



2023 End of Session Report Health and Human Services

Health and Human Services Omnibus Bill: SF2995 (Wiklund/Liebling/Pinto) 2023 Session Law, Chapter 70

***Note that this report was co-written by MICA and MACSSA.**

The 841-page health and human services finance bill includes policy and funding related to the Departments of Human Services and Health, as well as children and families. The bill appropriates new DHS spending in the amount of \$1.4 billion (FY24-25) and \$1.5 billion (FY26-27). New MDH spending totals \$238.8 million (FY24-25) and \$233.2 million (FY26-27).

Major new spending includes:

- \$316.1 million for Great Start compensation support payments
- \$100 million for emergency shelter grants
- \$42.54 million for child care stabilization grants transition payments
- \$30.72 million for extra funding for the Homeless Youth Act
- \$21.18 million for the Healthy Beginnings, Healthy Families program
- \$4 million for 988 national suicide prevention lifeline grants

Other major policy changes in the bill include:

- creation of a new Department of Children, Youth and Families
- MinnesotaCare eligibility for undocumented residents meeting income requirements
- creation of Center of Health Care Affordability
- elimination of cost-sharing for MA (effective January 2024)
- actuarial and economic analyses for a MinnesotaCare public buy-in implementation plan (the “public option” could be available to consumers by Jan. 1uary 2027, at the earliest)
- a study examining the benefits and costs of a universal health care financing system
- an implementation plan for a direct payment system for Medical Assistance (MA) and MinnesotaCare to start the process of de-privatizing public health care programs

Other reference documents for SF2995:

[Final Conference committee summary.](#)

[Final conference committee spreadsheet.](#)

Article 1 – Health Care

- Section 2: clarifies that recoveries of MA and MinnesotaCare overpayments due to client error apply only to the benefits the client received while a client continued to receive benefits while appealing an adverse eligibility determination that was ultimately unsuccessful
- Section 3: requires prompt DHS payment for MA claims in compliance with federal law
- Section 9: addresses adults who were in foster care at the age of 18; expands an existing MA eligibility category for people under 26 who were in foster care when they turned 18 by allowing a person who was in foster care in another state to qualify; *\$2.2 million (FY24-25); \$1.2 million (FY26-27)*



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- Section 10: adjusts rates for assertive community treatment, adult residential crisis stabilization and intensive residential treatment services for annual inflation
- Section 13: modifies the membership of the Drug Formulary Committee to increase number of physicians from four to at least five; requires that one be a specialist in the treatment of rare disease; adds number of consumer representatives from one to at least two, all of whom must have connection to MA. Adds one representative to be designated by the Rare Disease Advisory Council; *savings of \$58.6 million (FY24-25); \$77.2 million (FY26-27) due to continued receipt of supplemental pharmaceutical rebates*
- Section 15: prohibits MA from requiring prior authorization for liquid methadone
- Section 16: preferred drug list contracts must be made publicly available
- Section 17: DHS may enter into value-based purchasing agreements with drug manufacturers based on agreed-to metrics; applies to MA and MinnesotaCare. Effective July 1, 2023. *\$529,000 (FY24-25); \$552,000 (FY26-27)*
- Section 20: directs DHS to establish an encounter payment rate equitable to the Indian Health Service all-inclusive rate, to be updated annually. Allows an Indian Health Center under a 638 contract to enroll as a tribal FQHC; *\$1.3 million (FY24-25); \$1.4 million (FY26-27)*
- Section 23: expands MA coverage to tobacco and nicotine cessation services; *\$602,000 (FY24-25); \$632,000 (FY26-27)*
- Section 24: MA covers biomarker testing to diagnose, manage, and monitor illness or disease
 - See also Article 2, section 26, for commercial health plans
 - See also Article 20, section 14; defrayal cost for the commercial plan coverage through the Department of Commerce
- Sections 25, 27: MA coverage for recuperative case services (same as medical respite for individuals experiencing homelessness); *\$2.3 million (FY24-25); \$3.2 million (FY26-27)*
- Sections 26, 31-32: Network access for diagnosis, monitoring and treatment of rare diseases
 - See also Article 2, section 25
- Section 28: directs DHS to annually adjust psychiatric residential treatment facility (PRTF) per diem rates
- Section 30: modifies managed care contracts. Strikes the specific performance targets specified in law that are tied to the withhold of 5% of managed care and county-based purchasing plan capitation payments. The performance targets eliminated include emergency department utilization rates, hospital admission rates, and subsequent hospitalization rates. Effective January 1, 2024
- Section 35: increases payment rates by 3% (from rates in effect December 31, 2023) for all out-patient behavioral health services and requires annual inflation adjustments thereafter until new a rate methodology is developed. **Does not apply to rates negotiated with counties, but directs DHS to increase capitation payments to reflect rate increases;** *\$17.6 million (FY24-25); \$48.5 million (FY26-27)*
- **Section 36: phaseout regarding critical access mental health rate add-on, includes related repealer in Section 43(a) – see below**



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- Section 41: extends temporary permissible use of audio only telehealth to July 1, 2025; \$16.7 million (FY24-25); \$1.4 million (FY26)
- Section 42: directs DHS to make MA and MinnesotaCare available to Deferred Action for Childhood Arrival (DACA) who meet MA and MinnesotaCare eligibility criteria. Expires June 30, 2025
- Section 43(a): **Repealer; Minnesota Statutes 2022, section 256B.763, is repealed (effective January 1, 2027):**

256B.763 Critical Access Mental Health Rate Increase

(a) For services defined in paragraph (b) and rendered on or after July 1, 2007, payment rates shall be increased by 23.7 percent over the rates in effect on January 1, 2006, for:

- (1) psychiatrists and advanced practice registered nurses with a psychiatric specialty;
- (2) community mental health centers under section [256B.0625](#), subdivision 5; and
- (3) mental health clinics certified under section [245I.20](#), or hospital outpatient psychiatric departments that are designated as essential community providers under section [62Q.19](#).

(b) This increase applies to group skills training when provided as a component of children's therapeutic services and support, psychotherapy, medication management, evaluation and management, diagnostic assessment, explanation of findings, psychological testing, neuropsychological services, direction of behavioral aides, and inpatient consultation.

(c) This increase does not apply to rates that are governed by section [256B.0625](#), subdivision 30, or [256B.761](#), paragraph (b), other cost-based rates, rates that are negotiated with the county, rates that are established by the federal government, or rates that increased between January 1, 2004, and January 1, 2005.

(d) Payment rates shall be increased by 23.7 percent over the rates in effect on December 31, 2007, for:

- (1) medication education services provided on or after January 1, 2008, by adult rehabilitative mental health services providers certified under section [256B.0623](#); and
- (2) mental health behavioral aide services provided on or after January 1, 2008, by children's therapeutic services and support providers certified under section [256B.0943](#).

(e) For services defined in paragraph (b) and rendered on or after January 1, 2008, by children's therapeutic services and support providers certified under section [256B.0943](#) and not already included in paragraph (a), payment rates shall be increased by 23.7 percent over the rates in effect on December 31, 2007.

(f) Payment rates shall be increased by 2.3 percent over the rates in effect on December 31, 2007, for individual and family skills training provided on or after January 1, 2008, by children's therapeutic services and support providers certified under section [256B.0943](#).



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(g) For services described in paragraphs (b), (d), and (f) and rendered on or after July 1, 2017, payment rates for mental health clinics certified under section [245I.20](#) that are not designated as essential community providers under section [62Q.19](#) shall be equal to payment rates for mental health clinics certified under section [245I.20](#) that are designated as essential community providers under section [62Q.19](#). In order to receive increased payment rates under this paragraph, a provider must demonstrate a commitment to serve low-income and underserved populations by:

(1) charging for services on a sliding-fee schedule based on current poverty income guidelines; and

(2) not restricting access or services because of a client's financial limitation.

(h) For services identified under this section that are rendered by providers identified under this section, managed care plans and county-based purchasing plans shall reimburse the providers at a rate that is at least equal to the fee-for-service payment rate. The commissioner shall monitor the effect of this requirement on the rate of access to the services delivered by mental health providers.

