

## Human services: Major investments and transformations

Minnesota made substantial, significant progress in 2023 to improve the human services programs that serve more than 1.5 million state residents. New investments and policy changes will help transform programs and services for the next generation. The state will take important steps forward to strengthen the child care industry, support the well-being of all Minnesota children, stabilize working families, and address deep poverty and homelessness. Equitable access to behavioral health care services will improve, along with access to health care insurance coverage, particularly for Minnesota children.

Meanwhile, the Minnesota Department of Human Services will undergo big changes in the coming years with the creation of two new state agencies. The Minnesota Department of Children, Youth and Families will bring together programs from several state agencies, including most programs now in DHS' Children and Family Services Administration, plus some from the DHS Office of Inspector General. And in 2025, Direct Care and Treatment, the behavioral health care system now operated by DHS, will become its own state agency.

### Child care: Improving access, support for providers, worker compensation

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**Improving access to child care assistance.** Maximum rates for the Child Care Assistance Program will go up on Oct. 30, 2023, with yearly adjustments to reflect the market. Higher rates improve access to child care by supporting providers who serve families using child care assistance. New spending on the Basic Sliding Fee program will give about 500 more families with 1,000 children access to child care assistance, and other changes to Basic Sliding Fee will help families get child care more quickly.

**Expanding access to foster parents and relative caregivers.** About 1,300 families, including approximately 2,600 children, will become eligible for child care assistance in August 2024.

**Supporting better compensation for child care workers.** Minnesota will start one of the country's first state programs directly supporting higher pay for early childhood educators. Great Start Compensation Support Payments will help address severely low wages in the child care industry.

**Supporting child care centers and providers.** New resources will support child care businesses, including an assistance network and grants for family child care providers and technology.

### Child welfare: Supporting the well-being of Minnesota children

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**Keeping children safely with their families.** Continued implementation of the federal Family First Prevention Services Act will include kinship navigator services, evidence-based prevention grants and prevention and early intervention services. A new statewide pool of trained and certified culturally appropriate individuals will help determine the level of care for children who need services.

**Supporting the well-being of American Indian families.** New investments in culturally relevant services include staff to develop collaborative prevention strategies and support compliance with the federal Indian Child Welfare Act and the Minnesota Indian Family Preservation Act. Indian Child Welfare grants to Tribes and urban Indian organizations will triple. The measures aim to reduce the disproportionate overrepresentation of American Indian children in the child welfare system.

**Expanding the American Indian Child Welfare Initiative.** The Mille Lacs Band of Ojibwe will receive support to join the initiative. Resources will go to Tribes in the initiative to ensure adequate funding for child welfare. Funding will also go to Tribes that are not part of the initiative to work with counties on child welfare laws and best practices for American Indian children and families.

**Strengthening protections for Native families.** Changes to the Minnesota Indian Family Preservation Act of 1985 will enhance child welfare protections. The law helps protect Native American children from being separated from their families and cultural traditions. Parts of the law that relied upon federal guidance are now codified, reinforcing Minnesota's commitment to the sovereignty of Tribal Nations and Native American families.

## **Working families: Stabilizing budgets, supporting access to food**

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**Removing barriers to stability for working families.** The Minnesota Family Investment Program will become more family-friendly through budgeting modifications and other changes that will remove barriers and improve participants' economic stability. Reforms to sanctions will reduce severe hardship for parents who currently lose some or all of their family's assistance for not complying with rules.

**Keeping up with rising housing costs.** Cost-of-living adjustments for housing grants in the Minnesota Family Investment Program will help families cover the rising cost of housing and stabilize more quickly. Rental costs have risen as much as 42% since 2013, while the monthly \$110 grant has remained the same.

**Helping families build assets.** More people with lower incomes will be able to open matched savings accounts through the Family Assets for Independence in Minnesota program. The lifetime financial match limit will go up to \$12,000. Tribal nations and nonprofits will reach more diverse participants.

**Improving food security.** More funding for the Minnesota Food Shelf Program will enable community food shelves to serve growing numbers of people. Food shelves will be able to buy diapers, toilet paper and other personal hygiene products.

**Supporting American Indian food security and sovereignty.** A new food sovereignty program will support Tribal Nations and American Indian communities as they eliminate barriers to food access and promote food security. Facility improvements will help expand food shelves and Tribal food distribution facilities across Minnesota.

