



S.F. No. 8 (as amended by the A-1 Amendment) – Medical assistance coverage provision of psychiatric Collaborative Care Model

Author: Senator Liz Boldon

Prepared by: Nolan Hudalla, Senate Counsel (nolan.hudalla@mnsenate.gov)

Date: February 24, 2025

Bill Overview

S.F. 8 establishes coverage for psychiatric collaborative care model services in the medical assistance and MinnesotaCare programs. Under a psychiatric collaborative care model, a primary care provider works with a psychiatric consultant and behavioral health care manager under a formal collaborative arrangement to provide behavioral health care management and psychiatric consultation to individuals diagnosed with a mental illness, substance use disorder, or other behavioral health condition. The bill specifies requirements for provider participation and reimbursement, requires data collection and evaluation by the commissioner of human services, and appropriates funds for grants to assist with the implementation of a psychiatric collaborative care model.

Section Summaries

Section 1 (adds Minn. Stat. § 256B.077; Psychiatric Collaborative Care Model)

Subdivision 1. Definitions. Defines key terms including “behavioral health care manager,” “eligible individual,” “initial psychiatric collaborative care management,” “psychiatric collaborative care model services,” “psychiatric consultant,” “subsequent psychiatric collaborative care management,” and “treating medical provider.”

Subdivision 2. Psychiatric collaborative care model covered. Requires the medical assistance and MinnesotaCare programs to cover psychiatric collaborative care model services for eligible individuals. Pursuant to the definitions provided in Subdivision 1:

- “Psychiatric collaborative care model services” means medical services provided under an evidence-based model of behavioral health integration that utilizes behavioral health care management and psychiatric consultation provided through a formal collaborative arrangement among a primary care team consisting of a primary care provider, a care manager, and a psychiatric consultant. Psychiatric collaborative care model services include, but are not limited to, initial and subsequent psychiatric collaborative care management.
- “Eligible individual” means an individual diagnosed with a mental illness, substance use disorder, or other behavioral health condition by a treating physician.

Subdivision 3. Psychiatric collaborative care provider requirements. Lists conditions for providers to receive reimbursement for the provision of psychiatric collaborative care model services. Among other requirements, a provider must be an enrolled MA provider and provide a primary care or behavioral health service covered by existing MA reimbursement, maintain an electronic patient registry, track referrals, and secure the individual's consent to participate.

Subdivision 4. Expressly allowable sites. Clarifies that federally qualified health centers and rural health centers are eligible to bill for psychiatric collaborative care model services.

Subdivision 5. Payments. Directs the commissioner to reimburse treating medical providers at the current Medicare rate for covered psychiatric collaborative care model services.

Subdivision 6. Evaluation. Requires the commissioner of human services to collect data and outcome measures from providers of psychiatric collaborative care model services. The commissioner must review reimbursement rates and may recommend modifications or additional support based on findings.

Effective date. This section is effective January 1, 2026, or upon federal approval, whichever is later.

Section 2 (uncodified; Appropriation) This section appropriates \$500,000 annually, beginning in fiscal year 2026 and extending until fiscal year 2035, to the commissioner of human services for grants to cover start-up and capacity-building costs associated with implementing a psychiatric collaborative care model. Eligible uses include provider training, establishing a patient registry, and enrolling initial patients.



Senate Counsel, Research, and Fiscal Analysis provides nonpartisan legislative, legal, fiscal, and analytical services to the Minnesota Senate. This document can be made available in different formats upon request.

www.senate.mn/scrfa/home | 651-296-4791
95 University Ave. W, STE 3300, Saint Paul, MN, 55155