Article 2 – Health Insurance

- Sections 8-20: drug price increases reporting
- Section 22: network adequacy; clarifies that the commissioner must consider the availability of PRTFs in determining network adequacy. Provides that the commissioner may establish the sufficiency of the number and types of providers by referencing any reasonable criteria, including but not limited to, certain provider and enrollee ratios, hours of operation, geographic accessibility, and waiting times for an appointment with participating providers
- Section 40: expanded access to and use of the all-payer claims data

Article 3 – Department of Health Policy

- Section 3: modifies Rural Health Advisory Committee by adding six members, including a Tribal member, **a representative of a local public health agency or community health board**, a health professional experienced with people with mental illness, community organization that works with individual experiencing health disparities, an individual with economic development expertise and a consumer with experience on developmental disabilities
- Sections 6-14, 20-28: classification of lead service lines
- Section 19: data collected by the cancer reporting system
- Section 47: authorizes any personnel employed by or under contract with a charter, public, or private school to be authorized to administer opiate antagonists. Also specifies that a licensed practical nurse is authorized to possess and administer opiate antagonists in a school setting

Article 4 – Department of Health

- Sections 4, 39: **directs Juul settlement dollars to be deposited into the tobacco use prevention account, creates the tobacco use prevention account in the special revenue fund.** Funds received as a result of Juul litigation must be deposited into this account. Money in the account must be used for tobacco use prevention purposes



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- Sections 5-11, 106-107: modifies definition of submerged closed loop heat exchange; establishes a related permit fee; and modifies definition of water supply well; *\$497,000 (FY24-25); \$236,000 (FY26-27)*
- Section 13: requires schools to annually notify families of lead testing in drinking water; directs schools to revise and document their routine water management to reduce exposure to lead; schools must also report annual testing results and remediation activities
- Section 14: directs MDH to establish the Minnesota One Health Antimicrobial Stewardship Collaborative; *\$624,000 per biennium; ongoing*
- Section 15: directs MDH to establish a Comprehensive Drug Overdose and Morbidity Prevention Program. **MDH must consult with Tribal nations, local public health agencies, care providers and community organizations;** *\$24.4 million per biennium; ongoing*
- Section 16: directs MDH to establish a cultural communication program for those most impacted by health disparities; *\$2.3 million (FY24-25) per biennium; ongoing*
- Sections 17-19: directs MDH to establish the Office of African American Health to address unique public health needs. Mission is to identify community-based solutions to address health disparities and recommend strategies to address them. There is a seat for health or human services professionals serving African American communities or clients; *\$4.4 million (FY24-25); \$4.3 million (FY26-27)*
- Section 20: establishes the Office of American Indian Health to promote workforce development, administer grant opportunities and provide technical assistance; *\$4.2 million (FY24-25); \$4.2 million (FY26-27)*
- Section 21: establishes the American Indian Health Special Emphasis grant program to support community-based solutions to address health disparities
- Section 22: **MDH may award a grant to support Public Health AmeriCorps members.** *\$3.3 million (FY24-25). This is a onetime appropriation and is available until June 30, 2027*
- Section 23: requires MDH to work with state and community partners to develop and expand the community health workers profession in Minnesota. The commissioner must award grants or enter into contracts to accomplish this; *\$1.9 million (FY24-25); \$1.9 million (FY26-27)*
- Section 25: health professionals clinical training expansion and rural and underserved clinical rotations grant programs. Amends §144.1505. Establishes a rural and underserved clinical rotations grant program, in which the commissioner of health awards grants to health professional training sites to add rural and underserved rotations or clinical training experiences to existing training programs for certain health professionals. Lists allowable uses of funds



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- Section 37: allows a minor who is 16 or older to consent to nonresidential mental health services, and the consent of no other person is required. Defines nonresidential mental health services as outpatient services provided to a minor not residing in a hospital, inpatient unit, or licensed residential treatment facility or program. (Outpatient services are defined as mental health services, excluding day treatment and community support services programs, provided to children with emotional disturbances who live outside a hospital, and include clinical activities like individual, group, and family therapy; individual treatment planning; diagnostic assessments; medication management; and psychological testing)
- Section 38: requires the commissioner of health to establish a labor trafficking services grant program to provide services for victims of labor trafficking or labor exploitation. Nonprofit organizations and nongovernmental organizations serving victims of labor trafficking or labor exploitation are eligible for grants; *\$1.1 million per biennium; ongoing*
- Section 40: requires hospitals to screen patients to determine if they are eligible for certain health coverage or assistance, and to assist patients in applying for charity care, completing an insurance affordability program application, or applying for a premium tax credit. Permits patients to decline to participate in the screening process or to accept services, and requires hospitals to provide notice of the availability of charity care
- Section 46: advancing health equity through capacity building and resource allocation. Establishes a program to award capacity-building grants to organizations serving diverse communities, and directs the commissioner to create a framework for equitable grantmaking by the department; *\$3.9 million (FY24-25); \$2 million (FY26-27)*
- Section 50: requires MDH to conduct community assessments and investigations to monitor and address impacts of long COVID and related conditions. *\$6.3 million per biennium; ongoing*
- Sections 57, 84-91: requires MDH to create a 988 Lifeline Center for network of centers to answer contacts from individuals accessing a suicide and crisis lifeline 24 hours a day/7 days a week. Establishes a special revenue account to maintain the system and imposes a monthly statewide fee on all service users at a rate to sustain the system; *\$3.6 million general fund startup (FY24-25); then revenue generated from cellphone fees*
- Section 59: requires MDH to provide grants to school districts and school-based health centers to support existing centers and facilitate new centers. School-based health centers may provide a variety of services but must not replace daily student support provided in the school; *\$3.4 million (FY24-25); \$5.9 million (FY26-27)*
- Section 60: allows MDH to award grants to organizations that provide services to additional populations at risk for acquiring HIV. The commissioner must administer a grant program to assist with HIV outbreaks; *\$4.5 million (FY24-25)*



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- **Section 62: requires licensed child care providers, by July 1, 2024, to develop a plan to test for the presence of lead in drinking water in child care facilities**, and requires the plan to follow department of health guidance or EPA guidance. Requires the plan to include testing water fixtures in all buildings where children are served, and requires all taps to be tested at least every five years. Requires the plan to include steps to remediate if lead is present in drinking water and to verify the remediation was successful by retesting. Lists allowable remediation actions. Requires licensed child care providers to report to parents and staff, test results and information on remediation performed. Also requires licensed child care providers to annually report test results and remediation activities to the commissioner
- **Section 63: lead remediation in school and child care settings grant program**. Requires MDH to establish a grant program to remediate identified sources of lead in drinking water in schools and licensed child care settings. Requires the commissioner to award grants through a request for proposals process, and lists criteria for schools and child care settings that will be prioritized for grants. Requires grant recipients to use funds to address sources of lead contamination in their facilities and to implement best practices for water management in their buildings; *\$1 million per biennium; ongoing*
- **Sections 64-69: requires MDH to establish the Healthy Beginnings, Healthy Families Act; \$21.2 million (FY24-25); \$5.3 million (FY26-27)**
 - establishes the Minnesota perinatal quality collaborative to improve pregnancy outcomes for pregnant people and newborns. Authorizes grants
 - requires MDH to establish the Minnesota partnership to prevent infant mortality program to improve birth outcomes and eliminate preventable infant mortality
 - requires the commissioner of health to make grants to improve pregnancy and infant outcomes and improve infant health. Requires the commissioner to provide grant recipients with technical assistance
 - establishes goals of developmental and social-emotional screening. Requires the commissioner of health to undertake specified duties related to screenings. Authorizes a grant
 - **allows MDH to make grants to counties and tribes to implement model jail practices and to counties, Tribal governments, or nonprofit organizations to partner with county jails to support children of incarcerated parents and their caregivers**. Requires the commissioner to provide technical assistance
- **Section 70: requires MDH to establish a health equity and leadership (HEAL) council to provide guidance to the commissioner on how to strengthen and improve the health of communities most impacted by health inequities across the state; \$130,000 per biennium; ongoing**
- **Section 71: requires MDH to establish the Help Me Connect Resource and Referral System for children prenatal through age 8; \$1.4 million (FY24-25); \$1.8 million (FY26-27)**
- **Sections 72-74: requires funding for foundational public health to be distributed based on a formula developed by the commissioner and the State Community Health Services Advisory Committee (SCHSAC). Requires funding for foundational public health responsibilities to be used to fulfil responsibilities defined by the commissioner in consultation with the SCHSAC**



