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AT A GLANCE

- Health care programs (Medical Assistance, MinnesotaCare) — 1,171,735 people on average enrolled per month in 2017
- Supplemental Nutrition Assistance Program (SNAP) — over 429,000 people received help each month in 2017
- Minnesota Family Investment Program and Diversionary Work Program — 33,450 families with low incomes assisted per month in 2017
- Child support — more than 346,000 custodial and noncustodial parents and their 240,000 children receive services
- Child care assistance — more than 14,550 families assisted in a month in 2017
- Adults receiving publicly funded mental health services — 72,384 people per month in 2017
- Children and youth receiving publicly funded mental health services — 36,120 per month in 2017
- DHS Direct Care and Treatment provided services to more than 12,000 individuals in fiscal year 2017
- In FY 2017 DHS all funds spending was \$14.6 billionⁱ

PURPOSE

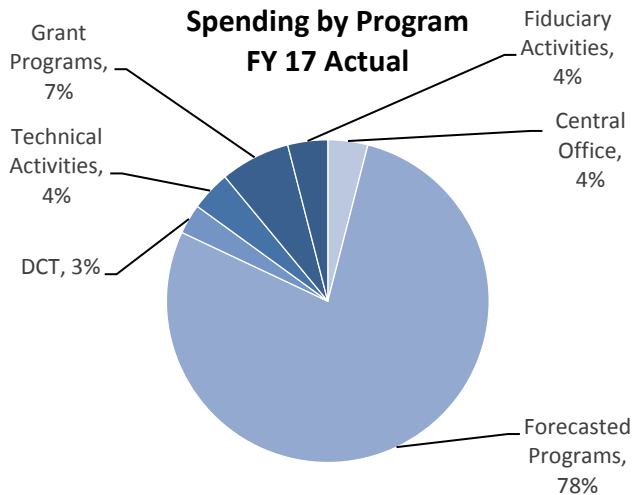
The Minnesota Department of Human Services (DHS), working in partnership with many others, helps people meet their basic needs so they can live in dignity and achieve their highest potential.

- We focus on people, not programs.
- We provide ladders up and safety nets for the people we serve.
- We work in partnership with others; we cannot do it alone.
- We are accountable for results, first to the people we serve and, ultimately, to all Minnesotans.

DHS contributes to the following statewide outcomes:

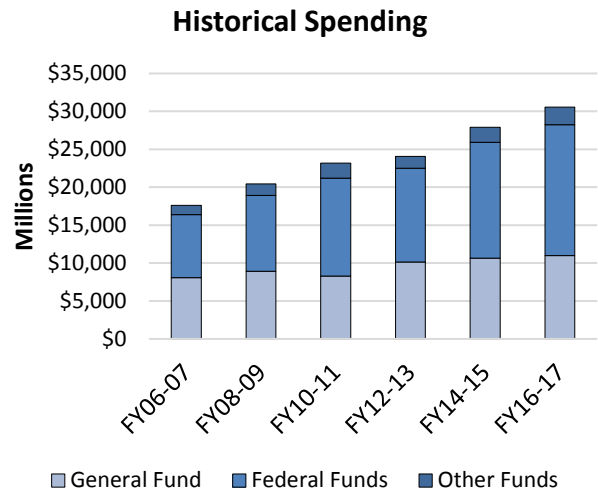
- **All Minnesotans have optimal health.**
- **Strong and stable families and communities.**
- **People in Minnesota are safe.**
- **Efficient and accountable government services.**

BUDGET



Represents all funds spending. Forecasted Programs includes: Medical Assistance 89%, MinnesotaCare 3%, Economic support programs 6%, and other health care programs 2%. Direct Care and Treatment (DCT) includes Minnesota Sex Offender Program and State-Operated Services

Source: Budget Planning & Analysis System (BPAS)



Source: Consolidated Fund Statement

Minnesota has a strong tradition of providing human services for people in need so they can live as independently as possible, and of working to ensure that Minnesotans with disabilities are able to live, work and enjoy life in the most integrated setting desired. DHS provides oversight and direction for most health and human services programs, making sure providers meet service expectations. Most services are delivered directly to people by counties, tribes, health care providers or other community partners. Some DHS employees provide direct care and treatment to people with mental illness, chemical dependency and developmental disabilities as well as to individuals civilly committed for sex offender treatment. Examples of our work include:

- Health care programs which purchase medical care and related home- and community-based services for children, seniors, people with disabilities and people with low incomes.
- Economic assistance programs which provide assistance to low-income Minnesotans to help them move toward greater independence.
- Services to children who have suffered abuse or neglect, to assure their safety and well-being, and early intervention services to children at-risk of abuse or neglect.
- Grant programs to support local delivery of human services for populations in need, including recent refugee immigrant populations, adults and children with mental illness or substance abuse problems, people who are deaf or hard of hearing, seniors and vulnerable adults.
- Direct care provided through a statewide array of institutional and community-based services. Services are targeted to people experiencing mental illness, chemical dependency, developmental disabilities and/or an acquired brain injury, some of whom are civilly committed by the court because they may pose a risk to themselves or others.
- Residential services and treatment to people who are committed by the court as a sexual psychopathic personality or a sexually dangerous person.

STRATEGIES

We have launched the DHS Strategic Plan 2018-2020, with four key initiatives and 12 goals. Work on 31 strategies under the goals will shape improved programs and services for the people DHS serves and will create a brighter future for Minnesota.

Key Initiative: People

Advance equity and reduce disparities by establishing an environment in human services that engages all people.

Goals:

1. Institutionalize an approach to decision-making, program and policy development, implementation and evaluation that improves outcomes and reduces health and human services disparities and inequities for the people we serve.
2. Identify and prioritize key barriers to advance efforts that promote equity and reduce disparities.
3. Build and strengthen the DHS workforce at all levels to better meet the needs of the people we serve.

Key Initiative: Services

Redesign, simplify, and integrate services to achieve positive and equitable outcomes.

Goals:

1. Begin Integrated Services Business Model (ISBM) implementation to create positive, consistent and equitable experiences throughout the human services system.
2. Strengthen authentic stakeholder relationships and establish new relationships to achieve equitable outcomes for the people we serve in the development of services.
3. Strengthen accountability and responsible stewardship through focusing on measurable outcomes affecting the well-being of the people we serve.

Key Initiative: Technology

Implement and support effective and timely technologies through strong partnerships to improve outcomes for the people we serve.

Goals:

1. Improve the timeliness and quality of IT delivery at DHS and for the people we serve.
2. Integrate technology to provide timely and actionable information, improve service delivery and support positive outcomes for the people we serve.
3. Pursue innovative approaches in technology development to better support service delivery.

Key Initiative: Finance

Prioritize financing reform and sustainability practices that ensure funds are used effectively and efficiently in order to support human services and improve outcomes for people.

Goals:

1. Promote economic efficiencies and financial stability by supporting a culture of innovation and continuous improvement within DHS.
2. Manage financial resources to support comprehensive and coordinated services.
3. Support partner- and community-informed financial decision-making that drives innovation in program design and delivery to improve outcomes for the people we serve.

The Department of Human Services' overall legal authority comes from Minnesota Statutes chapters 245 (<https://www.revisor.mn.gov/statutes?id=245>) and 256. (<https://www.revisor.mn.gov/statutes/?id=256>) We list additional program-specific legal authority at the end of each budget activity narrative.

