

THE WALZ-FLANAGAN BUDGET



TO MOVE MINNESOTA FORWARD

FY 2022-23 Supplemental Budget Recommendations

Walz-Flanagan 2022 Budget Priorities

- Expanding Economic Opportunity
- Supporting Children and Families
- Protecting Minnesotan's Health and Safety
- Housing and Homelessness

DHS Supplemental Budget Package Summary

	FY22-23 Biennium	FY24-25 Biennium
General Fund (GF)	\$321.9 million	\$1.489 billion
Health Care Access Fund (HCAF)	\$63.8 million	\$110.1 million
Federal Funds (CCDF)	\$75.3 million	
Temporary Assistance for Needy Families (TANF) Fund	\$26.5 million	\$140 million
Opioid Epidemic Response Account	\$539 thousand	\$3 million
Total	\$484.6 million	\$1.742 billion

Budget overview

Child care

Homelessness/
Housing

Food support

Workforce

Health care

Behavioral
health

Child welfare

Economic
assistance

Licensing and
compliance



Workforce

Caring Professions Workforce Program

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Investment
FY 2022-23:
\$115
million

Personal
care aides
highest
vacancies in
state

3 FTEs

- Revitalizes the state's behavioral health, direct support, and housing workforces by establishing a workforce incentive fund.
- Employers in these industries would be allowed to apply for grants to deliver incentives to employees who have been employed for six months or longer.



Licensing and compliance

Service Delivery Transformation Continuation

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Investment
FY 2022-23:
\$77.5 million

Agency-
wide
transition
to a more
agile IT

68 FTEs

- Funding to support IT systems work to transform human service delivery to create an integrated, person-centered experience.
- This includes IT work on the MNbenefits application for expansion to additional programs, and investments to strengthen the state's existing IT infrastructure and new vendor supported systems.

Direct Care and Treatment Electronic Health Record

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Investment
FY 2022-23:
\$8.9 million
FY 2024-25:
\$7.6 million

DCT serves
12,000
patients/
clients per
year

25 FTEs

- Continue the development of an electronic health record system for Direct Care and Treatment (DCT).
- This moves DCT towards compliance with a Department of Health mandate to have an electronic health record system.

Continuous Improvement and Compliance Expansion

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Investment
FY 2022-23:
\$1.5 million
FY 2024-25:
\$3.3 million

Improves
business
processes

19 FTEs

- Additional resources for financial audits and contracting divisions will be used to hire additional auditors and contract staff to ensure compliance, auditing, and reports are carried out agency wide, leading to increased efficiency and reduced waste.
- Funds to cover subpoena expenses for pharmaceutical drug price litigation DHS is not a party to. This litigation has resulted in extensive document discovery requests that DHS must comply with.

Critical Resources for Licensing

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Investment
FY 2022-23:
\$2.9 million
FY 2024-25:
\$6.2 million

Ensures
health and
safety of
vulnerable
adults and
children

43 FTEs

- Additional licensing staff are needed in order to respond to the growth in the number of foster care and home and community based licensed services (HCBS).
- Providing additional staff will decrease the time it takes to conduct HCBS licensing visits, increase the timeliness of foster care reviews, and support the agency meeting statutory timelines for maltreatment complaints.

Emergency Background Study Credit

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Investment
FY 2022-23:
\$3.6 million

Addresses
165,000
emergency
studies

0 FTEs

- One-time funding to credit providers for costs incurred from emergency background studies conducted during the peacetime emergency following resubmission of studies for federal and state compliance.