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- Section 75: **requires MDH to establish a local and Tribal public health emergency preparedness and response grant program.** Grant proceeds must align with the Centers for Disease Control and Prevention's issued report; *\$24.8 million (FY24-25); \$22.8 million (FY26-27)*
- Section 76: **directs MDH to distribute grants to Tribal governments for foundational public health responsibilities**
- Section 96: **requires MDH to implement a climate resilience program to provide technical assistance that support local public health and Tribal health departments;** *\$1 million (FY24-25); \$1 million (FY26-27)*
- Section 98: specifies that the term for members of the Palliative Care Advisory Council is three years
- Section 99: **establishes a Psychedelic Medicine Task Force to advise the legislature on legal, medical, and policy issues associated with the legalization of psychedelic medicine.** Defines psychedelic medicine as MDMA, psilocybin, and LSD. The task force will consist of one member of the Ojibwe Tribe and one member of the Dakota Tribe, as well as **one member with experience in public health policy;** *\$509,000 (FY24-25)*
- Section 101: requires MDH to design and make available materials for a statewide Alzheimer's Public Information Program; *\$486,000 per biennium; ongoing*
- Section 104: requires MDH to establish the Emmett Louis Till Victims Recovery Program to address the health and wellness needs of victims, and their families and heirs, of trauma based on the victim's race, ethnicity, or national origin; *\$500,000 (FY24)*
- Section 105: requires MDH to **establish an equitable health care task force** to examine inequities in how people access and receive health care based on specified factors; *\$1.5 million (FY24-25)*
- Section 108: **requires MDH to administer a program to provide vaccines to uninsured and underinsured adults.** Requires the commissioner to determine eligibility and enroll clinics to participate in the program, and **requires the commissioner to address racial and ethnic disparities in vaccine coverage rates;** *\$2.9 million (FY24-25)*
- Section 109: requires MDH to award grants to health care entities and human services providers to increase workplace safety in health care settings and human services workplaces; *\$4.7 million (FY24)*
- Section 110: establishes a **Task Force on Pregnancy Health and Substance Use Disorders** to recommend protocols for when health care providers should order toxicology testing for a birthing parent and newborn and protocols for reporting prenatal exposure to a controlled substance to a local welfare agency. **Includes two county social service representatives** appointed by MACSSA, two Tribal representatives appointed by MIAC and two members who identify as Native American. Report due no later than December 1, 2024; *\$299,000 (FY24-25)*
- Section 111: requires MDH to award grants to organizations to conduct public awareness and education activities that are culturally specific and community-based and focus on the health dangers associated with using skin-lightening products, developing training curriculum, and combat skin-lightening practices and chemical exposure; *\$242,000 (FY24-25)*



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Spreadsheet: Public Health Specific – (Note MDH line items start on page 32): [Final conference committee spreadsheet](#)

- Line 1502: sexual and reproductive health services grants; *\$13.9 per biennium; ongoing*
- Line 1524: additional funding for Home Visiting; *\$4 million per biennium; ongoing*
- Line 1577: **Public Health System Transformation**; *\$22.6 million per biennium; ongoing*
- Line 1587: Grants to Expand Health Care Workforce; *\$21.9 million (FY24-25); \$20.6 million (FY26-27)*
- Line 1688: **modification to definition of elevated blood level of lead**; *\$294,000 (FY24-25); \$122,000 (FY26-27)*
- Line 1696: Wilder Foundation Grant for African American Babies Coalition; *\$576,000 (FY24-25); \$576,000 (FY26)*
- Line 1701: Health Professionals Loan Forgiveness; *\$2.8 million (FY24)*
- Line 1773: skin lightening products public awareness and education grant program; *\$242,000 (FY24-25)*
- Line 1778: additional funding for Fetal Alcohol Spectrum Disorders prevention grants; *\$1 million per biennium; ongoing*
- Line 1793: additional funding for Safe Harbor for sexually exploited youth grants - *\$2 million per biennium; ongoing*
- Line 1797: additional funding for Safe Harbor regional navigators; *\$600,000 per biennium; ongoing*
- Line 1820: **Critical Access Dental Infrastructure Program**; *\$2.5 million (FY24)*
- Line 1833: **Public Health Response Contingency Account**; *\$2.5 million (FY24)*

Article 5 – Medical Education and Research Costs and Health Care Workforce

- Section 8: requires MDH to establish the pediatric primary care mental health training grant program. Grants must be awarded for developing child mental health training programs located in outpatient primary care clinics; *\$2 million per biennium; ongoing*
- Section 9: requires MDH to establish the mental health cultural community continuing education grant program. Grants must be awarded for continuing education necessary for specified mental health professionals to become supervisors for others pursuing licensure in a mental health profession; *\$1 million per biennium; ongoing*
- Section 10: **requires MDH to award clinical dental education innovation grants to teaching institutions and clinical training sites for projects that increase dental access to underserved population and promote innovative clinical training**; *\$2.4 million per biennium; ongoing*
- Section 11: requires MDH to award a grant to a nonprofit organization of community health centers to **establish apprenticeship programs for medical and dental assistants in federally qualified health centers (FQHCs)**; *\$1.5 million per biennium; ongoing*



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Article 6 – Health-Related Licensing Boards

- Sections 22-24: increases application and renewal fees for all pharmacists, drug wholesalers, manufacturers and related entities licensed through the Board of Pharmacy
- Section 27: renames the prescription drug repository program as the medication repository program. Provides requirements for the contract between the Board of Pharmacy and a central repository to include: (1) a requirement that the board transfer to the central repository any money appropriated to the board for the purpose of the program; (2) reporting on performance measures; and (3) a requirement to annually audit the central repository's expenditures. Allows a central repository to seek grants and funds from nonstate sources
- Sections 28-29: allows an individual who is in urgent need of insulin to provide an individual taxpayer identification number as proof of residency. Allows an individual seeking to participate in a manufacturer's patient insulin assistance program to provide an individual taxpayer identification number as proof of residency
- Section 33: for alcohol and drug counseling services provided by a former student at a children's residential facility substance use disorder treatment program, requires an alcohol and drug counselor to supervise and be responsible for services provided by the former student and to review and sign assessments, individual treatment plans, progress notes, and treatment plan reviews by the former student. Also requires a former student to receive orientation and training required of permanent staff members

Article 7 – Background Studies

- Spreadsheet Line 959: modifications to Chapter 245C (background study requirements); *\$678,000 (FY24-25); \$426,000 (FY26-27)*
- Section 4: adds that the NETStudy 2.0 system is designed to increase efficiencies and the speed of the hiring process by providing electronic access to certain notices for entities and background study subjects
- Section 8: modifies maltreatment and state licensing for guardians and conservators:
 - requires requests for maltreatment data to include information regarding whether the guardian or conservator has been a perpetrator of substantiated maltreatment of a vulnerable adult or minor, and if so, requires the commissioner to include a copy of any available public portion of the investigation memorandum
 - requires requests for state licensing agency data to include information from a check of state licensing agency records and that the commissioner must provide the court with licensing agency data related to specific affiliations
 - requires maltreatment and licensing agency checks to be submitted by the guardian or conservator to DHS
 - states that all data obtained by DHS for a background study is classified as private data on individuals
- Section 9: modifies background study requirements for legal nonlicensed child care providers; *\$290,000 (FY24-25); \$58,000 (FY26-27)*
- Sections 14-33: increases background study fees for a variety of providers; *\$104,000 per biennium; ongoing*
- Section 38: **removes legal nonlicensed child care providers from list of entities that also require a county agency to be notified for background studies**



