

# One Minnesota Budget



**Minnesota Department of Health  
FY 2024-25 Budget Recommendations  
Commissioner Brooke Cunningham, MD, PhD**





*Our mission is to protect,  
maintain and improve the  
health of all Minnesotans.*

# One Minnesota Budget



## MDH FY 2024-25 Biennial Budget Request

- Strengthen Public Health and Preparedness
- Reduce Disparities
- Time Critical Prevention to Address Emerging or Worsening Health Threats
- Healthy Start
- Health Care Access, Affordability, and Quality
- Current Service Needs and Federal Compliance
- Maintaining Safe and Healthy Drinking Water

# Strengthen Public Health and Preparedness

*Goal: All Minnesotans have the same basic public health protections and the whole system is better prepared to respond to public health crises*

- **Public Health System Transformation (\$34.2M, GF)**
  - A public health system that works for everyone, everywhere (MMB Budget Book, page 158)
  - We are transforming Minnesota's system of state, local, and tribal public health departments so it can fulfill its responsibilities to the public and be a reliable partner for the health of communities across the state - a public health system that works for everyone, everywhere in Minnesota. This request is a down payment on a fully funded public health system and will enhance the skills, workforce, and resources state, local, and tribal health departments need to prevent and control infectious diseases, address environmental health threats, improve the health of communities, and improve access to health care services.
- **Emergency Response Sustainability, Strategic Stockpile, and COVID 19 Transition (\$33.5M, GF)**
  - Enriching public health readiness through partner engagement, data, and training (MMB Budget Book, page 85)
  - This investment expands our capacity to manage future public health emergencies. This includes: sustaining an emergency warehouse for targeted medical supplies; training MDH preparedness and response teams embedded in all divisions to increase response capacity; collecting data to guide and evaluate responses; enhancing community engagement strategies to strengthen response; supporting local and tribal health through preparedness and response grants; and maintain a public call center for COVID-19 and other public health information. MDH will be better prepared for the future public health emergencies with this investment.

# Reduce Disparities

*Goal: Deal head on with where suffering and costs fall the hardest*

- **Office of American Indian Health (\$4.2M, GF)**

- Improving population health outcomes for American Indians in Minnesota (MMB Budget Book, page 154)
- The state's health disparities are particularly alarming for the American Indian population in Minnesota. This proposal provides funding for the Office of American Indian Health (OAIH) to partner with Minnesota's American Indian nations and communities to address long-standing health disparities. The Office will provide policy and program recommendations to improve American Indian health outcomes, issue grants to address fundamental issues that affect health outcomes and increase technical assistance and workforce development that recognizes the sovereignty of tribal nations. Through these efforts and the strengthening of tribal public health, OAIH aims to improve population health.

- **Office of African American Health (\$4.4M, GF)**

- Improving population health outcomes for African Americans in Minnesota (MMB Budget Book, page 151)
- While consistently ranking among the healthiest states on average, Minnesota also consistently is shown to have some of the worst health disparities. To help address this challenge, this proposal establishes an Office of African American Health (OAAH) to address the root causes of health inequities disproportionately impacting Minnesota's African American communities. The Office will establish an African American Health State Advisory Council (AAHSAC), engage across sectors to provide policy and program recommendations to improve African American health outcomes, issue grants to address fundamental issues that affect health outcomes, and develop immersion experiences for secondary education and community college students to improve workforce diversity.



# Reduce Disparities

*Goal: Deal head on with where suffering and costs fall the hardest*

- **Improving the health and well-being of people with disabilities (\$2.6M, GF)**

- Comprehensive approach to improve health outcomes for Minnesotans with disabilities (MMB Budget Book, page 121)
- All people with disabilities in Minnesota deserve equal access to live their fullest lives in the community of their choice. This proposal seeks to improve the health of Minnesotans with disabilities and supports a comprehensive, cross-agency, interdisciplinary approach to alleviate disability-related health disparities. Among its strategies, this proposal improves data collection, creates a disability health surveillance system, establishes a disability health improvement plan and distributes community health improvement grants to address gaps and disparities.

- **Community Health Workers (\$1.9M, GF)**

- Enhancing health and well-being with community-led care (MMB Budget Book, page 121)
- Create a statewide infrastructure of community health workers based on proven models and expand the range of businesses and organizations that hire these professionals. The partnership will evaluate the existing workforce in Minnesota and expand, strengthen, and sustain the roles of CHWs as vital advocates of health. Community health workers often live in the communities they serve and are trusted resources, sharing cultural and linguistic experience with clients. This work will decrease health inequities while supporting an employment pipeline for members of communities most impacted by disparities.