Opiate Epidemic Response

Opiate Settlement and OERAC Updates

p. 217

Investment
FY 2022-23:
\$408,000
FY 2024-25:
\$816,000

Increases
cultural
responsivity
of services

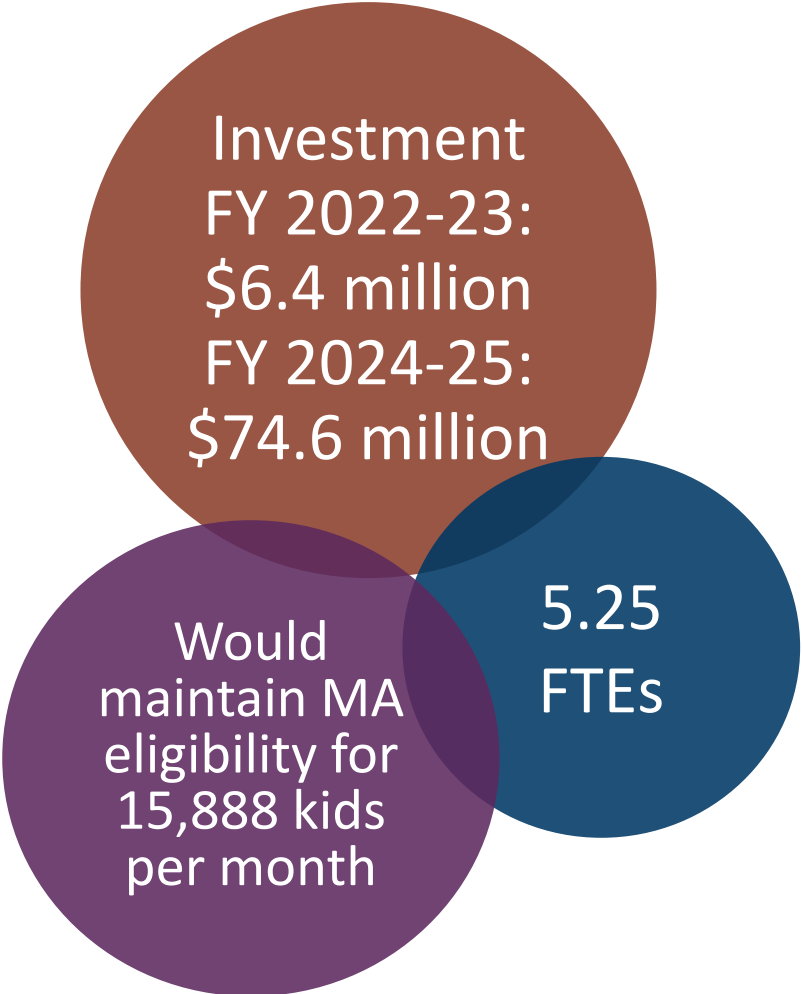
4 FTEs

- Expands the membership of the Opiate Epidemic Response Advisory Council (OERAC) to include a representative from all 11 federally recognized American Indian tribes.
- Requires that at 40 percent of the OERAC grants are awarded to projects that have culturally responsive components.
- Continues existing funding for traditional healing grants in the base, starting in FY 2025, which are currently set to expire.
- Adds a reporting structure to measure how settlement dollars are used, including measuring outcomes through impact evaluations.

A photograph of a male doctor in a white coat using a stethoscope to examine a young child. A woman, presumably the mother, is smiling and looking on from behind the child. The scene is set in a bright, modern clinical or office environment.

Health/health care

Continuous MA Eligibility for Children Under 21



- Changes Medical Assistance (MA) eligibility for children under 21 to offer children 12 months of continuous coverage.
- This change is expected to result in an average of an additional 15,888 children a month retaining their MA coverage.

MA for Former Foster Youth

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Investment
FY 2022-23:
\$792,000
FY 2024-25:
\$316,000

Improves
access to
health care
for former
foster care
youth

0 FTEs

- Expands MA eligibility to include former foster care youth up to age 26 who were in foster care and enrolled in Medicaid in another state on their 18th birthday
- Minnesota has already adopted this expansion for former foster care youth who lived in Minnesota on their 18th birthday as part of the requirements of the Affordable Care Act.
- Complies with the federal SUPPORT Act