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Article 8 – Licensing

- Sections 1-55, 57-58: makes technical, clarifying, and policy changes to provisions governing licensing and background studies conducted by DHS and to MA program integrity and review procedures
- Sections 23-24: **directs county staff who perform licensing functions to use the provider licensing hub once it is implemented**
- Section 56: establishes a licensing and provider hub for programs licensed or certified by DHS, identifies various licensing and certification activities that are to be carried out through the hub once it is completed, and directs the commissioner of revenue to disclose information to the commissioner of human services to verify the income and tax identification of specified applicants for licenses or certifications and for license or certification holders; *\$20.7 million (FY24-25)*
- Section 63: direct DHS to allow an aide to substitute for a teacher in a licensed child care center during arrival and departure times under certain conditions

Article 9 – Behavioral Health

- Section 3: **establishes a mobile crisis and stabilization services pilot program to promote access to crisis response services.** Requires an immediate, face-to-face response within 60 minutes as well as longer-term supports
- Section 6: establishes a cultural and ethnic minority grant program to ensure that mental health and substance use disorder treatment supports and services are culturally specific and culturally responsive; *\$6 million per biennium; ongoing*
- Section 23: **sets an allocation floor for county and Tribal behavioral health fund administrative assessments to be no less than 133% of the 2009 funding levels**
- Section 24: allows hospitals, FQHCs, and rural clinics to be eligible vendors of a comprehensive assessment completed by an alcohol and drug counselor; *\$80,000 (FY24-25); \$118,000 (FY26-27)*
- Section 25: adds programs providing children’s residential mental health services, except for child protection or voluntary foster care for treatment placements, to list of vendors eligible for room and board payments from the behavioral health fund
- Section 26: modifies transition to community initiative terminology to include children; adds access to services supporting short- and long-term needs for developmental growth and individualized treatment
- Section 27: modifies transition to community initiative terminology to include children; modifies eligibility criteria to include a demonstration that current services are not able to meet community-based treatment or service needs. Expands list of residential or hospital-level care settings; adds criteria for needs beyond current service designs. Effective July 1, 2023
- Section 30: **removes adult rehabilitative mental health services requirement for noncounty providers to obtain additional certification from each county in which services would be provided.** Modifies state-level recertification requirement to every three years, instead of at least every three years
- Section 35: allows for services related to but distinctly separate from psychiatric residential treatment services to be delivered in the same facility. Specifies that shared site staff must only provide services within the program with which they are officially affiliated



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- Section 36: **specifies the allowable uses for start-up grants to prospective psychiatric residential treatment facility (PRTF) sites; specifies that start-up and capacity-building grants to prospective and current psychiatric residential treatment facilities may be used to support providers who treat and accept individuals with complex support needs.** Effective July 1, 2023; *\$2.2 million (FY24-25)*
- Section 38: DHS must consult with stakeholders to make changes to residential adult mental health program licensing to align with current practices and the health and safety needs of client.
- Section 39: **directs DHS to evaluate the ongoing need for local agency substance use disorder allocations.** Specifies what the evaluation must include; allows the commissioner to contract with a vendor to support the evaluation; *\$170,000 (FY24)*
- Section 40: **directs DHS to increase the adult day treatment reimbursement rates by 50% over the June 30, 2023, rates.** Effective January 1, 2024, or upon federal approval, whichever is later; *\$943,000 (FY24-25); \$1.4 million (FY26-27)*
- Section 41: requires DHS to update the behavioral health fund room and board rate schedule to include specified children's residential facility services; requires rates to be commensurate with current room and board rates for adolescent SUD treatment programs. Effective July 1, 2023

Article 10 – Economic Assistance

Spreadsheet

- Line 285: MFIP six month eligibility; current income benefit determination for MFIP and GA; MFIP sanction reform and repeal of DWP; *\$4.7 million (FY24-25); \$98.6 million (FY26-27)*
- Line 156: **General Assistance (GA) benefit increase and program modification.** *\$16.7 million (FY24-25); \$46.9 million (FY26-27)*
- Sections 1-3, 5-17, 39-40, 43, 53-54, 62-68, 93-94, 97: **phases out Diversionary Work Program (DWP); effective March 1, 2026**
- Section 18: increases the GA standard for single adults to be equal to the cash portion of MFIP transitional standard
- Sections 19, 47, 95-96: modifies drug testing requirements for individuals receiving MFIP and SNAP
 - **Requires counties to provide information about SUD treatment programs to individuals who test positive for illegal drugs**
- Section 20: aligns GA timelines for eligibility determinations with MFIP and other cash benefits
- Section 21: increases the time a GA recipient can apply for disability benefits
- Section 22: changes the representative payee fee for recipients of Minnesota supplemental aid from 10% of a recipient's gross income or \$25 to the maximum monthly amount allowed by the Social Security Administration; *\$720,000 (FY24-25); \$1.1 million (FY26-27)*
- Section 24: directs DHS to implement a SNAP outreach program to inform low-income households about SNAP; *\$2 million (FY24-25); \$1 million (FY26-27)*
- Section 26: establishes an American Indian food sovereignty funding program to improve access and equity to food security programs within Tribal and American Indian communities; *\$6 million (FY24-25); \$4 million (FY26-27)*
- Section 28: expands Family Assets for Independence Initiative (FAIM) to nonprofits and Tribal nations; *\$3 million (FY24-25)*



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- Section 33: **changes the definition of countable income to 30% of a recipient's unearned income, after allowable exclusions and disregards, for recipients who live in a housing support community-based setting; \$4.8 million (FY24-25); \$13.3 million (FY26-27)**
- Sections 34, 37: aligns housing supports prospective budgeting with other cash assistance programs
- Section 35: modifies requirements for housing support income reporting to align with other cash assistance programs
- Section 36: **directs an agency to terminate housing supports benefits when the assistance unit fails to submit household report form before the end of the month.** If the unit submits the report form within 30 days of termination and remains eligible, benefits must be reinstated and made available retroactively
- Sections 45-46, 48: **modifies MFIP monthly income test to be set at a six-month reporting period (prospective budgeting)**
- Section 50: requires DHS to adjust the MFIP housing assistance payment for inflation based on the consumer price index for the prior calendar year; *\$2.4 million (FY24-25); \$4.6 million (FY26-27)*
- **Section 55: removes the requirement that a participant must be in compliance in the participant's 60th counted month in order to be eligible for a hardship extension**
- Section 56: **removes the requirement that a participant must be in compliance for at least 10 out of the 12 months the participant received MFIP benefits in order to be eligible for a hardship extension.** Modifies the sanction for failing to meet the requirements with case closure rather than permanent disqualification
- Section 57: removes the requirement that a participant receiving extended MFIP assistance is subject to the MFIP policies that apply to participants during the first 60 months of receiving MFIP benefits
- Section 58: updates “disqualification” language to “closed cases” and removes hardship extension language for MFIP assistance units
- Sections 59-61: Address noncompliance and sanctions relative to MFIP participants. Paragraph (f) allows an assistance unit whose case is closed to reapply for MFIP on a form prescribed by the commissioner and **prohibits a county agency from starting a new certification period for a participant who submitted a reapplication within 30 calendar days from case closure**
- Sections 69, 72-73, 76, 81: defines “census income” in the chapter of statutes governing economic assistance program eligibility verification. Exempts census income from the CCAP asset limit. Excludes census income when determining the equity value of personal property
- Sections 70, 74: defines “lived-experience engagement” in the chapter of statutes governing economic assistance program eligibility and verification. Excludes income received from lived experience engagement when determining the equity value of personal property for economic assistance programs
- Sections 75, 80: excludes income received from lived-experience engagement and family asset bank accounts and individual development accounts under FAIM from determination of the equity value of personal property for economic assistance program eligibility
- Section 77: **modifies unearned income included in economic assistance program calculations** and eliminates Tribal per capita payments and nonrecurring income from countable income when determining eligibility for economic assistance programs; *\$271,000 (FY24-25); \$382,000 (FY26-27)*
- Section 79: **modifies income exclusions in economic assistance income calculations**