## **Long-term care services and workforce: Recruiting and retaining workers**

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**Addressing the workforce crisis in home and community-based services for older adults.** Higher rates for home and community-based services will benefit about 40,000 older Minnesotans by helping long-term care providers recruit and retain workers. Higher monthly budgets for people using Consumer-Directed Community Supports will leverage informal networks, augment the direct support workforce and promote choice for participants.

**Strengthening the caregiver workforce for people with disabilities living in their own homes.** Rates will go up for an array of services for people living in their own home or family home. Major rate increases and other changes will improve the personal care assistance program. Hourly limits will rise for paid parents and spouses providing care through Community First Services and Supports and Consumer-Directed Services and Supports.

**Bolstering the workforce for disability services.** Higher rates for waiver services for people with disabilities will ensure that reimbursements better reflect economic conditions. Rates will also increase for intermediate care facilities for people with developmental disabilities and customized living services under disability waivers.

**Raising wages and workforce participation for Minnesotans with disabilities.** The state will support disability employment through capacity-building, more training for case managers and a statewide technical assistance center. MnCHOICES will add employment resources, while the informed choice process for people with disabilities will add planning assistance. Supports for transition-age youth will improve.

## Housing justice: Taking critical steps forward

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**Addressing deep poverty.** Very low-income adults without children who rely on General Assistance will see their monthly benefit go up to as much as \$350, with annual cost-of-living adjustments. The current monthly benefit of \$203 hasn't changed since 1986. People with disabilities will have more time to apply for Social Security disability benefits. Cash assistance programs will reform drug-testing policies.

**Addressing homelessness for adults, youth and families.** Significant funding increases for the Emergency Services Program, Transitional Housing Program, Homeless Youth Act, and Safe Harbor Shelter and Housing will improve supports for Minnesotans facing homelessness. Grants will go to nonprofits and local and Tribal governments for shelter and outreach, transitional housing and other services.

**Advancing independence and housing stability.** Medical Assistance will add a housing transition benefit to its housing stabilization services to cover damage deposits and other costs for people leaving provider-controlled or congregate settings. New staff will expedite eligibility determinations for housing stabilization services. The state will raise rates for services that supplement housing support.

**Supporting people to move out of homelessness.** People who have complex needs and face barriers to housing will get more services from the Projects for Assistance in Transition from Homelessness program, or PATH. Funding will support outreach, case management and more services and supports. Providers will receive more resources to serve more people.

**Improving emergency shelter facilities.** Access to safe shelter will increase across Minnesota. Current shelter capacity is limited, with no access to emergency shelter in some parts of the state and inadequate shelters in other areas.

## Behavioral health care: Strengthening equity and access

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**Addressing disparities in the opioid epidemic.** Grants will go to traditional healing practices, overdose prevention programs, family treatment programs, withdrawal management programs and safe recovery sites. A public awareness campaign and "bad batch" overdose text alert system will help prevent and address substance use disorders. Overdose-reversing medications such as naloxone will be required in schools, housing support

settings, treatment centers and correctional facilities. Harm reduction supplies and technical assistance for culturally specific organizations will target disparities.

**Transforming the opioid treatment system.** A new payment methodology for treatment providers will align with Medicare. A work group with community partners will evaluate the current treatment model and recommend changes and ways to address disparities. The state will plan for a federal waiver to add behavioral health services in prisons and jails, and traditional healing to Medical Assistance.

**Bridging gaps in mental health care.** Room and board payments for children’s residential facilities will cover more children. School-linked behavioral health grants will serve more children, while infant and early childhood mental health consultation will expand to school settings. Policy changes will reduce unnecessary burdens and improve access to care.

**Raising rates for mental health services.** Higher rates for adult day treatment programs and mental health community services will lead to step-down options for more people leaving residential psychiatric settings. Adult day treatment rates will increase by 50%, while rates for many community mental health services will go up 3%, with annual adjustments. Several cost-based services will also get annual adjustments.

**Strengthening Minnesota’s behavioral health workforce.** Grants will help recruit and retain behavioral health professionals offering culturally responsive services to Black, Indigenous and people of color communities. Other grants will help providers add staff in rural and underserved areas. More funding will go to psychiatric residential treatment facilities for start-up costs, workforce needs and specialized services.