ⁱ Excludes Fiduciary and Technical Activities

Human Services

Agency Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	5,312,093	5,604,719	6,286,751	6,382,736	7,057,916	7,088,457
1200 - State Government Special Rev	4,450	4,393	3,917	4,680	4,317	4,317
2000 - Restrict Misc Special Revenue	331,886	297,061	352,425	361,813	361,837	377,733
2001 - Other Misc Special Revenue	301,553	262,541	425,570	435,888	308,507	269,992
2360 - Health Care Access	751,175	312,847	445,196	517,096	521,983	526,049
2403 - Gift	20	25	19	100	75	75
3000 - Federal	8,421,760	8,350,626	9,259,699	9,404,101	10,258,722	10,106,868
3001 - Federal TANF	237,044	256,130	256,556	261,908	262,937	264,533
4100 - SOS TBI & Adol Ent Svcs	1,621	1,657	1,544	1,495	1,495	1,495
4101 - DHS Chemical Dependency Servs	18,173	14,293	15,367	15,482	15,274	15,274
4350 - MN State Operated Comm Svcs	103,496	111,573	111,722	113,447	110,578	110,315
4503 - Minnesota State Industries	1,170	1,232	1,562	1,607	1,607	1,607
4800 - Lottery	1,514	1,850	1,787	1,977	1,896	1,896
6000 - Miscellaneous Agency	34,913	37,300	33,964	218,229	215,102	215,102
6003 - Child Support Enforcement	615,740	602,763	591,132	658,280	647,962	647,962
Total	16,136,606	15,859,010	17,787,211	18,378,839	19,770,208	19,631,675
Biennial Change				4,170,434		3,235,833
Biennial % Change				13		9

Expenditures by Program

Central Office Operations	488,076	543,151	590,078	627,075	530,754	485,824
Forecasted Programs	12,815,453	12,441,432	14,159,434	14,144,958	15,749,015	15,679,687
Grant Programs	1,125,161	1,147,724	1,141,249	1,343,036	1,304,970	1,275,609
Direct Care Treatment	416,083	453,311	485,908	525,343	508,352	512,105
Fiduciary Activities	647,531	636,510	621,844	873,554	860,290	860,789
Technical Activities	688,927	677,664	842,130	918,532	870,706	871,649
DHS Federal Admin Reimbursement	(44,626)	(40,783)	(53,432)	(53,659)	(53,879)	(53,988)
Total	16,136,606	15,859,010	17,787,211	18,378,839	19,770,208	19,631,675

Expenditures by Category

Compensation	511,805	551,466	594,792	650,611	642,197	638,887
Operating Expenses	825,665	825,694	1,076,924	908,997	752,488	714,726

Human Services

Agency Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
Grants, Aids and Subsidies	14,185,696	13,859,163	15,525,154	16,186,900	17,754,184	17,658,107
Capital Outlay-Real Property	1,412	7,703	8,783			
Other Financial Transaction	656,654	655,767	634,990	685,990	675,218	673,943
Total Before DHS Federal Admin Reimbursement	16,181,232	15,899,793	17,840,643	18,432,498	19,824,087	19,685,663
DHS Federal Admin Reimbursement	(44,626)	(40,783)	(53,432)	(53,659)	(53,879)	(53,988)
Total	16,136,606	15,859,010	17,787,211	18,378,839	19,770,208	19,631,675
 <u>Full-Time Equivalents</u>	 6,098.45	 6,419.73	 6,749.17	 7,005.27	 6,727.89	 6,621.38

Human Services

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In	7,716	78,359	1,370	31,879		
Direct Appropriation	5,616,984	6,063,913	6,822,805	6,613,756	7,357,512	7,370,207
Receipts	563	638	754	842	918	982
Transfers In	106,863	128,451	117,076	106,947	55,795	40,144
Transfers Out	303,221	360,622	338,971	335,245	320,652	287,110
Cancellations	60,862	274,834	249,186			
Balance Forward Out	23,972	1,370	31,876			
Expenditures	5,344,071	5,634,536	6,321,972	6,418,179	7,093,573	7,124,223
DHS Federal Admin Reimbursement	(31,978)	(29,817)	(35,221)	(35,443)	(35,657)	(35,766)
Expenditures after Federal Admin Reimbursement	5,312,093	5,604,719	6,286,751	6,382,736	7,057,916	7,088,457
Biennial Change in Expenditures				1,752,675		1,476,886
Biennial % Change in Expenditures				16		12
Full-Time Equivalents	3,389.62	3,615.29	3,915.24	4,255.40	4,064.37	3,978.54

1200 - State Government Special Rev

Balance Forward In		78		375		
Direct Appropriation	4,514	4,274	4,274	4,287	4,299	4,299
Open Appropriation		59	18	18	18	18
Transfers In				13	25	25
Transfers Out				13	25	25
Cancellations		17				
Balance Forward Out	64		375			
Expenditures	4,450	4,393	3,917	4,680	4,317	4,317
Biennial Change in Expenditures				(246)		37
Biennial % Change in Expenditures				(3)		0
Full-Time Equivalents	36.31	42.02	37.31	37.31	35.85	35.08

2000 - Restrict Misc Special Revenue

Balance Forward In	42,159	51,729	51,676	48,151	27,404	26,494
Direct Appropriation	2,963	2,713	2,913	2,813	2,813	2,813
Receipts	243,169	173,715	229,547	209,675	185,557	217,410
Transfers In	102,112	125,481	127,951	138,822	183,466	167,148
Transfers Out	7,244	9,697	7,254	10,244	10,909	10,704

Human Services

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
Cancellations		205				
Balance Forward Out	51,273	46,674	52,407	27,404	26,494	25,428
Expenditures	331,886	297,061	352,425	361,813	361,837	377,733
Biennial Change in Expenditures				85,291		25,332
Biennial % Change in Expenditures				14		4
Full-Time Equivalents	164.02	166.22	194.48	200.35	183.29	182.43

2001 - Other Misc Special Revenue

Balance Forward In	18,969	41,043	136,110	131,939	66,813	57,051
Receipts	206,870	205,935	244,323	264,469	199,539	165,724
Transfers In	293,270	341,135	278,616	291,080	255,740	243,568
Transfers Out	201,920	230,534	176,631	184,787	156,534	144,376
Balance Forward Out	15,636	95,039	56,849	66,813	57,051	51,975
Expenditures	301,553	262,541	425,570	435,888	308,507	269,992
Biennial Change in Expenditures				297,364		(282,959)
Biennial % Change in Expenditures				53		(33)
Full-Time Equivalents	413.09	440.65	468.69	468.69	457.84	452.69

2360 - Health Care Access

Balance Forward In	68	19,087	12	564		
Direct Appropriation	769,377	302,372	446,453	510,645	514,857	517,611
Open Appropriation		413	158	158	158	158
Receipts	29,994	36,055	36,577	37,825	39,088	40,400
Transfers In	181,168	37,683	14,177	1,101		
Transfers Out	195,387	51,378	27,443	14,981	13,898	13,898
Cancellations	21,073	20,418	5,964			
Balance Forward Out	323	2	564			
Expenditures	763,823	323,812	463,407	535,312	540,205	544,271
DHS Federal Admin Reimbursement	(12,648)	(10,966)	(18,211)	(18,216)	(18,222)	(18,222)
Expenditures after Federal Admin Reimbursement	751,175	312,847	445,196	517,096	521,983	526,049
Biennial Change in Expenditures				(101,729)		85,740
Biennial % Change in Expenditures				(10)		9
Full-Time Equivalents	332.26	358.22	348.90	348.90	339.73	334.90