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- Section 82: **exempts supplemental security income participants from income reporting under cash assistance statutes**
- Sections 84-90: **make reporting and eligibility requirement changes for cash assistance programs, including exclusion of RSDI income for income determinations; \$3.4 million (FY24-25); \$9.2 million (FY26-27)**
- Section 91: **outlines parameters for prospective budgeting of cash assistance benefits**
- Section 92: **outlines six-month reporting requirements across cash assistance programs**

Article 11 - Housing and Homelessness

- Section 2: **modifies housing stabilization services to include housing transition costs; \$3.5 million (FY24-25); \$6 million (FY26-27)**
- Section 3: **establishes presumptive eligibility for housing support for persons; \$2.4 million (FY24-25); \$3.5 million (FY26-27)**
- Section 4: **adds Carver, Scott and Washington Counties to “Metro Housing Demo” without additional funding**
- Sections 5-6: **modifies supplementary service rates for services necessary to provide room and board; \$1.9 million (FY24-25); \$2.4 million (FY26-27)**
- Section 7: **modifies the Homeless Youth Act street and community outreach and drop-in eligibility by adding specialized services for youth at risk of discrimination based on sexual orientation or gender identity**
- Section 8: **modifies provider repair or improvement grants under the Homeless Youth Act by increasing the maximum grant amount and removing a prohibition on a grantee receiving grant funds for two consecutive years**
- Section 9: **permits Homeless Youth Act grants to be carried forward over the course of their two-year grant**
- Section 10: **DHS will establish a Safe Harbor Shelter and Housing Program for street and community outreach, an emergency shelter program and a supportive housing program for youth 24 and younger; \$4.3 million (FY24-25); \$2.5 million (FY26-27)**
- Section 12: **requires DHS to consult with stakeholders, including counties, to analyze housing support, supplementary service rates, and recommend an equitable, person-centered rate-setting methodology by January 15, 2026.**
- Section 13: **establishes a homeless youth cash stipend pilot project to provide a direct cash stipend to homeless youth in Hennepin and St. Louis Counties; \$5.4 million (FY24)**
- Section 14: **develops emergency shelter facility grants; \$100 million (FY24)**



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Article 12 – Children and Families

- Sections 1-6, 13-17; 19-20, 22, 27, 28-31, 35: **creates the Department of Children, Youth, and Families**, allows for rulemaking, directs transfers from the Departments of Human Services, Education, and Public Safety, and makes other conforming changes
- Section 16: **State and County Systems**
 - Subd. 1. Establishment of systems. Directs the commissioner to establish and enhance computer systems needed for the operation of the programs administered by the department. Outlines how costs incurred for developing, maintaining, and operating needed computer systems may be distributed. Allows the commissioner to enter into contractual agreements with Indian Tribes with reservations in the state to participate in state-operated computer systems related to administration of specified programs.
 - Subd. 2. State systems account created. Creates a state systems account for the department in the state treasury. Provides that money collected for the programs in subdivision 1 must be deposited in the account, and money in the account and any federal matching money are appropriated to the commissioner for the purposes of this section. This section is effective July 1, 2024
 - Appropriations related to new agency:
 - *\$2 million (FY24) to DHS*
 - *\$16.3 million (FY24-25); \$2.2 million (FY26-27) to MN Management and Budget*
 - *\$4.3 million (FY24-25); \$7 million (FY26-27) for Department of Children, Youth and Families*
- Section 7: expands the definition of “applicant” to include foster care families, relative custodians, and successor custodians or guardians in order for those persons to be eligible to receive child care assistance; *\$11.8 million (FY24-25); \$58.3 million (FY26-27)*
- Section 8: expands the definition of “child care” to include foster care families, relative custodians, and successor custodians or guardians in order for those persons to be eligible to receive child care assistance
- Section 9: expands the definition of “family” to include foster care families, relative custodians, and successor custodians or guardians, and their spouses, in order for those persons to be eligible to receive child care assistance
- Section 10: **reprioritizes funding priorities for the basic sliding fee program**; *\$7.8 million (FY24-25); \$17.4 million (FY26-27)*
- Section 11: **increases the maximum rate paid for child care assistance to be the greater of the 75th percentile of the 2021 child care provider rate survey or the rates in effect at the time of the update**; *\$146.4 million (FY24-25); \$277 million (FY26-27)*.
- Section 12: establishes the family, friend, and neighbor grant program to promote children’s social emotional learning and health development, early literacy, and other skills; *\$3 million (FY24-25); \$5 million (FY26-27)*
- Section 18: establishes the community solutions for healthy child development grant program in the department of health to improve child development outcomes, reduce racial disparities, and promote racial and geographic equity. Directs MDH to appoint members to a Community Solutions Advisory Council by July 1, 2023, and must convene the first meeting by September 15, 2023; *\$6 million (FY24-25); \$5.3 million (FY26-27)*



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- Section 21: establishes a diaper distribution grant program for eligible applicants to provide diapers to under-resourced families statewide; *\$1.1 million per biennium; ongoing*
- Section 24: **directs DHS to allocate additional basic sliding fee child care money for 2025 to counties and Tribes to account for the change in the definition of “family”**
- Section 25: directs DHS to develop a cost estimation model for early care and learning programs and requires the commissioner to consult with relevant stakeholders. Requires the commissioner to contract with an organization that has experience in developing these models and requires that a report be submitted to the legislature by January 30, 2025, on the development of the model
- Section 26: **directs DHS to allocate additional basic sliding fee child care money for 2024 to counties for the updated maximum rates**
- Section 32: **modernizing information technology for programs impacting children and families.** Directs the commissioner of information technology to develop and implement, to the extent of funding available in the children and families information technology account, a plan to transform and modernize the IT systems that support programs impacting children and families. Allows the commissioner to contract for the work; *\$20 million (FY24)*
- Section 33: establishes the prepared meals grant program to provide hunger relief to Minnesotans experiencing food insecurity and who have difficulty preparing meals due to limited mobility, disability, age, or limited resources to prepare their own meal; *\$3.5 million (FY24-25)*
- Section 34: directs DHS to collaborate with commissioner of education and Children’s Cabinet to administer Great Start Scholarships until the department of children, youth and families is operational

Article 13 – Child Care Workforce

- Spreadsheet Line 940: implement continuous licensing process for family child care providers; *\$708,000 (FY24)*
- Section 1: **implement a centralized provider registration for CCAP providers; \$330,000 (FY24-25); \$110,000 (FY26-27)**
- Section 2: allows MFIP child-only families to receive MFIP child care assistance for up to 20 hours per week for children ages six and under, as recommended by a parent’s treating mental health professional if the primary caregiver has a mental illness diagnosis; *\$1.5 million (FY24-25); \$4.8 million (FY26-27)*
- Section 3: **provides that the commissioner, and not a county agency, must authorize child care providers to receive CCAP payments. Strikes CCAP reauthorization requirements for LNL providers from the subdivision**
- Section 4: **specifies background study requirements for legal, non-licensed providers (LNL) and provides that the commissioner, not a county agency, is required to perform background studies on LNL providers.** This section is effective April 28, 2025
- Section 5: **requires child care providers to submit required background study information to the commissioner rather than to a county agency.** Modifies the circumstances under which an LNL provider cannot be authorized to receive CCAP payments. This section is effective April 28, 2025
- Section 6: **provides that the commissioner, rather than a county agency, administers authorization of LNL providers to receive CCAP payments.** This section is effective April 28, 2025