# Reduce Disparities

*Goal: Deal head on with where suffering and costs fall the hardest*

- **Advancing equity through capacity building and resource allocation (\$3.0M, GF)**

- Improving equitable funding pathways for communities most impacted by inequities (MMB Budget Book, page 29)
- One of the ways to advance health equity is by updating systems to eliminate unintended negative impacts that allow disparities to exist or expand. To that end, this proposal establishes a grant program to advance equity in procurement and grantmaking to improve the infrastructure of community-based organizations led by and serving Minnesotans most impacted by health inequities. Under this proposal, MDH will provide technical assistance and capacity building grant opportunities to community-based organizations, including faith-based organizations. The investment will ensure that more organizations receive training and skills to effectively compete for grant opportunities and that MDH and its grantees form strong, mutually beneficial partnerships.

- **Advancing Equity through Community Engagement and Systems Transformation (\$3.2M, GF)**

- Transforming system to engage communities through an equitable and inclusive lens (MMB Budget Book, page 33)
- Establishes a grant program to strengthen the knowledge and skills of MDH staff and local public health (LPH) partners about “best practices” for equitable community engagement and methods to more fully include and empower those who have been historically marginalized in the work of public health. The program will assist MDH and LPH to proactively seek out and then integrate community voice into workplans, especially in formal and informal decision-making. The investment will enhance a shared understanding of authentic community engagement and improves the capacity to engage communities most impacted by inequities in a meaningful way.

# Reduce Disparities

*Goal: Deal head on with where suffering and costs fall the hardest*

- **Health Equity Advisory and Leadership (HEAL) Council (\$0.1M, GF)**
  - Ensuring agency accountability for equity (MMB Budget Book, page 99)
  - The council will ensure that there is accountability and integration of systems change within the agency in order to remove barriers to health equity. The HEAL Council represents voices of communities most severely impacted by health inequities across the state, including racial and ethnic minority groups, rural Minnesotans, Minnesotans with disabilities, American Indians, LGBTQ community members, refugees and immigrants.
- **All Payer Claims Database Enhancements (\$0.8M, GF)**
  - Strengthening data to increase equity in health care and outcomes (MMB Budget Book, page 37)
  - Using the Minnesota All Payer Claims Database (APCD) to develop strategies that increase equity in health care, by adding race, ethnicity, and dental care data. Capturing race and ethnicity data for communities impacted by health inequities enables analysis of health care use, spending, disease burden, and patterns of care by race and ethnicity. Collecting dental claims will inform policies that improve the quality and affordability of dental care and track trends in dental care services and other health outcomes.



# Reduce Disparities

*Goal: Deal head on with where suffering and costs fall the hardest*

- **Cultural Communications (\$3.4M, GF)**

- Providing timely, cultural relevant communication to all Minnesotans (MMB Budget Book, page 158)
- Improving systems and resources for sharing information in a form and context relevant to specific communities is recognized as a critical need in public health. This proposal establishes a cultural communications program that focuses on tailoring messaging for audiences most impacted by health disparities including non-English and Limited English Proficient (LEP) populations, populations of color, LGBTQ+, and people with disabilities. This program would standardize processes at MDH to maintain the National Standards for Cultural and Linguistically Appropriate Services (NCLAS) in addition to coordinating translation and American Sign Language (ASL)/ Computer Assisted Real-time Translation (CART) services for the agency to ensure that public health messages reach and resonate with more Minnesotans.

- **Telehealth in Libraries Pilot Program (\$1.8M, GF)**

- Expanding the community benefit of libraries and access to healthcare through telehealth grants (MMB Budget Book, page 186)
- Grants for six public libraries to build enclosed telehealth stations/pods and utilize community health workers to assist individuals with their appointments, care coordination, and access to other resources/services. The program will increase access to healthcare for Minnesotans that are disproportionately impacted by the digital/broadband divide and those who need more support to take full advantage of telehealth (e.g., limited English proficiency, elders, etc.).

# Reduce Disparities

*Goal: Deal head on with where suffering and costs fall the hardest*

- **Diversity Equity and Inclusion (DEI) (\$0.4M, GF)**

- Improving diversity, inclusion, and belonging through strategic focus on workplace culture (MMB Budget Book, page 80)
- Establishes a program to support efforts to advance policies and practices at MDH that can proactively and consistently promote a diverse, equitable, inclusive, and accessible workplace, in which all employees feel that they belong and are valued. This program will develop a DEI framework, metrics, and strategies to achieve DEI goals. The program will provide cross-cutting input into agency operations (e.g., policies, procedures, strategic planning, resource deployment) and organizational culture so that all employees can fully contribute and therefore MDH is better positioned to achieve its mission-critical commitment to improving the health of all Minnesotans.

