluate a person's substance use and SUD treatment needs and placement

Treatment

- Detoxification/withdrawal management
- Residential and nonresidential
- Sober homes
- Extended care

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

SUD Treatment – Counties and Tribes

Counties and Tribes are responsible for:

- Determining financial eligibility for publicly funded treatment
- Coordinating placement in treatment services for clients enrolled in managed care organizations
- Paying the state for 22.95% of the cost of services for individuals not enrolled in MA

SUD Treatment – Public Funding

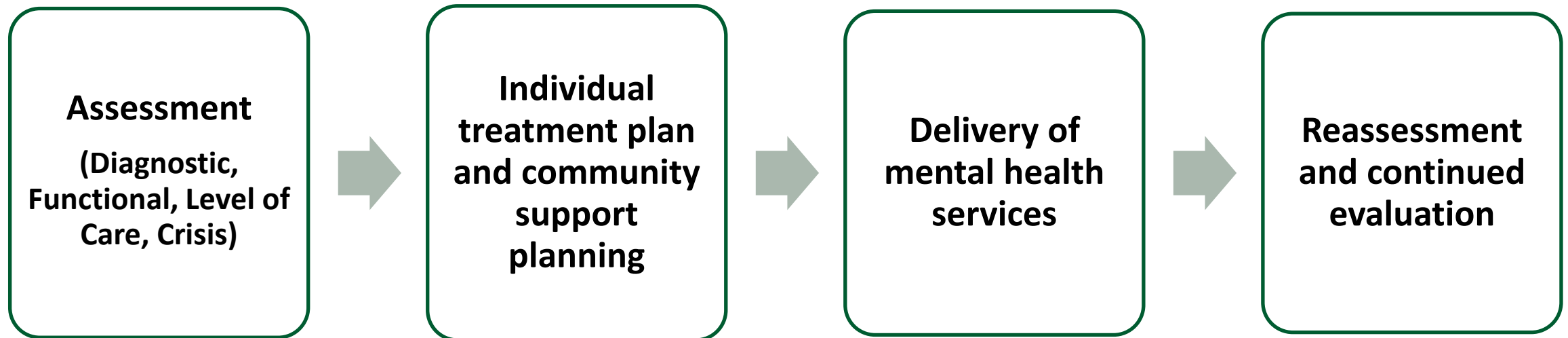
Publicly funded SUD treatment is provided via either managed care (MA, MinnesotaCare, or a prepaid medical plan) or through the **Behavioral Health Fund (BHF)**.

- BHF recipients must be enrolled in a public health care program or meet BHF income and household guidelines and have insufficient insurance coverage.
- Recipients must meet clinical requirements.

Mental Health Services

- Minnesota's publicly funded mental health service delivery system is supervised by DHS and administered by the counties.
- Counties are responsible for developing and coordinating publicly provided mental health services for children and adults.
- Funding comes from federal, state, and county sources.
- Public health care programs and private insurance pay for some mental health services.

Components of Mental Health Service Delivery



Crisis and Emergency Mental Health Services

- 24/7 suicide and crisis lifeline number – 988
- Mobile crisis response and intervention
- Community-based crisis stabilization services
- Residential crisis response and stabilization

Residential Adult Mental Health Services

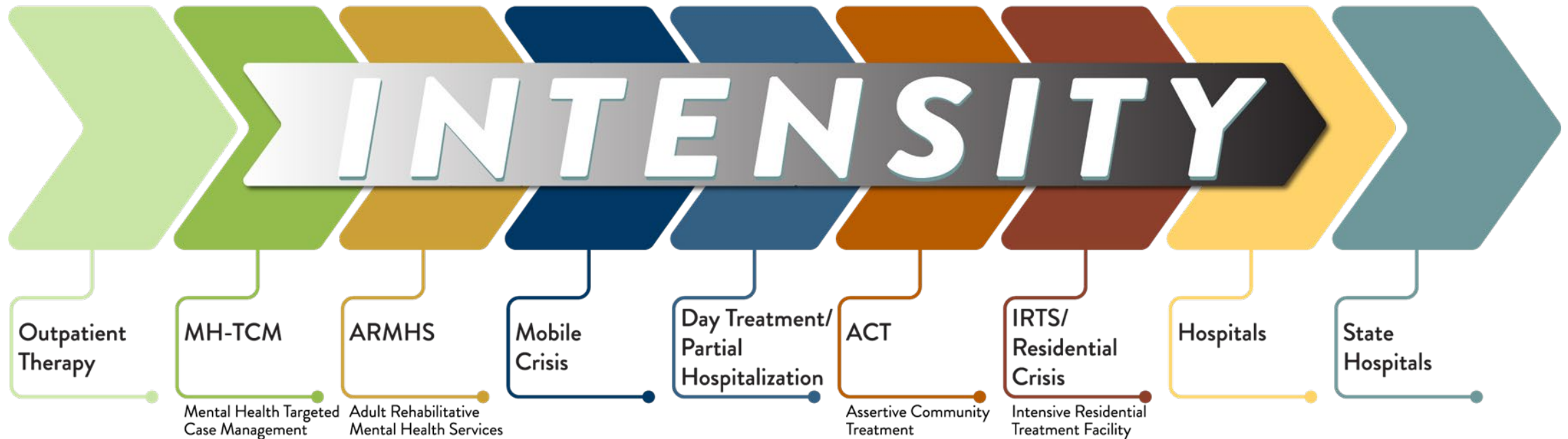
- Short-term inpatient hospital psychiatric treatment
- Intensive Residential Treatment Services (IRTS)
- Direct Care and Treatment facilities