Human Services

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21

2400 - Endowment

Balance Forward In	60	61	61	62	63	63
Receipts	0	1	1	1		
Balance Forward Out	61	61	62	63	63	63

2403 - Gift

Balance Forward In	101	96	83	71	37	28
Receipts	15	11	10	66	66	66
Balance Forward Out	96	83	73	37	28	19
Expenditures	20	25	19	100	75	75
Biennial Change in Expenditures				74		31
Biennial % Change in Expenditures				164		26

3000 - Federal

Balance Forward In	72,321	20,084	169,679	269,536	199,709	80,369
Receipts	8,367,707	8,478,245	9,359,557	9,334,274	10,139,382	10,030,642
Transfers In	103		200			
Transfers Out	103	0	200			
Balance Forward Out	18,270	147,705	269,538	199,709	80,369	4,143
Expenditures	8,421,760	8,350,626	9,259,699	9,404,101	10,258,722	10,106,868
Biennial Change in Expenditures				1,891,414		1,701,790
Biennial % Change in Expenditures				11		9
Full-Time Equivalents	196.97	198.41	187.40	183.40	180.83	180.83

3001 - Federal TANF

Balance Forward In	44,875	63,858	60,030	56,014	44,219	31,396
Receipts	256,027	252,302	252,540	250,113	250,114	250,113
Balance Forward Out	63,858	60,030	56,014	44,219	31,396	16,976
Expenditures	237,044	256,130	256,556	261,908	262,937	264,533
Biennial Change in Expenditures				25,290		9,006
Biennial % Change in Expenditures				5		2
Full-Time Equivalents	12.03	11.83	11.89	11.89	11.89	11.89

Human Services

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21

4100 - SOS TBI & Adol Ent Svcs

Balance Forward In	532	356	369	332	465	598
Receipts	1,431	1,669	1,506	1,628	1,628	1,628
Balance Forward Out	342	368	331	465	598	731
Expenditures	1,621	1,657	1,544	1,495	1,495	1,495
Biennial Change in Expenditures				(239)		(49)
Biennial % Change in Expenditures				(7)		(2)
Full-Time Equivalents	23.96	24.70	23.93	21.68	20.73	20.35

4101 - DHS Chemical Dependency Servs

Balance Forward In	41	227	465	1,043		
Receipts	8,544	8,390	9,507	8,001	8,836	8,836
Transfers In	9,626	6,113	6,438	6,438	6,438	6,438
Balance Forward Out	38	437	1,043			
Expenditures	18,173	14,293	15,367	15,482	15,274	15,274
Biennial Change in Expenditures				(1,616)		(301)
Biennial % Change in Expenditures				(5)		(1)
Full-Time Equivalents	158.10	130.07	121.08	138.55	129.62	127.27

4350 - MN State Operated Comm Svcs

Balance Forward In	173	3,124	1,208	2,640		
Receipts	93,061	95,747	104,064	106,826	106,597	107,922
Transfers In	14,000	14,000	9,090	3,981	3,981	2,393
Transfers Out	830	181				
Balance Forward Out	2,909	1,116	2,640			
Expenditures	103,496	111,573	111,722	113,447	110,578	110,315
Biennial Change in Expenditures				10,101		(4,276)
Biennial % Change in Expenditures				5		(2)
Full-Time Equivalents	1,369.00	1,430.30	1,439.25	1,338.10	1,302.79	1,296.48

4503 - Minnesota State Industries

Balance Forward In	971	1,222	1,507	1,864	1,864	1,864
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Human Services

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
Receipts	1,164	1,363	1,920	1,607	1,607	1,607
Balance Forward Out	965	1,352	1,864	1,864	1,864	1,864
Expenditures	1,170	1,232	1,562	1,607	1,607	1,607
Biennial Change in Expenditures				768		45
Biennial % Change in Expenditures				32		1
Full-Time Equivalents	1.76	0.62				

4800 - Lottery

Balance Forward In		46		81		
Direct Appropriation	1,893	1,896	1,896	1,896	1,896	1,896
Open Appropriation		2	1			
Cancellations	333	93	28			
Balance Forward Out	46		81			
Expenditures	1,514	1,850	1,787	1,977	1,896	1,896
Biennial Change in Expenditures				400		28
Biennial % Change in Expenditures				12		1
Full-Time Equivalents	1.33	1.40	1.00	1.00	0.95	0.92

6000 - Miscellaneous Agency

Balance Forward In	5,586	5,436	3,289	3,827	650	625
Receipts	33,721	34,963	34,503	215,052	215,077	215,102
Transfers In			107			
Transfers Out			107			
Balance Forward Out	4,394	3,098	3,828	650	625	625
Expenditures	34,913	37,300	33,964	218,229	215,102	215,102
Biennial Change in Expenditures				179,980		178,011
Biennial % Change in Expenditures				249		71

6003 - Child Support Enforcement

Balance Forward In	9,904	9,380	10,624	10,318		
Receipts	615,216	604,026	590,826	647,962	647,962	647,962
Balance Forward Out	9,380	10,643	10,318			
Expenditures	615,740	602,763	591,132	658,280	647,962	647,962

Human Services

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY16	FY17	FY18	FY19	FY20	FY21
Biennial Change in Expenditures				30,909		46,512
Biennial % Change in Expenditures				3		4

Human Services

Agency Change Summary

(Dollars in Thousands)

	FY19	FY20	FY21	Biennium 2020-21
Direct				
Fund: 1000 - General				
FY2019 Appropriations	6,900,024	6,900,024	6,900,024	13,800,048
Base Adjustments				
Current Law Base Change	(103,535)	692,082	751,863	1,443,945
Pension Allocation		1,860	2,995	4,855
Approved Transfer Between Appropriation		0	0	0
November Forecast Adjustment	(182,733)	(236,454)	(284,675)	(521,129)
Forecast Base	6,613,756	7,357,512	7,370,207	14,727,719
Fund: 1200 - State Government Special Rev				
FY2019 Appropriations	4,287	4,287	4,287	8,574
Base Adjustments				
Pension Allocation		12	12	24
Forecast Base	4,287	4,299	4,299	8,598
Fund: 2000 - Restrict Misc Special Revenue				
FY2019 Appropriations	2,813	2,813	2,813	5,626
Forecast Base	2,813	2,813	2,813	5,626
Fund: 2360 - Health Care Access				
FY2019 Appropriations	501,203	501,203	501,203	1,002,406
Base Adjustments				
Current Law Base Change	9,258	(68,557)	(25,393)	(93,950)
Pension Allocation		100	100	200
Approved Transfer Between Appropriation		0	0	0
November Forecast Adjustment	184	82,111	41,701	123,812
Forecast Base	510,645	514,857	517,611	1,032,468
Fund: 4800 - Lottery				
FY2019 Appropriations	1,896	1,896	1,896	3,792
Forecast Base	1,896	1,896	1,896	3,792
Open				
Fund: 1200 - State Government Special Rev				
Base Adjustments				
Forecast Open Appropriation Adjustment	18	18	18	36
Forecast Base	18	18	18	36

Human Services

Agency Change Summary

(Dollars in Thousands)