- **Homeless Mortality Study (\$0.3M, GF)**

- Measuring death and morbidity among people experiencing homelessness (MMB Budget Book, page 118)
- Exacerbated by the pandemic and other factors, homelessness continues to be a serious challenge for individuals and communities alike. This proposal measures the state's progress in reducing preventable deaths among people experiencing homelessness as a follow-up to a first-of-its-kind 2022 study the Minnesota Department of Health conducted with the Hennepin Healthcare Research Institute comparing deaths among people experiencing homelessness to the total state population. This proposal allows MDH to conduct a similar analysis for 2022-2024 and gauge the state's progress on reducing disease and death among people experiencing homelessness.

# Time Critical Prevention to Address Emerging or Worsening Health Threats

*Goal: Sharpen our focus on specific issues that have been worsening before and during the pandemic or are newly emerging*

- **988 Suicide and Crisis Lifeline (\$13.4M, GF and SRF)**

- Saving lives through quick connection to mental health resources (MMB Budget Book, page 17)
- Mental health support is a critical and growing need in many communities across Minnesota. This proposal seeks to improve access and connection to local mental health resources through free and confidential phone, text, and chat support for anyone experiencing a mental health crisis, substance use crisis or other emotional distress. Contacts to 988 from a Minnesota area code are answered by a Minnesota 988 Lifeline center, and the 988 Lifeline will be supported through a monthly 12 cent telecommunication fee on all wired, wireless, prepaid wireless, and Voice Over Internet Protocol (VOIP) lines in Minnesota.

- **Comprehensive Drug Overdose and Morbidity Prevention Act (\$22.2M, GF)**

- Supporting underserved communities facing overdose epidemic (MMB Budget Book, page 60)
- Minnesota and other states are facing an epidemic of drug overdoses and deaths related to overdoses. This proposal seeks to address this complex issue through a multi-pronged strategy that includes expanding access to non-narcotic pain management services; providing culturally specific outreach; enhancing prevention and supportive services for people experiencing homelessness; equipping employers to promote health and well-being of employees in recovery or with a history of substance use; improving surveillance and identification of substances involved in overdoses; providing grants and other forms of support at the community level; and reducing substance use disorder among pregnant women and infants.

# Time Critical Prevention to Address Emerging or Worsening Health Threats

*Goal: Sharpen our focus on specific issues that have been worsening before and during the pandemic or are newly emerging*

- **Community Mental Well Being (\$4.7M – onetime, GF)**

- Improve mental wellbeing for communities disproportionately impacted by COVID-19 (MMB Budget Book, page 54)
- The stress and other impacts of the COVID-19 pandemic worsened the mental health challenges facing so many Minnesotans. Recognizing that the causes – and therefore the solutions – of this problem are varied, this proposal establishes a grant program to fund community-based organizations and local health departments to develop and implement community-identified solutions for mental well-being and healing for communities most impacted by COVID-19. The program will provide communication and outreach to communities about well-being, hosting community dialogues about well-being, supporting skill development, and creating opportunities for community members to practice skills for mental well-being.

- **Climate Resiliency (\$17.8M, GF)**

- Investing in climate and human health resiliency planning for MDH and local partners (MMB Budget Book, page 47)
- From air quality and weather-related concerns to the emergence of new diseases, we are constantly reminded that a changing climate means new public health challenges. This proposal fortifies public health resilience against the human health impacts of climate change and supports the department's participation in interagency efforts around climate change. Activities include grants and technical assistance to local organizations and local public health to plan for the health impacts of extreme weather events and zoonotic, vectorborne and waterborne disease as well as data analysis and reporting to implement, strengthen, evaluate, and track public health resiliency efforts in the face of climate change across the state. This proposal replaces CDC funding that ended in August 2021.

- **Minnesota One Health Antibiotic Stewardship Collaborative (\$0.6M, GF)**

- Collaboratively combatting antimicrobial resistance, a threat to human and animal health (MMB Budget Book, page 143)
- Antimicrobial resistance (AMR) is at a critical point, and fully resistant infections exist. In 2016, leaders in Minnesota founded the Minnesota One Health Antibiotic Stewardship Collaborative (MOHASC) and MDH, MDA, MPCA, and BAH Commissioners endorsed the MOHASC Strategic Plan to address AMR in human and animal sectors in Minnesota. AMR worsened during the pandemic, yet the imperative for this work has significantly intensified. The program is nationally recognized but requires new state investments.