Community-Based Adult Mental Health Services

- Assertive community treatment (ACT)
- Adult rehabilitative mental health services (ARMHS)
- Mental health targeted case management (MH-TCM)
- Partial hospitalization
- Adult day treatment
- Intensive outpatient treatment – dialectical behavioral therapy
- Certified community behavioral health clinics (CCBHCs) may provide many of these community-based services
- Behavioral health home services

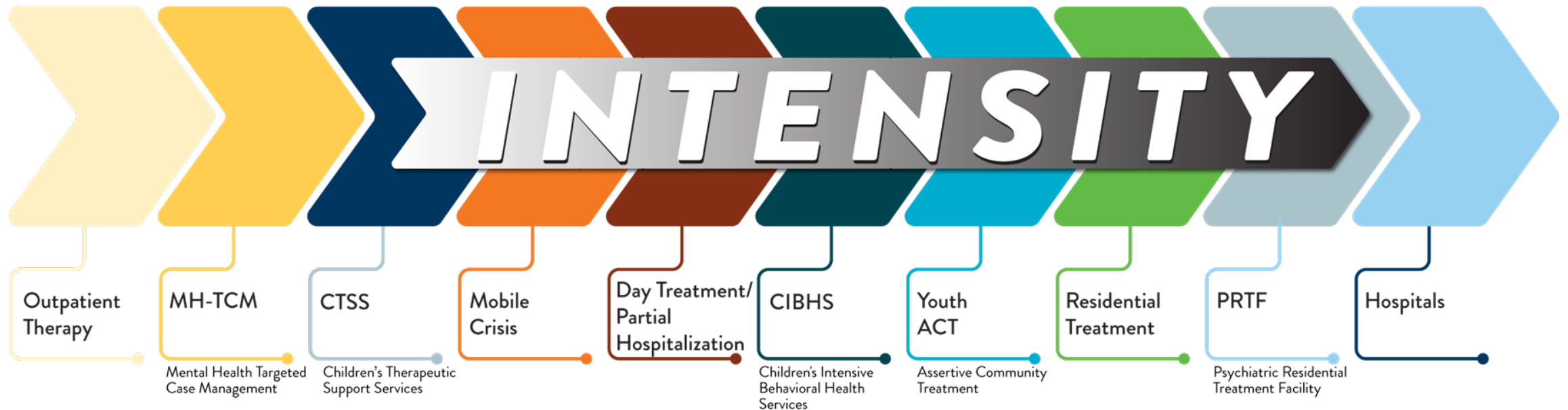
Adult Mental Health Services Continuum

Adult Mental Health Continuum of Services



Children's Mental Health Services Continuum

Children's Mental Health Continuum of Services



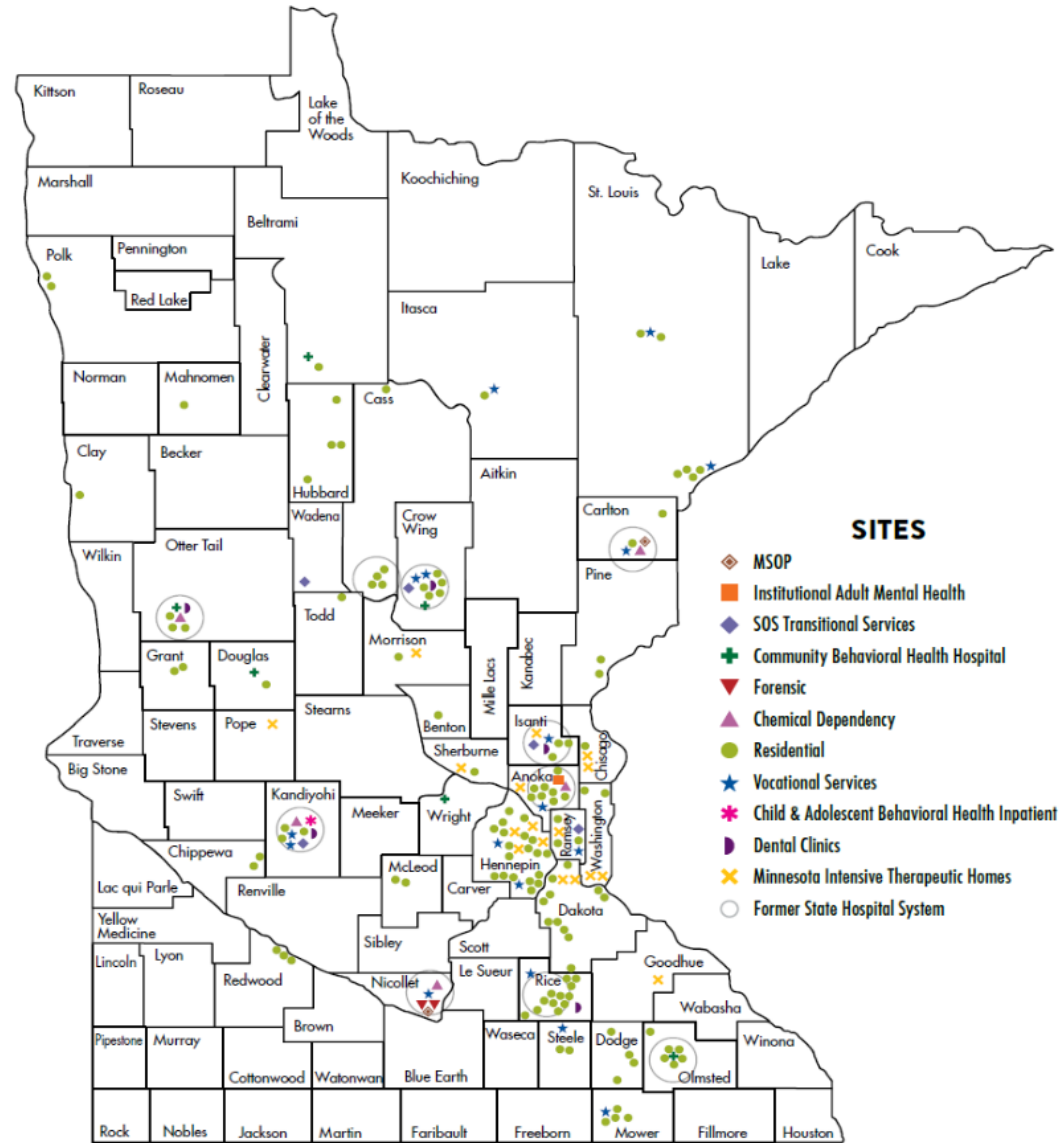
Children's Mental Health Services

- Psychiatric residential treatment facilities (PRTFs)
- Children's residential treatment
- Children's residential crisis stabilization services
- Youth assertive community treatment (ACT)
- Intensive rehabilitative mental health services (IRMHS)
- Children's intensive behavioral health services (CIBHS) – formerly intensive treatment in foster care
- Children's therapeutic services and supports (CTSS)
- School-linked behavioral health grants may fund many community-based mental health services for children
- Other outpatient services eligible for children's mental health grant funding
- Direct Care and Treatment residential mental health services – Minnesota intensive therapeutic homes (MITH) and child and adolescent behavioral health services (CABHS)

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
- those committed as mentally ill and dangerous



Direct Care and Treatment - Services

Adult Mental Health

- Community behavioral health hospitals; Anoka Metro Regional Treatment Center
- Minnesota Specialty Health System

Child and Adolescent Behavioral Health Services

- Community-based and residential services in Willmar
- Minnesota Intensive Therapeutic Homes (MITH)

Community Addiction Recovery Enterprise (C.A.R.E.)

Community Support Services

Rehabilitation Services

Forensic Services

- Minnesota sex offender program
- Forensic mental health program
- Forensic nursing home
- Transition services
- Competency restoration program

Special Care Dental Clinics

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 November 18, 2024, 739 individuals were receiving treatment in MSOP facilities.
- Provisional discharge can be granted by the Special Review Board and the Supreme Court Appeal Panel.

Vulnerable Adult Protections

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
- receive certain home care services

Services for Vulnerable Adults – Maltreatment Reporting

- Maltreatment = abuse, neglect, or financial exploitation.
- 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.