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- Sections 7, 8: **provides that the commissioner, rather than a county agency, may deny or rescind a provider's authorization to receive CCAP payments when a county or the commissioner determines a provider's care is unsafe for a child.** Directs the commissioner to introduce statewide criteria for unsafe care. This section is effective April 28, 2025
- Section 9: **modifies the actions a county agency or the commissioner may take when there is reason to believe that a child care provider has not complied with CCAP record-keeping requirements.** This section is effective April 28, 2025
- Section 10: **provides that either the commissioner or a county agency may periodically audit child care providers to determine compliance with attendance record-keeping requirements.** This section is effective April 28, 2025
- Section 11: clarifies that child care providers receiving CCAP payments are not prohibited from providing discounts, scholarships, or other financial assistance to any clients
- Section 12: **makes conforming changes related to the commissioner, rather than county agencies, administering CCAP authorization for child care providers.** This section is effective April 28, 2025
- Section 13: **makes technical changes related to the department's or a county agency's notification to a provider regarding action taken against the provider.** This section is effective April 28, 2025
- Section 15: **provides that the commissioner, and not a county agency, must mail written notice to a child care provider regarding the right to an administrative review under specified circumstances.** This section is effective April 28, 2025
- Section 16: **provides that the commissioner, and not a county agency, has a role in determining whether to pursue specified action against a provider.** This section is effective April 28, 2025
- Section 17: allows a child care provider to ask DHS to reconsider the contents of a correction order that the provider alleges to be in error. Provides that the request for reconsideration does not stay any provisions or requirements of the correction order and makes the commissioner's decision on a request for reconsideration final and not subject to appeal under chapter 14
- Section 18: **directs child care resource and referral programs to administer the child care one-stop regional assistance network for child care providers**
- Section 19: establishes the early childhood registered apprenticeship grant program to provide employment-based training and mentoring opportunities for early childhood workers; *\$3.2 million (FY24-25); \$2 million (FY26-27)*
- Section 20: directs DHS to establish a Great Start compensation support program to provide payments to eligible child care programs. Identifies the following programs as eligible for payments: licensed family and group family child care providers; licensed child care centers; certified, license-exempt child care centers; Tribally licensed programs; and other programs determined by the commissioner; *\$316 million (FY24-25); \$260 million (FY26-27)*
- Section 21: establishes a grant program to distribute money for the planning, establishment, expansion, improvement, or operation of shared services to allow family child care providers to achieve economies of scale
- Section 22: establishes a grant program for child care providers to access technology intended to improve the providers' business practices
- Section 23: **provides that the department, and not a local agency, can pursue an administrative disqualification of a child care provider receiving CCAP payments.** This section is effective April 28, 2025



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- Section 24: **provides that a county or Tribal agency may recommend that the commissioner take specified actions rather than the county or Tribal agency taking the actions.** Effective April 28, 2025
- Section 25: directs DHS to develop a child care and early education professional wage scale; *\$1 million (FY24-25)*
- Section 26: directs the commissioner of human services to continue providing child care stabilization grants through December 31, 2023; *\$42.5 million (FY24)*

Article 14 – Child Support, Safety, and Permanency

- Line 301: **Family First Prevention Services Act implementation and administrative funding;** *\$25 million (FY24-25); \$26.6 million (FY26-27)*
 - Kinship navigator services; *\$1.5 million (FY24-25); \$1 million (FY26-27)*
 - Family assessment response; *\$10.1 million (FY25-25); \$12 million (FY26-27)*
 - Evidence-based practices grants; *\$8.4 million (FY24-25); \$8.2 million (FY26-27)*
- Line 427: Child support enforcement modifications and federal compliance; *\$486,000 (FY24-25); \$220,000 (FY26-27)*
- Section 1: establishes a quality parenting initiative grant program to implement quality parenting initiative principles and practices to support children and families experiencing foster care placements; *\$200,000 per biennium; ongoing*
- Section 2: requires the commissioner to establish a grant program to support prevention and early intervention services provided by community-based agencies, **as part of efforts to implement and build upon Minnesota's Family First Prevention Services Act Title IV-E Prevention Services plan.** Lists allowable uses of grant funds and specifies that appropriated funds must be transferred to a special revenue account
- Section 3: **establishes a grant program for kinship navigator services** as outlined by the federal Family First Prevention Services Act
- Section 4: modifies effective dates for Northstar Care for Children rates for initial assessments (effective based on emergency foster care rate), special assessments (effective the date of finalized permanency decree or transfer), and post-permanency assessments (effective when commissioner signs amendment to Northstar adoption or kinship agreement)
- Section 5: **requires DHS to allocate money to counties and Tribes to provide prevention and early intervention services to help children remain at home**
- Sections 6, 8, 10-23: implement an enhanced child protection response to reports of child sex trafficking by establishing a new non-caregiver sex trafficking assessment track
- Section 7: requires the commissioner to annually allocate \$80,000 to the federally recognized Tribes that have not joined the American Indian Child welfare initiative. Lists eligible Tribes, allowable uses of funds, reporting requirements, and the procedure for redistributing funds if a Tribe becomes an initiative Tribe; *\$1.6 million per biennium; ongoing.*
- Section 8: amends the definition of “egregious harm” by making technical and clarifying changes and adding sex trafficking to conduct that constitutes egregious harm
- Section 9: **requires the agency to provide aftercare services for six months following a child’s discharge from a qualified residential treatment program**



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- Section 13: modifies child protection policy statement by adding clause on the provision of protective, family support, and family preservation services
- Section 14: adds representatives of agencies providing specialized services or responding to youth who experience or are at risk of experiencing sex trafficking or sexual exploitation, to the multidisciplinary child protection team
- Section 15: defines “noncaregiver sex trafficker”
- Section 16: defines “noncaregiver sex trafficking assessment,” and **specifies when the local welfare agency must perform such an assessment.** Effective July 1, 2024
- Section 17: modifies definition of “substantial child endangerment” by adding sex trafficking and making clarifying changes
- Section 19: makes clarifying changes; **adds a report alleging child sex trafficking to circumstances under which agencies must coordinate responses**
- Section 20: adds noncaregiver sex trafficking assessment to the local welfare agency responses. **Requires the local welfare agency to conduct a noncaregiver sex trafficking assessment when a maltreatment report alleges sex trafficking by a noncaregiver; requires an immediate investigation if there is reason to believe a caregiver, parent, or household member is engaged in child sex trafficking or other conduct warranting an investigation; \$102,000 (FY24-25); \$34,000 (FY26-27) for SSIS updates**
- Section 21: makes clarifying change; adds noncaregiver sex trafficking assessment to Tribal notice section. Effective July 1, 2024
- Section 22: makes clarifying changes; exempts noncaregiver sex trafficking assessments from requirements regarding face-to-face contact, informing or interviewing the alleged offender, and the alleged offender’s opportunity to make a statement. Effective July 1, 2024
- Section 23: makes clarifying changes; exempts noncaregiver sex trafficking assessments from requirements regarding face-to-face contact, informing or interviewing the alleged offender, and the alleged offender’s opportunity to make a statement. Effective July 1, 2024
- Section 24: adds noncaregiver sex trafficking assessment to subdivision regarding notification of a parent or guardian at the conclusion of an assessment. Effective July 1, 2024
- Section 25: specifies that administrative reconsideration does not apply to a noncaregiver sex trafficking assessment. Effective July 1, 2024
- Section 26: adds noncaregiver sex trafficking assessment cases to data retention requirements. Effective July 1, 2024
- Section 27: specifies that upon a motion to modify child support, any regular or lump sum payment of Social Security or apportioned veterans' benefit received by an obligee for the benefit of the joint child under certain circumstances may be used to satisfy arrears that remain due for the period for which the benefit was received. Specifies that this paragraph applies only if the benefit was not considered in the guidelines calculation of the previous child support order. Effective January 1, 2025
- Section 28: provides that a parent is not considered voluntarily unemployed, underemployed, or employed on a less than full-time basis when a governmental agency determines the individual is eligible to receive GA or supplemental Social Security Income. Provides income earned by the parent may be considered for calculating child support