	FY19	FY20	FY21	Biennium 2020-21
Fund: 2360 - Health Care Access				
Base Adjustments				
Forecast Open Appropriation Adjustment	158	158	158	316
Forecast Base	158	158	158	316
 <i>Dedicated</i>				
Fund: 1000 - General				
Planned Spending	1,580	918	982	1,900
Forecast Base	1,580	918	982	1,900
 Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending	358,871	358,874	374,770	733,644
Forecast Base	358,871	358,874	374,770	733,644
 Fund: 2001 - Other Misc Special Revenue				
Planned Spending	435,888	308,507	269,992	578,499
Forecast Base	435,888	308,507	269,992	578,499
 Fund: 2360 - Health Care Access				
Planned Spending	38,025	39,088	40,400	79,488
Forecast Base	38,025	39,088	40,400	79,488
 Fund: 2403 - Gift				
Planned Spending	100	75	75	150
Forecast Base	100	75	75	150
 Fund: 3000 - Federal				
Planned Spending	9,404,101	10,258,722	10,106,868	20,365,590
Forecast Base	9,404,101	10,258,722	10,106,868	20,365,590
 Fund: 3001 - Federal TANF				
Planned Spending	261,908	262,937	264,533	527,470
Forecast Base	261,908	262,937	264,533	527,470
 Fund: 4100 - SOS TBI & Adol Ent Svcs				
Planned Spending	1,495	1,495	1,495	2,990
Forecast Base	1,495	1,495	1,495	2,990
 Fund: 4101 - DHS Chemical Dependency Servs				

Human Services

Agency Change Summary

(Dollars in Thousands)

	FY19	FY20	FY21	Biennium 2020-21
Planned Spending	15,482	15,274	15,274	30,548
Forecast Base	15,482	15,274	15,274	30,548
Fund: 4350 - MN State Operated Comm Svcs				
Planned Spending	113,447	110,578	110,315	220,893
Forecast Base	113,447	110,578	110,315	220,893
Fund: 4503 - Minnesota State Industries				
Planned Spending	1,607	1,607	1,607	3,214
Forecast Base	1,607	1,607	1,607	3,214
Fund: 6000 - Miscellaneous Agency				
Planned Spending	218,229	215,102	215,102	430,204
Forecast Base	218,229	215,102	215,102	430,204
Fund: 6003 - Child Support Enforcement				
Planned Spending	658,280	647,962	647,962	1,295,924
Forecast Base	658,280	647,962	647,962	1,295,924
DHS Federal Admin Reimbursement				
Fund: 1000 - General				
Forecast Federal Administrative Reimbursement	(35,443)	(35,657)	(35,766)	(71,423)
Fund: 2360 - Health Care Access				
Forecast Federal Administrative Reimbursement	(18,216)	(18,222)	(18,222)	(36,444)
Revenue Change Summary				
Dedicated				
Fund: 1000 - General				
Forecast Revenues	842	918	982	1,900
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	209,675	185,557	217,410	402,967
Fund: 2001 - Other Misc Special Revenue				
Forecast Revenues	264,469	199,539	165,724	365,263
Fund: 2360 - Health Care Access				

Human Services

Agency Change Summary

(Dollars in Thousands)

	FY19	FY20	FY21	Biennium 2020-21
Forecast Revenues	37,825	39,088	40,400	79,488
Fund: 2400 - Endowment				
Forecast Revenues	1			
Fund: 2403 - Gift				
Forecast Revenues	66	66	66	132
Fund: 3000 - Federal				
Forecast Revenues	9,334,274	10,139,382	10,030,642	20,170,024
Fund: 3001 - Federal TANF				
Forecast Revenues	250,113	250,114	250,113	500,227
Fund: 4100 - SOS TBI & Adol Ent Svcs				
Forecast Revenues	1,628	1,628	1,628	3,256
Fund: 4101 - DHS Chemical Dependency Servs				
Forecast Revenues	8,001	8,836	8,836	17,672
Fund: 4350 - MN State Operated Comm Svcs				
Forecast Revenues	106,826	106,597	107,922	214,519
Fund: 4503 - Minnesota State Industries				
Forecast Revenues	1,607	1,607	1,607	3,214
Fund: 6000 - Miscellaneous Agency				
Forecast Revenues	215,052	215,077	215,102	430,179
Fund: 6003 - Child Support Enforcement				
Forecast Revenues	647,962	647,962	647,962	1,295,924
<i>Non-Dedicated</i>				
Fund: 1000 - General				
Forecast Revenues	453,200	464,524	476,760	941,284
Fund: 1200 - State Government Special Rev				
Forecast Revenues	4,400	4,400	4,400	8,800

(Dollars in Thousands)

	FY19	FY20	FY21	Biennium 2020-21
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	6,068	6,068	6,068	12,136

Program: Central Office Operations

Activity: Operations

AT A GLANCE

- Conducts more than 15,000 administrative appeals per year (CY 2017)
- Reviews and approves more than 6,000 contracts of different types and amendments per year
- Provides human resource management for about 7,140 state staff and about 4,100 county staff
- Resolves more than 100 requests for disability accommodations, investigates over 50 employment discrimination complaints, and resolves over 300 complaints relating to service delivery per year
- Sponsors development, accreditation, and engagement opportunities for all 7,140 DHS employees
- Promotes continuous improvement and accountability across the 11 essential human services in all 87 counties.
- Licenses approximately 21,000 service providers.
- Conducts more than 8,800 recipient and 700 provider fraud investigations resulting in over \$7.4 million and \$12.9 million in identified overpayments (CY2017) respectively. To the extent we can realize recoveries, they are returned to county state and federal funding sources.
- Receives 4,340 maltreatment and 3,774 licensing reports; investigates 737 maltreatment allegations and 1,227 licensing reports (FY2017).
- All funds spending for Operations activities for FY 2017 was \$101 million. This represents 0.6 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

The Operations area within the Department of Human Services (DHS) serves external customers, internal staff, and ensures integrity in spending of public resources. To external customers, we license service providers and conduct background studies – key activities that keep Minnesotans safe and protect our most vulnerable citizens. We also provide appeals processes, tribal, county, and community relations, and communication resources.

To internal staff, we provide human resources services, financial management, legal services, technology planning and facilities management.

Finally, we work to ensure the prudent use of public dollars by investigating, preventing, and stopping fraudulent uses of state and federal money.

SERVICES PROVIDED

Our Compliance Office is responsible for legal and compliance activities throughout the agency:

- The **Appeals Division** conducts administrative fair hearings for applicants and recipients appealing the denial, reduction, sanction or termination of benefits in cash and food programs, health care programs, social services programs and residential programs. We also hold administrative hearings when a state or county agency has determined a person committed program fraud, maltreated a child or vulnerable adult, or believes a person should be disqualified from having access to or working with vulnerable populations in a program licensed by the department.
- The **Contracts, Purchasing and Legal Compliance Division** is the agency wide facilitator of DHS goods and services acquisitions including agency-wide asset management, commodities procurements, professional and technical services, and services delivered directly to program clients through grant contracts. The

Division provides legal analysis and advice regarding contract development and vendor and grantee management.

