



Minnesota Department of **Human Services**

March 4, 2013

The Honorable Kathy Sheran, Chair
Health, Human Services & Housing Committee
120 Capitol

The Honorable Michelle Benson
115 State Office Building

The Honorable Tony Lourey, Chair
Health and Human Services Division
120 Capitol

The Honorable Julie Rosen
139 State Office Building

The Honorable Tina Liebling, Chair
Health and Human Services Policy Committee
367 State Office Building

The Honorable Tara Mack
345 State Office Building

The Honorable Thomas Huntley, Chair
Health and Human Services Finance Committee
585 State Office Building

The Honorable Jim Abeler
203 State Office Building

Dear Senators and Representatives:

A provision in Laws 2009, chapter 79, article 13, section 3, subdivision 10 requires the Department of Human Services to provide census data and fiscal projections for State-Operated Services and for Minnesota Sex Offender services at the time of the November and February budget forecasts. I am writing to provide the required information.

Table 1: State Operated Services – Minnesota Security Hospital (MSH)

Date	MSH Census inside the secure perimeter	Fiscal Year Funding for MSH (in \$ 000's)
June 30, 2010 (actual)	227	\$68,245
June 30, 2011 (actual)	238	\$69,269
June 30, 2012 (actual)	233	\$67,602
June 30, 2013 (proj.)	229	\$69,582
June 30, 2014 (proj.)	233	\$69,582
June 30, 2015 (proj.)	236	\$69,582
June 30, 2016 (proj.)	240	\$69,582
June 30, 2017 (proj.)	243	\$69,582

As of January 31, 2013, 216 individuals were served within the secure perimeter of the Minnesota Security Hospital (MSH). An additional 17 individuals received care in the special needs program, 85 individuals received services within the Transition Program, and 33 individuals were cared for in the Forensics Nursing Home. Table 1 above shows that the MSH population served within the secure perimeter is projected to grow at a rate of approximately 3 per year. The appropriation listed in Table 1 provides funding for the secure, special needs, transition, and nursing home beds. The MSH operates on a fixed legislative appropriation. There is authority to transfer funding between fiscal years in a biennium, and unspent appropriations cancel at the end of the biennium.

The projected appropriations for fiscal years 2014 through 2017 above equal the current base appropriation for fiscal year 2013.

Table 2: Minnesota Sex Offender Program (MSOP)

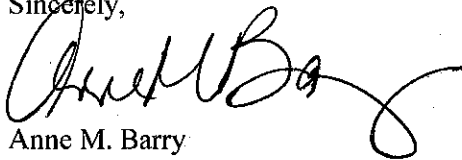
Date	MSOP Census	Fiscal Year Funding for MSOP (in \$ 000's)	Per Diem
June 30, 2008 (actual)	483	\$74,537	\$368
June 30, 2009 (actual)	521	\$71,087	\$348
June 30, 2010 (actual)	575	\$58,766	\$328
June 30, 2011 (actual)	625	\$66,187	\$328
June 30, 2012 (actual)	653*	\$67,405	\$317
June 30, 2013 (proj.)	705	\$73,412	\$326
June 30, 2014 (proj.)	772	\$73,412	TBD
June 30, 2015 (proj.)	826	\$73,412	TBD
June 30, 2016 (proj.)	883	\$73,412	TBD
June 30, 2017 (proj.)	939	\$73,412	TBD

Table 2 above shows the actual population census and population projections for MSOP under current law. MSOP operates on a fixed legislative appropriation. There is authority to transfer funding between fiscal years in a biennium, and unspent appropriations cancel at the end of the biennium. The projected appropriations for fiscal years 2014 through 2017 above equal the current base appropriation for fiscal year 2013, and do not include increased costs for client population growth.

* During the first half of the 2012 fiscal year, 12 more clients MSOP returned to prison than was anticipated. This was a one-time anomaly that is not expected to be repeated. This increase in returns to prison impacted MSOP's base census, which caused the projected client growth numbers to be lower for the fiscal year ending June 30, 2012. The clients' eventual return to the program helps account for some of the rebound in later years' growth.

Please contact Joann Jones at 651-431-4858 if you have any questions, or need further information, about the Minnesota Security Hospital data in this letter. Please contact Shelia Brandt at 651-431-5877 if you have any questions, or need further information, about the MSOP data in this letter.

Sincerely,



Anne M. Barry
Deputy Commissioner

AB/jasr

cc: Dennis Albrecht, Senate Counsel Research and Fiscal Analysis
Doug Berg, House Fiscal Analysis
Susan Melchionne, Minnesota Management and Budget
Joann Jones, DHS
Shelia Brandt, DHS
Jayne Rankin, DHS