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- Section 29: provides that if a parent is a recipient of MFIP benefits, and not just Temporary Assistance to Needy Families (TANF) benefits, no potential income is to be imputed to that parent
- Section 30: prohibits benefits received by an obligee for the benefit of the joint child based on the obligor's disability or past earnings in excess of the child support obligation from being treated as an arrearage payment or future payment
- Section 31: modifies medical support within child support obligations
- Section 32: specifies that if Social Security or apportioned veterans' benefits are received by the obligee as a representative payee for a joint child or are received by the child attending school, based on the other parent's eligibility, the court shall subtract the amount of benefits from the obligor's parental income for determining child support (PICS) before subtracting the self-support reserve. Effective January 1, 2025
- Section 33: adds exception to ability to pay requirements if a parent is a recipient of a GA grant, TANF, or MFIP benefits. Effective January 1, 2025
- Section 34: removes two income-related factors allowing the court to deviate from the presumptive support obligation in a modification of child support, so that the court may do so when the only change in circumstances is an increase to the custodial parent's income and the basic support increases. Effective the day following final enactment
- Section 35: modifies provisions related to driver's license suspension for child support enforcement. **Makes driver's license suspension order discretionary, rather than mandatory; lists circumstances and factors for the court to consider when determining whether driver's license suspension is an appropriate remedy for nonpayment of child support**
- Section 37: direction to commissioner of human services; foster care federal cash assistance benefits (SSI/RSDI) preservation. Requires the commissioner to develop a plan to preserve and make available the income and resources attributable to a child in foster care to meet the best interests of the child; *\$340,000 (FY24)*
 - required recommendations to include:
 - policies for youth and caregiver access to preserved federal cash assistance benefit payments;
 - representative payees for children in voluntary foster care for treatment; and
 - family preservation and reunification
 - Lists individuals, agencies, organizations, and other entities with which the commissioner must engage when developing the plan
 - **Requires each county to provide specified data for fiscal years 2018 and 2021 to the commissioner, in a form prescribed by the commissioner**
 - **Requires counties to provide other specified data from fiscal years 2018 and 2021 to the commissioner by December 15, 2023**
 - Requires the commissioner to submit a report to the legislature by January 15, 2025, outlining the plan developed under this section; specifies what the report must include
 - **Allows the commissioner to contract with an individual or entity to collect and analyze financial data reported by counties**



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- **Section 38: directs DHS to contract with an independent consultant to perform a thorough evaluation of the social services information system (SSIS), and specifies recommendations the consultant must make. Also requires the consultant to assist the commissioner with selecting a platform for future development of an information technology system for child protection. Additionally requires the commissioner to conduct a study and develop recommendations for improving SSIS data entry requirements for child protection cases, and requires a status report to the legislature by June 30, 2024**
- **Section 39: directs DHS to communicate to all hospitals and children’s residential facilities on the 2023 child maltreatment intake screening and response path guidelines**
- **Section 40: directs DHS to develop and survey county social service agencies to gather the following data for 2018-22:**
 - aggregate number of children placed in a children’s residential facility located out of state; and
 - total cost for these placements, including county, state, and federal contributions. Survey responses are due January 31, 2024, with a DHS release of survey responses by March 1, 2024.
- **Section 41: establishes direct grants to local social service agencies, Tribes, and other organizations to provide independent living services to eligible foster youth**
- **Section 42: establishes community resource centers grants to provide culturally responsive, relationship-based service navigation and supports for expecting and parenting families; \$7.1 million (FY24)**

Article 15 – Miscellaneous

- **Section 1: clarifying policy language to indicate client is not responsible for payment of cost of care at Anoka Metropolitan Regional Treatment Center (AMRTC)**
- **Section 9: directs DHS to allocate funds from the child care and development block grant for BSF program reprioritization; child care one stop shop network; child care provider access to technology grants; shared services grants; and the BSF program; \$30 million (FY24-25); \$16 million (FY26-27)**
- **Section 10: requires DHS to expend amounts appropriated on specific information technology outcomes, including transforming service delivery, integrated services for children and families, modernizing the Medicaid Management Information System, provider licensing and reporting hub, and improving the Minnesota Eligibility Technology System (METS)**
 - Line 449 of spreadsheet; \$31.7 million (FY24-25); IT integrated services for children and families;
- **Section 11: directs commissioner overseeing programs receiving more than \$750,000 per year to consult with the commissioner of management and budget for evaluation metrics that includes program outcomes, evaluation metrics or requirements, progress indicators, or other related measurements**



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Article 16 – Health Care Affordability and Delivery

- Section 1: **creates a health subcabinet of human services, commerce, health, management and budget and MNsure to coordinate efforts to reform health care delivery and ensure affordability of health care coverage**
- Section 3: directs MDH to develop recommendations for strategies to reduce the volume and growth of administrative spending by health care organizations and group purchasers, and the magnitude of low-value care
- Section 4: directs MDH to develop a plan to assess readiness of rural communities and health care providers to adopt value-based global budgeting or alternative payment systems
- Section 5: **creates a Center for Health Care Affordability in MDH to conduct research on the drivers of health care spending and consider the sustainability of health care spending growth and identify reforms to increase health care affordability.** This center will also analyze data submitted by 340B-covered entities, which will begin reporting on April 1, 2024; *\$6.7 million (FY24-25); \$7.9 million (FY26-27)*
- Section 6: requires health carriers offering individual plans through MNsure to provide a special enrollment period as required under the new easy enrollment health insurance outreach program
- Section 7: requires the Board of Directors of MNsure to, in cooperation with the commissioner of revenue, **establish the easy enrollment health insurance outreach program.** Under the program, MNsure may make a projected assessment on whether the interested taxpayer’s household may qualify for a financial assistance program for health insurance coverage, based on return information received from the commissioner of revenue. Eligible taxpayers may enroll during a special enrollment period required under this section; *\$737,000 (FY24-25); \$788,000 (FY26-27)*
- Section 9: **by January 15, 2026, DHS shall develop an implementation plan for a direct payment system for MA and MinnesotaCare, under which eligible individuals may receive services through the MA fee-for service system, county-based purchasing plans, or county-owned HMOs. In developing the implementation plan, DHS must consider allowing for managed care opt-out as an alternative approach;** *\$1.3 million (FY24-25); \$1.5 million (FY26)*
- Section 10: requires DHS to regularly update contact information for MA and MinnesotaCare enrollees in **cases of returned mail and nonresponse using information available from other sources. Prohibits the commissioner from disenrolling MA and MinnesotaCare enrollees in cases of returned mail unless the commissioner made two attempts to contact the enrollee and waited at least 30 days for an enrollee to respond**
- Section 11: **provides for continuous eligibility for children under 21 years of age for certain lengths of time depending on the child’s age. Also provides for when this eligibility may be terminated. Effective January 1, 2024, or upon any necessary federal approval, whichever is later;** *\$24.6 million (FY24-25); \$83.5 million (FY26-27)*
- Section 13: **effective January 1, 2024, the MA benefit plan must not include cost-sharing or deductibles for any MA recipient or benefit. Applies to all MA benefit plans offered, issued, or renewed on or after that date;** *\$9.2 million (FY24-25); \$13.4 million (FY26-27)*
- Section 15: allows undocumented noncitizens to be eligible for MinnesotaCare. Effective January 1, 2025; *\$8.1 million (FY24-25); \$101.1 million (FY26-27)*
- Section 17: provides that any individual filing an income tax return may designate a request that the commissioner of revenue provide their return information to the MNsure board for purposes of



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providing the individual about potential eligibility for financial assistance and health insurance enrollment options

- Section 18: MNsure board and commissioner of the department of revenue to develop systems and procedures that facilitate and streamline data sharing, projected eligibility assessments, and notice to taxpayers to achieve the purpose of the easy enrollment health insurance outreach program for operation beginning with tax year 2023
- Section 19: **directs MDH to contract for a cost benefit analysis of a legislative proposal for a universal health care financing system and an analysis to compare that with our current system**
- Sections 20-21: **direct DHS to contract to perform and certify actuarial and economic analyses of different public option models.** Report due by February 1, 2024; \$2.4 million (FY24-25); \$580,000 (FY26)
- Section 22: **authorizes the department of commerce to perform necessary steps to submit a 1332 waiver, including submitting the waiver application, if the legislature does not enact a public option by June 1, 2024.** *Contingent appropriation for health care administration for implementation of Minnesota public option health care plan; \$22 million (FY25). Also provides \$17,000 (FY24-25); \$5.2 million (FY26-27) to department of commerce for this work*