- The **Internal Audits Office** tests, analyzes, evaluates and maintains the overall internal control environment at DHS. The Office has of three primary functions: Internal Audits, Program Compliance and Audits, and the Digital Forensics Lab. Our staff conducts audits of DHS grantees, contractors, vendors, and counties.
- The **General Counsel's Office** provides legal advice, counsel, and direction for all of DHS' legal activities.
- The **Management and Policy Division** oversees prevention, providing counsel on ethics, risk management, business continuity, records management, agency internal administrative policies, Commissioner Delegations of Authority, and policy bulletins.

Our **External Relations Office** oversee and provides direction to communications and key stakeholder relation efforts across the agency.

- Our **Office of Indian Policy** helps implement and coordinate programs with Tribes and provides ongoing consultation for program development for the delivery of services to American Indians living both on and off reservations. This office promotes government-to-government relations, and works to enhance tribal infrastructure, reduce disparities, and design effective programs.
- Our **Communications Office** leads agency communications efforts. We respond to inquiries from the news media and prepare information that helps the general public understand the agency's services and human services policies.
- Our **Legislative Relations** area participates in all aspects of legislative session planning and activities. We serve as a resource to managers and staff regarding the legislative process, prepare information for lawmakers, budget recommendations and position statements, as well as monitoring, tracking and analyzing legislative bills.
- Our **Community Relations** area supports, develops, and facilitates relationships between DHS and the community.
- Our **County Relations** area takes a lead role in the agency's relationships with Minnesota's 87 counties. These counties administer most of the human services system that the agency oversees.

Our **Human Resources Division** provides human resources management services for 7,140 staff at the agency and for approximately 4,100 county human services employees. This division provides staffing, health, safety, compensation, job classification, labor relations, management consulting, benefits administration, workers compensation and employee assistance services to managers and employees. The division is also responsible for the agency's continuous improvements training and initiatives, and for recycling, facilities management, mail processing, security, information desk services, and vehicle management.

Our **Office for Equity, Performance, and Development** helps DHS to maintain and cultivate a diverse and inclusive workforce, ensures that DHS uses equitable practices in employment and service delivery, provides consultation on performance measurement and continuous improvement, data analytics, survey development, and strategic planning, and promotes employee development, learning, and engagement.

The **DHS Office of Inspector General** (<http://mn.gov/dhs/general-public/office-of-inspector-general/>) manages financial fraud and abuse investigations; licenses programs such as family child care, adult foster care, and mental health centers; and conducts background studies on people who apply to work in these settings:

- Our Licensing Division (<https://mn.gov/dhs/general-public/licensing/>) licenses residential and nonresidential programs for children and vulnerable adults to ensure that the programs meet the requirements and the law. These programs include child care centers, family child care (via counties), foster care, adoption agencies, and services for people with developmental disabilities, chemical dependency, and mental illness. Our staff also completes investigations of maltreatment of vulnerable adults and children receiving services licensed by DHS.

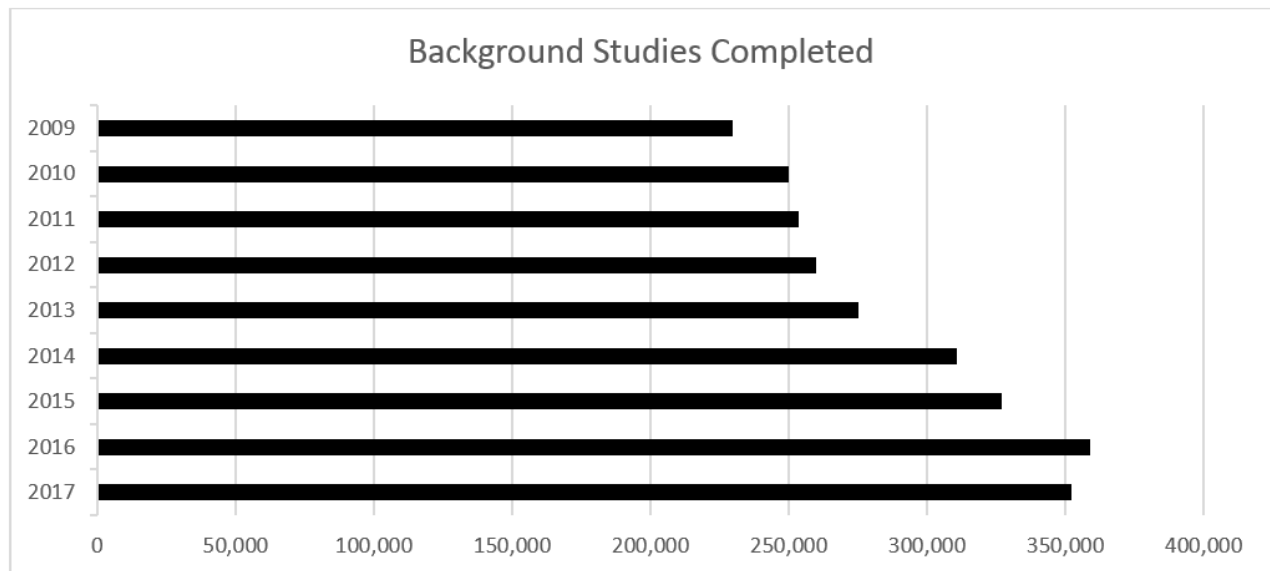
- Our Background Studies Division (<https://mn.gov/dhs/general-public/background-studies/>) annually conducts over 350,000 background studies on people working with children or vulnerable adults.
- Our Fraud Investigations Division (<http://mn.gov/dhs/general-public/office-of-inspector-general/fraud-investigations/index.jsp>) oversees fraud prevention and financial recovery efforts in health care, economic assistance, child care assistance, and food support programs.

Our **Office of the Chief Financial Officer** provides fiscal services and controls the financial transactions of the agency, including the Central Office and Direct Care and Treatment. Core functions include preparing budget information, paying agency obligations, providing federal fiscal reporting, conducting patient revenue generation and collections, administering the Parental Fee program, processing agency receipts and preparing employees' payroll. The Reports and Forecasts Division (<http://mn.gov/dhs/general-public/publications-forms-resources/reports/financial-reports-and-forecasts.jsp>) is responsible for meeting federal reporting requirements for economic assistance programs, Minnesota Health Care Programs, and the Supplemental Nutrition Assistance Program. Our staff provides forecasts of program caseloads and expenditures, provides fiscal analyses of proposed legislation affecting these programs, and responds to requests for statistical information on the programs.

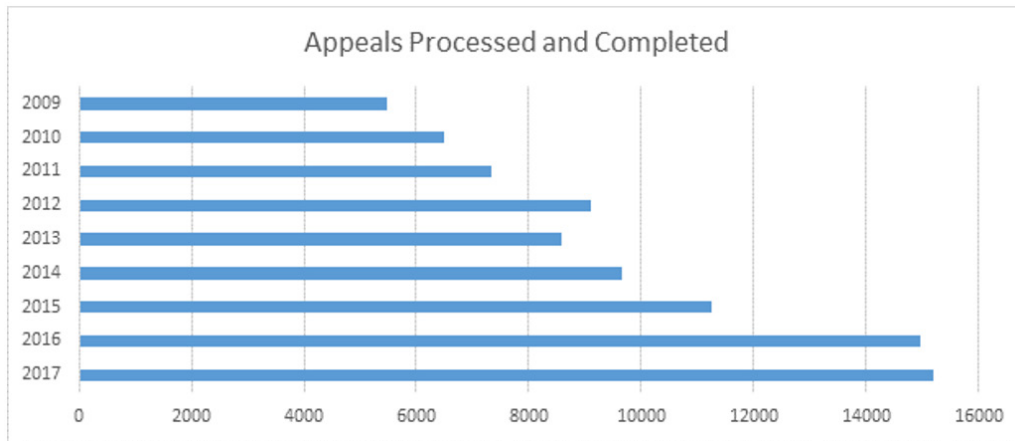
The **Business Solutions Offices** works across the agency and with external stakeholders to partner with MNIT in providing technology systems that support the delivery of human services. Staff in this office develop the business architecture to support system design, serve as the business owners for enterprise applications, coordinate the submission of federal funding applications, align data strategies, work throughout the agency and with external stakeholders on business readiness efforts and implement governance oversight for information management and technology work of the agency.

