



2024 Supplemental Budget Requests



Presentation Overview

Operations Adjustment

1115 Medicaid Waiver

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Questions



Aerial view of Shakopee Women's Prison

DOC Operating Adjustment



Gov's Supplemental Budget Request:

- \$7.9 million in FY 25/26
- \$14.2 million in FY 27/28 and ongoing

Budget Pressures:

- Historic bargained-for compensation increases last year
- Retiree Insurance, Workers Compensation, Trainee Programs
- Healthcare cost pressures

Operating Adjustment: DOC Staffing Update

The DOC has been using **every tool available to recruit and retain staff**.

- In 2023, the Legislature passed a significant investment in the staff and operations of the DOC – funding compensation increases and staff wellness.
- Collective bargaining for corrections staff led to overall increases of 5.5% and 4.5% across the board and additional, *historic* increases for officers.

As of March 1, 2024, **87% of the DOC's Correctional Officer positions are filled.**

After this month's training academy, **the DOC will be at 97% across the agency.**

- There are currently 157 officers in training.





1115 Medicaid Waiver

To Reduce Recidivism and Prevent Opioid Overdoses

Federal 1115 Medicaid Waiver

Background:

- When a person is incarcerated, nearly all of their healthcare is provided directly by the correctional institution.
- 90 – 95% of the incarcerated population is Medicaid eligible and shifting between health care systems because of incarceration can create grave impacts on health outcomes.
- A lack of behavioral healthcare and substance use disorder treatment can lead to higher rates of recidivism.
- Individuals leaving prison are 40 times more likely to die of an opioid overdose, most often in the weeks following release.

1115 Waiver - What It Is:

- In 2023, the federal government began providing states waivers to the Medicaid exclusion for incarcerated individuals.
- States apply, implement the program, and bill Medicaid for certain services within 90 days of release.
- Savings to the state must be reinvested in expanding the program or in treatment services.

Federal 1115 Medicaid Waiver

Governor's Supplement Budget Request:

- \$1.7 million in FY 24-25 and \$4.3 million in FY 26-27 for the DOC expenditures – carried in the Human Services budget bill.
- Costs to the DOC include staffing and new systems related to billing.
- Services include care coordination, prescription coverage, substance use disorder treatment, peer recovery, behavioral health treatment, among others.

Scope of Implementation:

- Under the waiver application, correctional facilities include:
 - 3 DOC prisons, including the women's facility in Shakopee,
 - 4 local correctional facilities, like county jails,
 - 2 local juvenile detention facilities,
 - 1 local correctional facility that disproportionately serves incarcerated individuals who are Native American.
- DHS will administer grants to local facilities.

Minnesota Rehabilitation and Reinvestment Act

The Minnesota Rehabilitation and Reinvestment Act (MRRA) Recap

- Passed and signed into law in 2023 legislative session
- Provides earned early release and earned supervision abatement to individuals who **successfully complete programming** targeted at reducing their risk of reoffending.
- The money saved will be **reinvested** in supportive services for crime victims, supervision by counties and by the DOC, treatment and prevention programming, and the general fund.

MRRA Technical Fixes

- Clarifies that the incentives are available to those serving supervised release terms and those on terms of conditional release.
- Updates reinvestment language to reflect changes made in 2023 to how supervised release funding is provided.

Mission:

Transform Lives for a Safer Minnesota