# Time Critical Prevention to Address Emerging or Worsening Health Threats

*Goal: Sharpen our focus on specific issues that have been worsening before and during the pandemic or are newly emerging*

- **COVID Delayed Preventive Care (\$15.0M, GF)**

- Improving preventive care for communities most impacted by COVID (MMB Budget Book, page 71)
- COVID-19 significantly disrupted health care use, worsening health disparities. This proposal will increase and improve preventive care in communities disproportionately impacted by COVID-19. The investment supports nonprofits, health care systems, and local public health agencies to link rural Minnesotans; Black, Indigenous, and people of color (BIPOC); and individuals with disabilities who delayed or did not seek care for chronic conditions with services that are culturally appropriate, tailored to their community, and address underlying issues including food, transportation, and financial insecurity. By maximizing use of evidence-based approaches, this work will improve health outcomes and contribute to containing health care costs.

- **Supporting Long COVID Survivors and Monitoring Impact (\$6.3M, GF)**

- Reducing the human and economic impact of long COVID in Minnesota (MMB Budget Book, page 181)
- Long COVID can negatively impact employment, school, family life, mental health, health care and the economy. This proposal, which replaces expiring federal funding, establishes and maintains infrastructure to assess and reduce the human and economic toll of this condition in Minnesota through engagement with communities, health care providers, employers, schools, local public health, and Minnesotans with long COVID. By raising awareness, improving coordinated care, implementing evidence-based strategies, co-designing tools and resources, and assessing the effects of long COVID over time, we can support the individuals, communities, and sectors experiencing the highest burdens from these conditions.

# Time Critical Prevention to Address Emerging or Worsening Health Threats

*Goal: Sharpen our focus on specific issues that have been worsening before and during the pandemic or are newly emerging*

- **Sentinel Event Reviews for Police-Involved Deadly Encounters (\$1.1M, GF)**

- Examining actions and encounters occurring prior to police involved deaths (MMB Budget Book, page 172)
- Establishes a statewide multi-disciplinary committee, in collaboration with the Departments of Public Safety, Human Services, Human Rights, and other organizations, to review all law enforcement-involved deaths. The committee will identify and analyze the root causes of each death. MDH will write a semi-annual report of key findings and recommendations to the chairs of the committees in the House and Senate with jurisdiction over public safety issues. The sentinel event review committee will engage at the local level to understand community-level context, share key findings from the review, and co-create and implement prevention recommendations.

- **Legalizing Adult-Use Cannabis (\$17.8M, GF)**

- Investments in prevention and consolidating regulatory functions (MMB Budget Book, page 136)
- Legalizes cannabis for adults in Minnesota, enhances regulation of hemp-derived THC products and creates a new Office of Cannabis Management that would be responsible for the implementation of the regulatory framework, the medical cannabis program, and hemp-derived cannabinoid products. The investment at the Department of Health would support youth cannabis use prevention, education for pregnant and breastfeeding women about the health effects of cannabis use, and data collection on cannabis use rates in Minnesota.



# Healthy Start

*Goal: Newborns and adolescents, and their families, have a healthy start to reduce health risks, build health resiliency, and improve their chances for success in life*

- **Healthy Beginnings, Healthy Families (\$23.9M, GF)**

- Supporting the health of the youngest Minnesotans and their families (MMB Budget Book, page 101)
- Early experiences greatly impact a person's health and ability to thrive, and programs that support healthy beginnings for Minnesotans can have an outsized benefit in the long term. This proposal builds equitable, inclusive, and culturally responsive systems that ensure the health and well-being of young children and their families. The proposal leverages partnerships to reduce infant mortality, increase access to screening and services, improve perinatal outcomes and address maternal substance use disorder, and expand evidence-based family services for children of incarcerated parents in county jails.

- **Help Me Connect (\$1.4M, GF)**

- Helping Minnesota families connect to supportive resources (MMB Budget Book, page 109)
- Help Me Connect is a website that connects families to local services. It provides reliable information, includes a referral mechanism, and connects approximately 11,000 visitors each month to over 12,000 community agency profiles. It is currently funded with a federal grant that ends December 2023. This investment preserves support needed to maintain and improve the website to include a toll-free phone number and/or online chat feature to provide one-on-one support directly to families who need resource navigation services.