RESULTS

Number of background studies completed annually: Individuals who provide direct contact services to clients



Number of Appeals processed and completed by fiscal year



Operations' legal authority is in several places in state law: M.S. chapter 245A (Human Services Licensing); chapter 245C (Human Services Background Studies) and sections 144.057, 144A.476, and 524.5-118; and chapter 245D (Home and Community-Based Services Standards), M.S. Chapter 43A, sections 43A.19, 43A.191 (Affirmative Action), M.S. Chapter 363A (Human Rights), M.S. Chapter 402A (Human Services Performance Management).

Additional statutes give the agency authority to investigate fraud: M.S. sections 119B.125, 152.126, 256.987, 256D.024, 256J.26, 256J.38, 609.821, 626.5533, and chapter 245E (Child Care Assistance Program Fraud Investigations).

M.S. sections 626.556 and 626.557 authorize the agency's work conducting background studies and investigating reports related to maltreatment of minors and of vulnerable adults.

M.S. chapter 256 (Human Services) provides authority for many of the agency's general administrative activities. M.S. sections 256.045 to 256.046 give authority for the agency's appeals activities.

NOTE: MN.IT spending, which previously was reported under Operations, is now reflected on its own budget activity page.

Operations

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	49,912	53,540	63,057	71,478	69,709	69,916
1200 - State Government Special Rev	4,346	4,205	3,777	4,533	4,173	4,173
2000 - Restrict Misc Special Revenue	7,743	8,771	7,959	8,828	9,370	9,373
2001 - Other Misc Special Revenue	15,917	26,842	26,647	31,284	30,108	29,969
2360 - Health Care Access	4,262	5,582	5,996	6,916	6,811	6,811
3000 - Federal	2,580	2,593	1,742	6,874	6,891	2,591
3001 - Federal TANF	104	99	99	100	100	100
Total	84,864	101,631	109,276	130,013	127,162	122,933
Biennial Change				52,794		10,806
Biennial % Change				28		5

Expenditures by Category

Compensation	51,611	60,226	64,800	72,492	75,044	70,608
Operating Expenses	31,273	37,974	42,717	57,436	51,870	52,077
Grants, Aids and Subsidies	57	90	124			
Capital Outlay-Real Property	1,367	251	3			
Other Financial Transaction	556	3,090	1,632	85	248	248
Total	84,864	101,631	109,276	130,013	127,162	122,933

Full-Time Equivalents

	553.16	617.74	658.75	654.75	634.44	623.81
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Operations

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In		928		5,375		
Direct Appropriation	115,577	114,291	137,610	138,040	133,002	133,047
Transfers In	9,825	17,250	13,337	27,537	11,093	11,093
Transfers Out	75,036	78,891	82,516	99,474	74,386	74,224
Cancellations		39				
Balance Forward Out	454		5,375			
Expenditures	49,912	53,540	63,057	71,478	69,709	69,916
Biennial Change in Expenditures				31,083		5,090
Biennial % Change in Expenditures				30		4
Full-Time Equivalents	353.37	392.74	437.85	437.85	420.40	411.20
1200 - State Government Special Rev						
Balance Forward In		57		372		
Direct Appropriation	4,389	4,149	4,149	4,162	4,174	4,174
Transfers In				12	24	24
Transfers Out				13	25	25
Cancellations		0				
Balance Forward Out	43		372			
Expenditures	4,346	4,205	3,777	4,533	4,173	4,173
Biennial Change in Expenditures				(241)		36
Biennial % Change in Expenditures				(3)		0
Full-Time Equivalents	35.74	40.80	36.18	36.18	34.76	34.02
2000 - Restrict Misc Special Revenue						
Balance Forward In	4,394	5,044	3,609	1,806	85	13
Receipts	7,833	7,463	7,282	7,488	9,688	9,773
Transfers In	722	926	784	799	877	880
Transfers Out	681	1,071	1,912	1,180	1,267	1,267
Balance Forward Out	4,525	3,590	1,805	85	13	26
Expenditures	7,743	8,771	7,959	8,828	9,370	9,373
Biennial Change in Expenditures				273		1,956
Biennial % Change in Expenditures				2		12
Full-Time Equivalents	71.79	81.80	74.76	74.76	74.76	74.76

Operations

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21

2001 - Other Misc Special Revenue

Balance Forward In	2,125	1,950	2,272	2,343	3,032	3,493
Receipts	18,114	18,894	17,704	22,965	21,795	21,795
Transfers In	1,259	12,126	13,406	13,826	14,227	14,088
Transfers Out	3,622	3,844	4,392	4,818	5,453	5,453
Balance Forward Out	1,959	2,284	2,343	3,032	3,493	3,954
Expenditures	15,917	26,842	26,647	31,284	30,108	29,969
Biennial Change in Expenditures				15,172		2,146
Biennial % Change in Expenditures				35		4
Full-Time Equivalents	36.62	44.18	53.65	53.65	53.38	53.31

2360 - Health Care Access

Balance Forward In		317		118		
Direct Appropriation	9,793	10,503	21,019	21,118	20,709	20,709
Transfers In	309	219	119	131		
Transfers Out	5,560	5,423	15,024	14,451	13,898	13,898
Cancellations		34				
Balance Forward Out	280		118			
Expenditures	4,262	5,582	5,996	6,916	6,811	6,811
Biennial Change in Expenditures				3,069		710
Biennial % Change in Expenditures				31		6
Full-Time Equivalents	34.22	34.23	34.32	34.32	33.15	32.53

3000 - Federal

Balance Forward In	41	6	6	11		
Receipts	2,545	2,593	1,747	6,863	6,891	2,591
Balance Forward Out	6	6	12			
Expenditures	2,580	2,593	1,742	6,874	6,891	2,591
Biennial Change in Expenditures				3,443		866
Biennial % Change in Expenditures				67		10
Full-Time Equivalents	20.52	23.17	21.19	17.19	17.19	17.19

Operations

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
3001 - Federal TANF						
Balance Forward In		0	0			
Receipts	104	99	99	100	100	100
Balance Forward Out	0	0	0			
Expenditures	104	99	99	100	100	100
Biennial Change in Expenditures				(4)		1
Biennial % Change in Expenditures				(2)		1
Full-Time Equivalents	0.90	0.82	0.80	0.80	0.80	0.80

Program: Central Office Operations

Activity: Children & Families

mn.gov/dhs/people-we-serve/children-and-families/

AT A GLANCE

- Provides child support services to more than 346,000 custodial and non-custodial parents annually and 240,000 children
- Provides child care assistance to more than 29,000 children in an average month
- 1563 children were either adopted or had a permanent transfer of legal custody to a relative in 2017
- Facilitates Supplemental Nutrition Assistance Program (SNAP) payments to more than 429,000 Minnesotans every month
- All funds administrative spending for the Children and Families activity for FY 2017 was \$45.4 million. This represented 0.27 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

Children and Families administers, and provides administrative support to counties, tribes and social service agencies for programs that provide child safety and well-being services, and for economic assistance programs serving low-income families and children.