Article 17 – Human Services Policy

- Section 1: modifies MNsure navigator background study requirements related to the board's duties to evaluate disqualification notifications from DHS; makes clarifying changes
- Section 5: directs DHS to establish a mental health certified peer specialist program for the purpose of training mental health certified peer specialists who provide services to support individuals with lived experience of mental illness
- Section 6: directs DHS to establish a mental health certified peer family specialist program for the purpose of training mental health certified peer family specialists who provide services to support individuals with lived experience of mental illness
- Section 7: establishes the projects for assistance in transition from homelessness program, to prevent or end homelessness for people with serious mental illness or co-occurring substance use disorder, and meet the commissioner's housing mission statement goals. Immediate effective date
- Section 8: **establishes the housing with support for adults with serious mental illness program, to prevent or end homelessness for people with serious mental illness, increase availability of housing with support, and meet the commissioner's housing mission statement goals.** Immediate effective date
- Section 13: requires that license holders document the first date that a background study subject has direct contact with a person served by the license holder's program and either maintain documentation of the first contact in personnel files or provide the documentation to the commissioner upon request. Exempts family child care, family foster care for children, and family adult day services from the requirement. Effective January 1, 2024
- Section 18: **removes language related to family child care background studies performed by county or private agencies; removes obsolete language about background study requirements.** Immediate effective date
- Section 36: **adds program evaluation criteria to current home and community-based services transition grants, including:**



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- **expediting discharges for individuals who no longer need hospital level of care**
- individuals obtaining and retaining housing, including successfully returning to live with support in their home
- **individuals maintaining community living by diverting admission to Anoka Metro Regional Treatment Center and Forensic Mental Health Program**
- reducing recidivism rates of individuals returning to state institutions; and
- individuals' ability to live in the least restrictive community setting.
- Effective the day following final enactment.
- **Section 59: an agency must offer, in person or by mail, economic assistance application forms prescribed by the commissioner as soon as a person makes a written or oral inquiry about assistance. Applications must be received by the agency as a signed written application, an application submitted by telephone, or an application submitted through Internet telepresence. When a person submits an application by telephone or through Internet telepresence, the agency must receive a signed written application within 30 days of the date that the person submitted the application by telephone or through Internet telepresence**

Article 18 – Certified Community Behavioral Health Clinics

- Spreadsheet Line 1278: *\$30.8 million in savings (FY24-25); \$8.9 million in savings (FY26) found through participation in federal demonstration project*
- Sections 1-21: creates a certified community behavioral health clinic (CCBHC) model of integrated payment and mental health service delivery
- Section 5: **exempts CCBHCs from the host county approval requirements**
- Section 22: directs the commissioner to transition certain mental health services from certification under Minnesota Statutes, chapters 245 and 256B, to licensure under Minnesota Statutes, chapter 245A, on or before January 1, 2026

Article 19 – Forecast Adjustments

Article 20 – Appropriations



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Spreadsheet:

- Line 164: additional funding for DHS licensing activities; *\$6.8 million (FY24-25); \$11.7 million (FY26-27)*
- Line 175: additional Funding for Emergency Services Program (homelessness); *\$30 million (FY24-25); \$55 million (FY26-27)*
- Line 181: additional Funding for Transitional Housing Program; *\$6 million (FY24-25); \$6 million (FY26-27)*
- Line 187; additional Funding for Homeless Youth Act; *\$30.3 million (FY24-25); \$30.3 million (FY26-27)*
- Line 211: *Information Technology Projects for Service Delivery Transformation*; *\$41.05 million (FY24-25); \$6.9 million (FY26-27)*
- Line 223: additional funding for BSF child care assistance; *\$30 million (FY24-25); \$30 million (FY26-27)*; see Article 12
- Line 241: child care workforce development grants; *\$1.3 million (FY25); \$2.6 million (FY26-27)*
- Line 248: child care provider support grant program; *\$4.5 million (FY24-25); \$7.4 million (FY26-27)*
- Line 313: funding for Mille Lacs Band of Ojibwe to join child welfare initiative; *\$8.8 million (FY24-25); \$15.9 million (FY26-27)*
- Line 319: additional funding for additional tribes in the Indian Child Welfare Initiative; *\$17.2 million per biennium; ongoing*
- Line 337: additional funding for Minnesota Food Shelf Program; *\$6 million per biennium; ongoing*
- Line 343: capital projects for food shelf and Tribal nation food program facilities; *\$7 million (FY24)*
- Line 361: STAY in community grants; *\$3.8 million (FY24-25)*
- Line 387: children and families staff for adolescent services; *\$1 million per biennium; ongoing*
- **Line 402: full funding for The Work Number**; *\$4.9 million (FY24-25); \$4.4 million (FY26-27)*
- Line 487: additional staffing for American Indian Wellbeing Unit; *\$2.2 million per biennium; ongoing*
- Line 492: additional funding for Indian Child Welfare Grants; *\$9.2 million (FY24-25); \$9.7 million (FY26-27)*
- Line 516: online behavioral health program locator; *\$1.3 million per biennium; ongoing*
- Line 521: additional funding for school-linked behavioral grants; *\$14.1 million (FY24-25); \$9 million (FY26-27)*
- Line 549: expand access to First Episode Psychosis teams; *\$2.7 million per biennium; ongoing*
- Line 558: **additional funding for mobile crisis grants**; *\$18 million (FY24-25)*
- Line 565: **establish funding for Tribal mobile crisis teams**; *\$2 million per biennium; ongoing*
- Line 569: additional funding for infant and early childhood mental health consultation; *\$2.4 million per biennium; ongoing*
- Line 595: Additional funding for projects for assistance in transition from homelessness grants; *\$10 million per biennium; ongoing*
- Line 620: additional funding for mental health provider supervision grants; *\$3.2 million per biennium; ongoing*
- Line 656: **funding for homeless management information system**; *\$850,000 (FY24-25); \$1.6 million (FY26-27)*
- Line 698: improve applicant and enrollee experience for MA and MinnesotaCare; *\$4 million (FY24)*



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- Line 738: **improve METS functionality**; \$30 million (FY24-25); \$966,000 (FY26-27)
- Line 745: transition to standard MA and MinnesotaCare eligibility functions (transition to normal eligibility from COVID-19 practices); \$68.8 million (FY24-25)
- Line 768: **reinstate comprehensive adult dental benefit set and rebase dental rates**; \$30 million (FY24-25); \$47.7 million (FY26-27)
- Line 798: **modifications to behavioral health licensing requirement (mobile crisis, CCBHC, CTSS, ARMHS)**; \$2.8 million (FY24-25); \$4.9 million (FY26-27)
- Line 816: Grant to Indian Health Board of Minneapolis for enrollment assistance, improved access to care and COVID-19 vaccinations; \$7.6 million (FY24-25)
- Line 869: **Medicaid Management Information System (MMIS) modernization**; \$10.6 million (FY24)
- Line 915: additional funding for background studies operations; \$3 million (FY24-25); \$4 million (FY26-27)
- Line 927: grant to establish Tribal Nation fraud prevention activities and Tribal liaison at Office of Inspector General within DHS; \$608,000 (FY24-25); \$224,000 (FY26-27)
- Line 977: **MnSURE technology modernization**; \$3.2 million (FY24-25); \$1 million (FY26-27)
- Line 1050: **Grant to Center for Rural Behavioral Health (MSU Mankato)**; \$1.6 million (FY24-25)
- Line 1068: Additional funding for Community Action Grants; \$5.4 million (FY24-25)
- Line 1126: Grant to African American Child Wellness Institute; \$2 million (FY24)
- Line 1200: Heading Home Ramsey; \$11.4 million (FY24)
- Line 1206: Catholic Charities Homeless Elders program; \$1.5 million (FY24-25)
- Line 1230: Hennepin County grant for homelessness; \$11.4 million (FY24)
- Line 1251: REETAIN grant funding; \$4.3 million (FY24-25); \$1.8 million (FY26-27)
- Line 1961: Ombudsperson for Families; \$47,000 (FY24-25); \$64,000 (FY26-27)
- Line 1965: Ombudsperson for American Indian Families; \$296,000 (FY24-25); \$300,000 (FY26-27)
- Line 1971: Ombudsperson for Foster Youth; \$149,000 (FY24-25); \$66,000 (FY26-27)