# Healthy Start

***Goal: Newborns and adolescents, and their families, have a healthy start to reduce health risks, build health resiliency, and improve their chances for success in life***

- **Home Visiting (\$25.0M, GF)**

- Improving health outcomes through prevention-focused family home visiting (MMB Budget Book, page 115)
- Family home visiting is a voluntary, preventive intervention that employs a two-generation approach. By strengthening families in their communities, family home visiting has demonstrated powerful impacts on family and child outcomes, including positive pregnancy outcomes, school readiness, child abuse prevention, and family self-sufficiency. This proposal seeks to expand the existing work, with more than 90% of the investment distributed to community health boards, tribal nations, and non-profits via grants for the delivery of home visiting services by qualified home visiting professionals. This expansion will serve families with children under age five and create greater flexibility in eligibility to serve Minnesota's high priority populations.

- **Family Planning Special Projects (\$14.1M, GF)**

- Expanding voluntary family planning services for low-income Minnesotans (MMB Budget Book, page 93)
- Increases access to voluntary family planning services through the Family Planning Special Projects (FPSP) grant program for both new and existing grantees. This proposal supports expanded statewide access to culturally appropriate family planning services that use nationally recognized standards of care, including counseling and education, contraception services, preconception care, and screening and treatment for sexually transmitted infections. With this funding, grantees will counsel an additional 20,000 individuals on contraceptive options and provide 17,000 people with family planning methods. FPSP agencies are trusted community resource hubs that support all aspects of health, including referrals for physical and mental wellness, as well as family safety and security.

# Healthy Start

***Goal: Newborns and adolescents, and their families, have a healthy start to reduce health risks, build health resiliency, and improve their chances for success in life***

- **Community Solutions (\$10.0M, GF)**

- Reducing disparities in early childhood through community-led solutions (MMB Budget Book, page 57)
- Providing health support services within community contexts can maximize appeal and impact – especially in disadvantaged communities. To that end, this proposal extends and expands the appropriation for the Community Solutions for Healthy Child Development Grants, currently set to expire June 30, 2023. The proposal provides grants to tribal and community partnerships to identify and implement strategies that promote optimal health and well-being for pregnant and parenting families with young children. These grants are essential to improve child development outcomes related to the well-being of children of disadvantaged communities and American Indian children from prenatal to third grade and their families, reduce racial disparities in children’s health and development, and promote racial and geographic equity

- **Adolescent Mental Health Promotion (\$5.6M, GF)**

- Community-led supports to promote adolescent mental health skills (MMB Budget Book, page 26)
- To be most effective, mental health promotion activities must be provided in a manner that is accessible and relevant to the people who receive the mental health care and skills-building resources. This proposal provides competitive grants to community-based organizations to equip trusted adults, community health workers and other community members with the knowledge, skills, and competencies necessary to provide model mental health promotion programs and supports to young people. The proposal helps ensure that services are culturally informed and available through community settings, maximizing the positive impact of mental health promotion programs.

# Healthy Start

***Goal: Newborns and adolescents, and their families, have a healthy start to reduce health risks, build health resiliency, and improve their chances for success in life***

- **School Health (\$3.4M, GF)**
  - Supporting and expanding School Based Health Centers in Minnesota (MMB Budget Book, page 169)
  - Schools are important settings and provide important care services for young Minnesotans. This proposal reflects the collaborative efforts of the Minnesota Departments of Health and Education and seeks to boost the capacity and effectiveness in the school setting. It provides competitive grants to support sustainability, quality, equity, and expansion of school-based health centers (SBHCs) in Minnesota and enables these SBHCs to meet the health needs of K-12 students. This evidence-based model supports health equity and academic success for students who experience disparities due to race, ethnicity, or family income and provides access to quality, student-centered health care for all students.
- **Lead Service Line Inventory (\$6.0M, GF)**
  - Supporting community water systems in identifying lead hazards and complying with federal requirements (MMB Budget Book, page 133)
  - Provides grants in both fiscal years 2024 and 2025 to community water systems to inventory the materials used for water service lines and include that inventory in a broader asset management plan. The grants will help the community water systems meet the requirements for a lead service line inventory that is part of the U.S. Environmental Protection Agency's proposed Lead and Copper Rule revision as well as prepare these systems to apply for federal money through the Public Facilities Authority to replace the identified lead service lines.
- **Lead Remediation in Schools and Childcare Centers (\$1.0M, GF)**
  - Helping schools and childcares reduce child lead exposure (MMB Budget Book, page 128)
  - Establishes a grant program targeting the reduction of lead in drinking water in schools and childcare facilities, impacting approximately 8,000 childcare facilities serving 270,000 children and just under 2,500 educational facility buildings serving 870,000 students in Minnesota. The proposal requires testing in childcare settings, makes lead testing data easily accessible to the public, and creates a threshold for corrective actions when lead is found in drinking water. Resulting reductions in exposure to lead in water will improve the health and safety of Minnesota's children through enhanced brain development and lifetime productivity.