## **Health care: Removing barriers, improving equity and access to coverage**

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**Stabilizing health care coverage for children.** Medical Assistance will provide continuous coverage to children up to age 6, and children ages 6 through 20 will receive coverage for one year at a time. More consistent access to health care and less churning on and off the program will help almost 600,000 kids reach their full potential.

**Expanding health care insurance options.** Starting in 2025, MinnesotaCare will be available to undocumented Minnesotans who meet eligibility requirements.

**Ensuring that eligible Minnesotans keep their health insurance.** Resources and policy changes will support efforts to help eligible Minnesotans to renew and keep their Medical Assistance and MinnesotaCare insurance. Navigator organizations will receive more funding to help enrollees, and counties and the White Earth Nation will receive administrative resources to help with the work of renewals. MinnesotaCare premiums will not be required until July 2024. Systems changes will streamline the process.

**Addressing oral health disparities for low-income people.** Comprehensive dental benefits will become available to adults enrolled in Medical Assistance and MinnesotaCare, undoing a 2008 state budget cut.

**Improving health for birthing people and infants.** Higher rates and other changes will recognize the important role of doulas, who help birthing people avoid preterm births, cesarean sections and pain medications. Better access to doulas for 80% of Black pregnant Minnesotans and 90% of Native American pregnant Minnesotans who get their birthing services through Medical Assistance will help address health disparities.

## Agency effectiveness: Sustaining and strengthening services

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**Maintaining current levels of service.** The department's operating budget will increase so that current services to Minnesotans can continue.

**Expanding compliance and continuous improvement.** New investments will support an expansion of continuous improvement, contract compliance, grant oversight and financial operations.

**Updating fees and strengthening operations for background studies.** Updated fees will allow DHS to recover actual costs for completing background studies. Tribal organizations will also get funding. Operational changes will support workforce needs, increase effectiveness and efficiency, and improve customer service.

**Providing critical resources for licensing.** New licensing staff will support home and community-based services, foster care and child care centers, as well as maltreatment investigations. The resources will help meet urgent needs and protect the health and safety of vulnerable adults and children.

## Service delivery: Stabilizing and sustaining IT systems

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**Transforming the delivery of services.** System modernization work will improve IT delivery systems for clients, counties, Tribes and providers, with an emphasis on best practices and program integrity. The department will plan and implement an integrated, person-centered experience for individuals and families to access programs.

**Integrating the delivery of human services for children and families.** New resources will stabilize legacy systems that deliver over \$1.9 billion in benefits, improving the experience of clients who apply for safety-net programs.

**Modernizing the Medicaid Management Information System.** Improvements will help MMIS continue to ensure access to federal health care programs for over 1.4 million Minnesotans and support payments to health care providers and managed care organizations.

**Improving the Minnesota Eligibility Technology System.** Changes will include short-term emergency fixes, ongoing sustainability efforts and recommendations for future improvements. The state will address core functionality issues that result in incorrect determinations that burden the state, counties and Tribes.

**Transforming licensing systems.** A new provider licensing and reporting hub will create a unified licensing experience for all human services licensed programs. New staff will provide technical support, training and communication with licensed programs.

## Direct Care and Treatment: Stabilizing, upgrading, becoming a new agency

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**Establishing a new state agency.** A board of directors and chief executive officer will oversee the new Direct Care and Treatment agency, benefiting operations and patient care. DCT is a highly specialized health care system serving more than 12,000 patients and clients with complex conditions and challenging behaviors.

**Preserving services.** A substantial funding increase will offset rising costs for staff, food, utilities and other necessities at DCT facilities, where costs are up 11% to 33%. DCT will be able to keep operating at current levels.

**Improving patient care and safety with electronic health records.** A new electronic health record system will make comprehensive patient health records quickly accessible, helping clinical staff and community health care providers. Electronic health records also will bring DCT into compliance with state regulations.

**Expanding facilities for civilly committed sex offenders.** The Minnesota Sex Offender Program will add beds and administrative space to Community Preparation Services, a less restrictive treatment environment in St. Peter.

**Evaluating Minnesota's priority admissions law.** A new task force will study and recommend changes to the law that determines when civilly committed individuals in jails must be admitted to DCT treatment programs.