Coverage for Undocumented Children

Investment
FY 2022-23:
\$1.5 million
FY 2024-25:
\$12.1 million

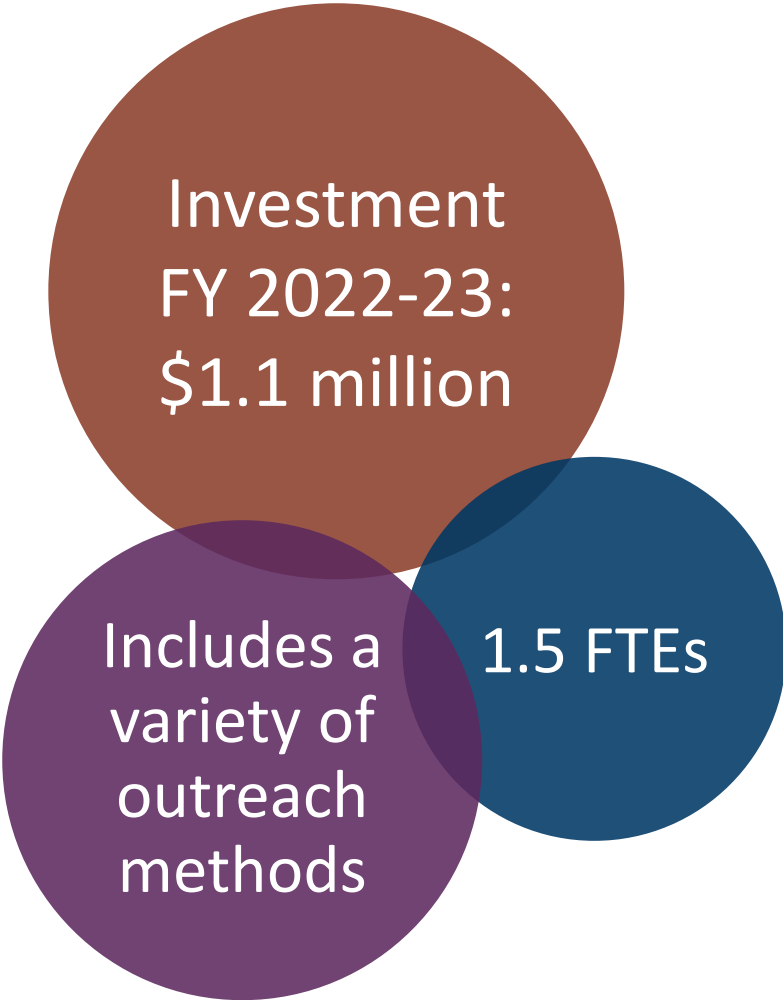
Would create
eligibility for
an average of
1,700 kids per
month

0 FTEs

- Expands MinnesotaCare eligibility to provide coverage to children under the age of 19 who have undocumented immigration status

Enhancing MHCP COVID-19 Vaccination Rates

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Investment
FY 2022-23:
\$1.1 million

Includes a
variety of
outreach
methods

1.5 FTEs

- Provides funding for community outreach grants to support trusted messenger programs and culturally informed community-based providers to encourage vaccination against COVID-19 and other communicable diseases.

Remove Doula Supervision Requirement

p. 235

Investment
FY 2022-23:
\$20,000
FY 2024-25:
\$70,000

Can help
reduce
maternal and
infant health
disparities

0 FTEs

- Removes the requirement that doulas be supervised by a licensed provider to be eligible for payment under the Medical Assistance program.
- Expands access to doula care which is linked to better maternal and postpartum outcomes.

Improving Health Care Access and Affordability

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Investment
FY 2022-23:
\$47.8 million
FY 2024-25:
\$97.9 million

294,000
Minnesotans
remain
uninsured

41 FTEs

- Creates an option for individuals whose income is too high to be eligible for regular MinnesotaCare to purchase into the program with a monthly premium.
- Makes a series of investments to improve the accessibility of affordable, comprehensive health care for Minnesotans.
 - Improving the applicant and enrollee experience
 - Premium simplification in the existing MinnesotaCare program

Thank You!