# Health Care Access, Affordability, and Quality

*Goal: Improve access to and affordability and quality of our health care system for all Minnesotans*

- **Address Growing Health Care Costs (\$5.3M, GF)**

- Setting health care spending targets to reduce costs (MMB Budget Book, page 22)
- The rising cost of health care remains a significant concern for many Minnesotans. This proposal aims to slow health care spending growth and improve the affordability of health care services by establishing a health care spending target developed by a public/private health care spending target commission. The spending target program seeks to build an evidence-based approach for strategies to limit growth in spending while also assessing the readiness of rural communities to participate in value-based payment arrangements to support financial sustainability.

- **Extend Prescription Drug Price Transparency (\$1.5M, GF)**

- Updating and expanding the Prescription Drug Price Transparency program (MMB Budget Book, page 90)
- Prescription drug costs are a significant and growing burden for many Minnesotans, and the factors behind those costs are not always clear to the public or to policymakers. This proposal seeks to improve transparency through technical updates and clarifications to the Minnesota Prescription Drug Price Transparency program, and by extending it to include pharmacy benefit managers and wholesalers. These updates will provide a better understanding of supply chain rebates and markups, giving policymakers a more comprehensive understanding of the flow of money influencing retail prices paid by consumers and a better foundation for setting future policies.

# Health Care Access, Affordability, and Quality

*Goal: Improve access to and affordability and quality of our health care system for all Minnesotans*

- **No Surprises Act Enforcement (\$2.3M, GF)**

- Protecting Minnesotans from surprise medical bills (MMB Budget Book, page 148)
- Clarifies MDH's authority to enforce the federal No Surprises Act for health plans the department regulates and provides authority for enforcement against providers and facilities. Enforcement includes reviewing health plan, facility and provider compliance, investigating consumer complaints, providing consumer education, and coordinating with federal counterparts. In addition to protections for people in group and individual health plans, there are protections for uninsured and self-pay patients. Also included is one-time funding to assess feasibility and gather stakeholder input for the potential creation of a statewide health care provider directory, available to consumers, state agencies, and Minnesota health systems.

- **Revitalize Health Care Workforce (\$28.7M, HCAF)**

- Addressing critical health care staffing shortages (MMB Budget Book, page 164)
- Minnesota's health care sector faces severe and persistent workforce shortages exacerbated by the COVID pandemic. This proposal includes an array of financial supports, incentives, and research to help address this challenge. Strategies include new and expanded clinical training opportunities, research on status, causes, and distribution of workforce shortages, new programs to improve providers' mental health; and funding to develop new rural provider recruitment tools.



# Health Care Access, Affordability, and Quality

*Goal: Improve access to and affordability and quality of our health care system for all Minnesotans*

- **Chronic Conditions Spending Report (-\$0.4M, HCAF)**
  - Repeals annual chronic conditions cost attribution report and associated funding transfer (MMB Budget Book, page 45)
  - The department is unable, with existing data and methodological challenges, to produce reliable and meaningful annual estimates of actual disease-attributable spending and compare them to projected spending for the set of conditions specified in the statute. This proposal repeals the report.
- **Repeal Women's Right to Know and Positive Alternatives Programs (\$7.4M, GF)**
  - Clarifying statutory changes (MMB Budget Book, page 161)
  - MDH recognizes the importance of supporting comprehensive and accurate reproductive information and health care and in supporting families with young children to thrive. Repeal of this section will end a program that is duplicative of other work and doesn't support this goal. It further ensures that pregnant people, parents, and families receive accurate medical information in a shared-decision making-manner, in accord with national standards of care, that is individually responsive and culturally and linguistically appropriate.

# Current Service Needs and Federal Compliance

*Goal: Ensure MDH can meet statutory and program requirements as costs and demands increase*

- **Operational Adjustment to Maintain Current Service Levels (\$29.0M, GF, HCAF, and SGSR)**
  - Provide resources in order to update and support agency operations (MMB Budget Book, page 141)
  - This funding will allow the department to maintain human resource systems to support a highly skilled workforce, use information technology solutions to improve efficiency and public accessibility, and adequately manage financial and data resources with the necessary controls and oversight.
- **Assisted Living Licensure and Home Care (\$7.1M, SGSR)**
  - Ensure proper funding for oversight of vulnerable adult care and improve predictability and transparency for providers (MMB Budget Book, page 41)
  - Appropriation increase to align revenue already collected through licensing fees to assist the department in meeting higher than anticipated program demands in carrying out our regulatory responsibilities. These funds will help to provide adequate oversight of assisted living facilities and home care agencies that deliver health and safety care to vulnerable adults. Fees will not increase. Fine amounts would be directly listed in statute to improve predictability and transparency for providers.