These services help ensure that low-income people receive the support they need to be safe and help build stable families and communities. Programs administered in this area seek to:

- Keep more people fed and healthy by increasing nutrition assistance participation,
- Keep more children out of foster care and safely with their families,
- Decrease the disproportionate number of children of color in out-of-home placements, and
- Increase access to high quality child care.

Our statewide administration of these programs ensures that federal funds are used according to federal regulations, resources and services are distributed equitably across the state, and quality standards are maintained.

SERVICES PROVIDED

The Children and Family Services Administration is organized into five principal Divisions:

- Child Safety and Permanency,
- Child Support,
- Community Partnerships and Child Care Services,
- Economic Assistance and Employment Supports, and
- Management Operations.

In the Children and Families Services Administration our staff provides administrative direction and supports to counties, tribes and community agencies. Our work includes:

- Researching, recommending and implementing statewide policy and programs,
- Managing grants,
- Training and giving technical assistance to counties, tribes and grantees,
- Evaluating and auditing service delivery, and

- Conducting quality assurance reviews to make sure that effective services are delivered efficiently and consistently across the state.

Our areas of responsibility include administering several forecasted programs: the Minnesota Family Investment Program (MFIP) and Diversionary Work Program, and MFIP Child Care Assistance. Our staff also supports grant programs that provide funding for housing, food and child welfare services. We also administer the federal Supplemental Nutrition Assistance Program (SNAP). We review approximately 2,600 SNAP cases annually to see if benefits and eligibility were determined correctly. In addition, we review overall county and tribal administration and management of SNAP in 30-35 agencies each year. We provide oversight of statewide child welfare services that focus on ensuring children’s safety while supporting families. We ensure that core safety services focus on preventing or remedying neglect, and providing basic food, housing and other supports to the most at-risk adults and children. In 2015, we provided more than 950 classroom and over 3,800 on-line trainings for county staff on SNAP, family cash assistance and child care assistance.

Funding for our programs comes from a combination of state and federal dollars. Major federal block grants that support programs in our Administration include Temporary Assistance for Needy Families, the Child Care and Development Fund, the Social Services Block Grant and the Community Services Block Grant. Funding from these four federal sources totaled \$458 million in federal fiscal year 2017.

RESULTS

We provide administrative support to a broad array of programs and services for low-income families and adults and children.

Key Measures for programs serving families and children:

<i>Type of Measure</i>	<i>Description of Measure</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
Quality	Percent of children not experiencing repeated abuse or neglect within 12 months of a prior report	94.3%	94.5%	91.8%	91%
Quality	Percent of all children who enter foster care in the previous year that are discharged to permanency (i.e., reunification with parents, caregivers, living with relative, guardianship, adoption) within 12 months	60%	56.1%	50.6%	47.5%
Quality	Percent of all children in foster care who had been in care between 12 and 23 months on the first day of the year that were discharged to permanency within 12 months of the first day of the year	50%	44.8%	48.1%	51.2%
Quality	Percent of all children in foster care who had been in care for 24 months or more on the first day of the year that were discharged to permanency within 12 months of the first day of the year	17.4%	23.1%	25.2%	28.8%

Data for quality measures provided by Children’s Research Unit at the Department of Human Services.

The two key measures in MFIP/DWP are:

- The **Self-Support Index (S-SI)**, which is a results measure. The S-SI shows the percentage of adults eligible for MFIP or DWP in a quarter who have left assistance or are working at least 30 hours per week three years later. Customized targets are set for each county or tribe using characteristics of the people served and local economic conditions. State law requires the Department of Human Services to use the Self-Support Index to allocate performance bonus funds. The chart following shows that about two-thirds of participants have left MFIP or DWP and/or are working at least 30 hours per week three years after a baseline period.

<i>Year ending in March of:</i>	<i>S-SI</i>
2016	68.0%
2017	65.9%
2018	64.6%

- The federal Work Participation Rate (WPR), which is a measure of quantity. The WPR shows parents engaging in work and specific work-related activities. We calculate an estimated WPR for counties, county consortiums and tribes monthly, and it is annualized to allocate performance bonus funds. (Beginning in calendar year 2016, the bonus will be based solely on the S-SI.) The chart following shows the WPR for 2015 to 2017.

<i>Federal Fiscal Year</i>	<i>WPR</i>
2015	37.9%
2016	39.4%
2017	38.9%

Another employment-related, state-mandated performance measure tracked is:

- **MFIP/DWP Median Placement Wage**, a quality measure that reflects the number of people getting jobs and the median wage. The chart shows the statewide median hourly starting wage. (Tribes are not included.)

<i>Calendar Year</i>	<i>Median Placement Wage Per Hour for MFIP Clients</i>	<i>Median Placement Wage Per Hour for DWP Clients</i>
2015	\$11.00	\$11.00
2016	\$11.50	\$11.50
2017	\$12.00	\$12.00

Children & Families

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	8,186	9,781	10,582	11,597	11,055	10,963
2000 - Restrict Misc Special Revenue	136	55	160	795	62	62
2001 - Other Misc Special Revenue	20,791	20,404	22,244	25,861	23,604	23,337
3000 - Federal	10,960	13,192	12,066	16,420	16,710	16,308
3001 - Federal TANF	2,038	2,013	1,848	2,582	2,582	2,582
Total	42,110	45,445	46,900	57,255	54,013	53,252
Biennial Change				16,600		3,110
Biennial % Change				19		3

Expenditures by Category

Compensation	27,101	29,384	32,401	37,180	36,466	35,927
Operating Expenses	14,733	14,487	13,893	19,933	17,465	17,243
Grants, Aids and Subsidies	123	1,448	544	108	50	50
Other Financial Transaction	152	125	62	34	32	32
Total	42,110	45,445	46,900	57,255	54,013	53,252

Full-Time Equivalent

	286.01	303.02	324.07	324.07	316.73	312.95
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Children & Families

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In		1,291		477		
Direct Appropriation	9,974	9,961	10,438	10,821	11,115	11,071
Transfers In	438	705	1,254	1,402	963	915
Transfers Out	1,396	2,162	633	1,103	1,023	1,023
Cancellations		13				
Balance Forward Out	830		477			
Expenditures	8,186	9,781	10,582	11,597	11,055	10,963
Biennial Change in Expenditures				4,212		(161)
Biennial % Change in Expenditures				23		(1)
Full-Time Equivalents	61.61	72.82	75.86	75.86	72.58	70.88
2000 - Restrict Misc Special Revenue						
Balance Forward In	303	115	672	555		
Receipts	243	81	0	178		
Transfers In	15	494	42	62	62	62
Transfers Out	320	51				
Balance Forward Out	105	584	554			
Expenditures	136	55	160	795	62	62
Biennial Change in Expenditures				764		(831)
Biennial % Change in Expenditures				400		(87)
Full-Time Equivalents	2.07	0.61	1.63	1.63	1.63	1.63
2001 - Other Misc Special Revenue						
Balance Forward In	2,548	1,759	2,588	1,078	415	216
Receipts	3,310	1,972	3,009	2,506	2,506	2,588
Transfers In	16,087	18,726	17,806	22,692	20,899	20,632
Transfers Out			82			
Balance Forward Out	1,155	2,054	1,077	415	216	99
Expenditures	20,791	20,404	22,244	25,861	23,604	23,337
Biennial Change in Expenditures				6,911		(1,164)
Biennial % Change in Expenditures				17		(2)
Full-Time Equivalents	126.10	129.57	142.10	142.10	138.04	135.96