Services for Vulnerable Adults - Procedures after Report

- 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.

Housing and Community Support

Housing & Community Support Programs

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

- General Assistance (GA)
- Supplemental Security Income (SSI)
- Minnesota Supplemental Aid (MSA)
- Housing Support

Administration

GA, MSA, and Housing Support 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.

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)
- State statutes:
 - GA (\$350/month for an individual)
 - MSA (MSA standard)
 - Housing Support (generally, income below \$1,170/month for a group setting and \$1,220/month for a community setting)

Asset Eligibility Standards

- For 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 GA for non-SSI recipients.

Maximum Monthly Benefits, 2025

Program	Benefits
GA	\$350 for one adult \$350 for each eligible unit member in a couple
SSI	\$943 for an individual \$1,415 for a married couple
MSA	\$1,004 for an individual \$1,506 for a married couple
Housing Support	\$1,170 for a group setting \$1,220 for a community setting

Note: MSA and SSI benefit amounts are for CY 2024.

FY 2024 Recipients and Expenditures

Program	Monthly Average Recipients	Federal Funding	State Funding	Local Funding
GA	22,918	\$0	\$51,456,728	\$672,149
SSI *	88,255	\$727,175,000	\$0	\$0
MSA	30,408	\$0	\$60,849,989	\$0
Housing Support	20,844	\$0	\$225,054,203	\$3,390,316

Source: Department of Human Services Family Self-Sufficiency and Health Care Program Statistics, October 2024.

* Numbers are for FY 2023.

Programs for Persons Experiencing Homelessness

Emergency Services Grants: Provides homeless persons essential services and emergency shelter

Transitional Housing Programs: Provides funds for transitional housing and support services

Homeless Youth Act: Provides grants to providers serving homeless youth and youth at risk for homelessness

Long-Term Homeless Supportive Services: Provides integrated services to stabilize individuals, families, and youth living in supportive housing

Program Integrity and Operations

DHS Program Integrity and Operations

The DHS Office of Inspector General (OIG) is the regulatory authority that oversees DHS licensing, background studies, and program integrity services.

- Licensing Division
- Background Studies Division
- Financial Fraud and Investigations Division

DHS Licensing

- DHS issues licenses or certifications for approximately 20,000 programs and providers at any given time.
- Certain licensing functions are delegated to counties (family child care and foster care).
- Some private agencies perform licensing functions related to child placement and child foster care.
- DHS directly licenses and monitors all other programs and issues correction orders or other licensing actions for violations.

DHS Licensing and Investigations

- DHS investigates alleged licensing violations and issues licensing actions.
- DHS also receives and investigates allegations of maltreatment of children or vulnerable adults served by licensed programs or providers.

DHS Provider Fraud Prevention

- DHS OIG oversees fraud prevention and recovery efforts for DHS-administered public programs.
- DHS procedures and initiatives aim to reduce provider fraud and improper payments.
 - MA provider investigations, provider screening, and audits to identify and recover overpayments and identify underpayments
 - MinnesotaCare audits and investigations
 - Child care grant audits, Child Care Assistance Program (CCAP) provider investigations, technical assistance

DHS Recipient Fraud Prevention

Public program recipient fraud investigations and other fraud prevention programs aim to prevent and reduce improper payments, and resolve eligibility questions for caseworkers.

- Fraud Prevention Investigation Program (FPI) grants to counties for investigators

Minnesota Restricted Recipient Program: MA recipients placed in case management 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, to reduce costs.

DHS Background Studies: Who needs a study?

DHS conducts background studies on all individuals who provide direct contact services to children or vulnerable adults in licensed programs.

- Also required for others, such as guardians and conservators, foster care providers, people seeking adoption, and people over age 13 living in the household where a licensed program is located.

DHS Background Studies

NetStudy 2.0 is the health and human services background study system.

- Requires **fingerprints** and **photographs**
- Searches wide range of records
- Electronic updates of study subjects' criminal records; electronic employer notifications

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

In CY 2023, DHS received 507,517 background study application requests.

Resources

House Research Department Health and Human Services publications:

<https://www.house.mn.gov/hrd/topics.aspx?topic=15>

Fiscal Analysis Department website:

<https://www.house.mn.gov/Fiscal/Home>

Minnesota Department of Human Services website:

<https://mn.gov/dhs/>

Contact Information

Doug Berg, Doug.Berg@house.mn.gov

Joe Harney, Joe.Harney@house.mn.gov

Danyell Punelli, Danyell.Punelli@house.mn.gov

Sarah Sunderman, Sarah.Sunderman@house.mn.gov