# Current Service Needs and Federal Compliance

*Goal: Ensure MDH can meet statutory and program requirements as costs and demands increase*

- **Drinking Water and Waste Water Advisory Council (\$0 budget-neutral, SGSR)**
  - Reinstating the advisory committee for safer drinking water and wastewater (MMB Budget Book, page 83)
  - Reinstates the Drinking Water and Waste Water Advisory Council that expired on June 30, 2019. The council provided external review from the perspective of key stakeholders to the water supply and wastewater treatment programs at the Minnesota Department of Health and the Minnesota Pollution Control Agency. Appropriations in the state government special revenue fund to implement the council, which did not expire after fiscal year 2019, are part of the forecast base for the two agencies. There is no new cost to reinstate the council.
- **Trauma System Fee Adjustment (\$0.4M, GF and SGSR)**
  - Ensuring statewide trauma care (MMB Budget Book, page 192)
  - This proposal increases hospital license fees and aligns appropriations from the general fund and the state government special revenue fund for the work of designating trauma hospitals and ensuring an effective statewide trauma system. This includes the staff and technical resources needed to maintain the trauma program according to industry standards, and ensuring a coordinated health care infrastructure that is able to support Minnesota's communities by providing 24/7 emergency trauma/disaster care locally, regionally, and statewide.

# Current Service Needs and Federal Compliance

*Goal: Ensure MDH can meet statutory and program requirements as costs and demands increase*

- **Vital Records Surcharge Remittance and Reporting (\$0 budget-neutral, SGSR)**
  - Monthly remittance of birth and death certificate fees (MMB Budget Book, page 196)
  - This housekeeping/technical change clarifies current law by specifying how frequently local issuance offices are required to send vital record surcharge funds to Minnesota Management and Budget. This modification has no fiscal impact, but the formalized monthly submissions will provide clarity for local offices, streamline the transfer and reporting of surcharges, and improve the timeliness of budget information.
- **Federal Funds Oversight (\$1.1M, GF)**
  - Improve oversight of federal funds granted to community organizations (MMB Budget Book, page 96)
  - This proposal will assist MDH in being better stewards of public resources. With this funding, we will add capacity to improve our oversight of federal funds that are granted out to community-based organizations. We will improve how we monitor grants and provide training to MDH grant managers and community-based grant recipients to ensure compliance with all state and federal regulations. This is a coordinated multi-agency effort to strengthen controls over grant making and management activities within state agencies.

# Current Service Needs and Federal Compliance

*Goal: Ensure MDH can meet statutory and program requirements as costs and demands increase*

- **Background Studies Increase (\$5.8M, SGSR)**

- Ensures background studies can continue to be conducted in accordance with both federal and state requirements (MMB Budget Book, page 43)
- As a result of recent changes to state laws, more provider types are required to submit background studies on new hires, and in some cases for their existing employees. Fees have also increased for background studies. While the legislature passed changes in 2022 to eliminate the requirement for duplicate background studies for certain providers, this change does not offset the higher costs coming from the fee increase. The request for additional funds ensures background studies can continue to be conducted in accordance with both federal and state requirements.

- **Telehealth Study Budget Change (\$1.2M, GF)**

- Shift a portion of telehealth study funding to fiscal year 2024 to ensure completion (MMB Budget Book, page 190)
- This reallocation of a portion of the Telehealth Study funds from fiscal year 2023 to fiscal year 2024 will allow MDH the time necessary to complete its work of evaluating the quality of health care provided through the telehealth mode of delivery, which includes: 1) access to health care services; 2) quality of care; 3) value-based payments; 4) innovation in care delivery; and 5) health care disparities and equitable access for underserved communities. Moving funding to fiscal year 2024 will also allow for the completion of claims data analysis to measure health care utilization patterns over time.

# Maintaining Safe and Healthy Drinking Water

*Goal: Protect and secure the state's drinking water*

- **Strengthening Public Drinking Water Systems' Infrastructure (\$16.3M, GF)**

- Investing in uninterrupted delivery of safe water to communities (MMB Budget Book, page 176)
- Provides grants to community water systems and local units of government to improve resiliency and security of public water systems' infrastructure and source water protection areas. These projects will directly impact Minnesota's strategy to protect drinking water and improve the health of Minnesotans throughout the state and move towards the Environmental Protection Agency's expectations to proactively address these issues. The proposal ensures the uninterrupted delivery of safe water through emergency power supplies and back-up wells, backflow prevention, water reuse, increased cybersecurity, floodplain mapping, support for very small water system infrastructure, and piloting solar farms in source water protection areas.

- **Drinking Water Contaminants of Emerging Concern (\$10.1M, CWF)**

- Building laboratory and health guidance capacity for PFAS (MMB Budget Book, page 198)
- Supports state capacity to respond to Per- and Polyfluoroalkyl Substances (PFAS) contamination. The investment builds greater capacity to develop and update PFAS health guidance values. This reduces human exposure to and risk from PFAS chemicals and increases public health lab PFAS testing capacity. This action also supports and regulates private labs as they expand their PFAS testing capacity in response to new EPA regulations scheduled to go into effect in 2023.



# Maintaining Safe and Healthy Drinking Water

*Goal: Protect and secure the state's drinking water*

- **Future of Drinking Water (\$0.5M, CWF)**

- Developing a multi-agency Statewide Drinking Water Plan (MMB Budget Book, page 203)
- Supports strategic planning and policy development that will protect Minnesota's drinking water from new threats and challenges and address inequities in access to safe drinking water. This investment supports public engagement and review of the draft statewide, multi-agency Protecting Minnesota's Drinking Water Plan, policy development focused on risk management of emerging threats, and follow up on select recommendations from the University of Minnesota's Future of Drinking Water report

- **Groundwater Restoration and Protection Strategies (\$1.5M, CWF)**

- Protecting local drinking water through technical support and data (MMB Budget Book, page 206)
- Supports groundwater protection activities by developing Groundwater Restoration and Protection Strategies (GRAPS) for watersheds that are engaged in developing a local comprehensive water plan, referred to as the "One Watershed One Plan." Also increases capacity to deliver technical support, including improved groundwater data delivery and technical support, to local governments for groundwater protection, comprehensive watershed planning and implementation activities

# Maintaining Safe and Healthy Drinking Water

## *Goal: Protect and secure the state's drinking water*

- **Private Well Initiative (\$3.0M, CWF)**

- Reducing safe drinking water inequities for private well users (MMB Budget Book, page 209)
- Reduces the health risks for the 1.2 million people in Minnesota who get their drinking water from a private well. Funding will be used to better understand and explain the occurrence and distribution of contaminants in private wells, expand education and outreach about well testing and mitigation, and build capacity of partners through grants and educational opportunities to help provide low-cost or free well testing and financial assistance to address water quality issues. These strategies will help inform the development of a 10-year plan that focuses on strategies and policies for safer drinking water for all private well users.

- **Recreational Water Quality Online Portal (\$0.6M, CWF)**

- Increasing transparency on beach water quality and safety (MMB Budget Book, page 213)
- Creates a statewide beach portal allowing Minnesotans and visitors to go to one online location to access information on any recreational water testing conducted or beach closures currently in place. The portal would allow users to be made aware of any alerts currently in place at the beach of interest, such as the appearance of harmful algal blooms or major pollution events and serve as a tool to provide education to Minnesotans on preventing waterborne illness and recreational water stewardship. The portal also allows the public to report waterborne illnesses and water hazards such as algal blooms and pollution events.

- **Source Water Protection (\$7.5M, CWF)**

- Protecting Minnesota's sources of drinking water (MMB Budget Book, page 215)
- Maintains wellhead protection plan development and implementation efforts, increases funds available to grants to public water systems, accelerates protection efforts for public water supplies that use surface waters as sources, increases integration of drinking water protection into Minnesota's new "One Watershed One Plan" local water planning approach, and provides for development of a drinking water ambient monitoring program.

# Governor's Recommendations

	Governor's Recommendations (\$ in thousands)		
	FY23	FY24-25	FY26-27
General Fund expenditures	(\$1,200)	\$309,623	\$251,284
General Fund revenues		(708)	(708)
<b>Net General Fund</b>		<b>\$310,331</b>	<b>\$251,992</b>
Fee expenditures		\$17,139	\$19,668
Fee revenues		(16,954)	(30,860)
<b>Net SGSR Fund</b>		<b>\$34,093</b>	<b>\$50,528</b>
Special Revenue (988) expenditures		\$9,825	\$19,650
Special Revenue (988) revenues		14,738	19,650
<b>Net SRF Fund</b>		<b>(\$4,913)</b>	<b>\$0</b>
Health Care Access Fund		\$30,099	\$31,463
Clean Water Fund		\$23,200	\$0
<b>Net All Funds</b>	<b>(\$1,200)</b>	<b>\$392,810</b>	<b>\$333,983</b>



Thank you!

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