Children & Families

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
3000 - Federal						
Balance Forward In	132	96	169	58		
Receipts	10,918	13,203	11,955	16,362	16,710	16,308
Transfers Out	0					
Balance Forward Out	92	107	59			
Expenditures	10,960	13,192	12,066	16,420	16,710	16,308
Biennial Change in Expenditures				4,334		4,532
Biennial % Change in Expenditures				18		16
Full-Time Equivalents	85.10	89.01	93.39	93.39	93.39	93.39

3001 - Federal TANF

Balance Forward In	0					
Receipts	2,038	2,013	1,848	2,582	2,582	2,582
Expenditures	2,038	2,013	1,848	2,582	2,582	2,582
Biennial Change in Expenditures				379		734
Biennial % Change in Expenditures				9		17
Full-Time Equivalents	11.13	11.01	11.09	11.09	11.09	11.09

Program: Central Office Operations

Activity: Health Care

AT A GLANCE

- **Medical Assistance** provided coverage for an average of 1,082,654 people each month during FY 2017.
- **MinnesotaCare** provided coverage for an average of 89,081 people each month during FY 2017.
- In FY2017 our member services call center fielded 671,527 telephone calls from recipients.
- In FY2017 our provider help desk answered 313,607 calls from providers.
- All funds administrative spending for the Health Care activity for FY 2017 was \$104 million. This represents 0.7 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

The Minnesota Department of Human Services (DHS) Health Care Administration administers the following two health care programs for low-income Minnesotans:

Medical Assistance (MA) is Minnesota's Medicaid program which provides health coverage for low-income people including children and families, people 65 or older, people who have disabilities and adults without dependent children.

MinnesotaCare provides coverage for those who do not have access to affordable health care coverage but whose income is too high for Medical Assistance.

Our goals are to:

- Increase the number of insured Minnesotans by helping eligible people get MA or MinnesotaCare coverage
- Improve and streamline Medicaid processes through the way we administer and deliver programs
- Improve the health outcomes, beneficiary experience and value of care delivered through Minnesota Health Care Programs (MHCP)
- Reform payment and delivery models by designing rates and models to reward quality and emphasize transparency
- Use research, data and analysis to develop policy recommendations, support DHS health care programs and evaluate results
- Encourage stakeholder communication to support our clients, partners and programs

SERVICES PROVIDED

The Health Care Administration's (HCA) divisions and operational units include the following:

Office of the Assistant Commissioner

This office performs central functions including:

- Managing the partnership between DHS and the federal Centers for Medicare and Medicaid Services for all Medicaid state plan and waiver services
- Conducting care delivery and payment reform projects including the Integrated Health Partnerships and the CMS State Innovation Models

- Ensuring that benefit and payment policies are supported by best clinical practices through the Office of the Medical Director
- Coordinating the development of recommendations on health care policy and legislation

Health Care Eligibility Operations

- Processes paper applications for MinnesotaCare and the Minnesota Family Planning Program
- Provides ongoing case maintenance and processes changes in enrollee circumstance that may influence eligibility
- Provides in-person and online training, responds to system-related questions from counties, and provides systems support.

Health Care Eligibility and Access

- Administers all eligibility policy for the Medical Assistance and MinnesotaCare programs including long term care services.
- Provides policy support for county social service agencies, tribal governments, and other entities processing applications for MHCP
- Conducts disability determinations to determine Medical Assistance eligibility under a disability basis
- Develops business requirements for eligibility systems including MAXIS, MMIS, and the Minnesota Eligibility Technology System (METS)

Purchasing and Service Delivery (PSD)

- Coordinates the purchasing and delivery of services in state health care programs and administers coverage, benefit policy
- Establishes payment policies and calculations for fee-for-service and managed care rates
- Negotiates and manages annual contracts between DHS and managed care organizations

Member and Provider Services (MPS)

- Supports MHCP members and providers, conducts benefits recovery and claims processing, runs the member and provider call centers, enrolls health care providers, and manages all provider training and communication regarding the health care programs
- Assures that Medical Assistance program remains the payer of last resort by billing any insurers or other parties with primary responsibility for paying medical claims
- Responds to enrollee phone calls regarding eligibility, covered services, and provider availability
- Ensures the timely and accurate payment of health care services

Healthcare Research and Quality

- Conducts data analysis, research, and data reporting responsibilities for the MHCP and oversees quality assurance activities for the managed care organizations contracting with DHS
- Uses health care claims data to inform policy and program development and monitors the quality of health care services purchased by DHS

Our staff shares some health care coverage policy and rates development functions with the Community Supports Administration for the services under the purview of those other administrations.

Our work supports the following strategies:

- Improve access to affordable health care
- Integrate primary care, behavioral health and long-term care
- Maintain a workforce committed to fulfilling the agency mission
- Expand the number of providers and enrollees participating in Integrated Health Partnerships
- Modernize eligibility and enrollment systems

- Reduce disparities so that cultural and ethnic communities have the same access to outcomes for health care
- Hold managed care plans accountable for health equity outcomes related to depression, diabetes and well child visits

RESULTS

DHS works to make Minnesota a national leader in promoting and implementing policy and payment initiatives that improve access, quality and cost-effectiveness of services provided through publicly funded health care programs. DHS contracts with managed care organizations to serve enrollees in Minnesota's public health care programs.

As part of Minnesota's commitment to deliver quality health care more efficiently, DHS began a new payment model in 2013 that prioritizes quality preventive care and rewards providers for reducing the cost of care for enrollees in MA and MinnesotaCare programs. This nation-leading reform effort has saved \$277 million in health care costs over four years and continues to show how financial incentives and value-based payment can lower costs and maintain or improve health care quality and outcomes. Providers participating in the program currently serve more than 460,000 Minnesotans.

In 2010, DHS was directed to develop and implement a demonstration testing alternative health care delivery systems, including accountable care organizations (ACOs). This led to the development of the Integrated Health Partnerships (IHP) program in 2013. The goal of the program is to improve the quality and value of care provided to Medicaid and MinnesotaCare enrollees while lowering the cost through innovative approaches to care and payment.

The program allows participating providers to enter into an arrangement with DHS to care for enrollees under a payment model that holds the participants accountable for the costs and quality of care their Medicaid patients receive. Providers who participate work together to better coordinate and manage care, resulting in better outcomes.

IHP providers have experienced better health outcomes for their Medicaid and MinnesotaCare populations, reducing inpatient admissions by 14 percent and emergency room visits by 7 percent. They also rank highly on statewide quality benchmarks.

The IHP program continues to expand. Providers that deliver care for less than the targeted cost are eligible to share in the savings; some providers also share the downside risk if costs are higher than targeted. As IHPs progress into their second and third contract years, a portion of their payment is tied to their performance on quality metrics.

In 2017, IHP savings to the health care system totaled nearly than \$60.7 million. This comes on top of savings of \$48 million in 2016, \$87.5 million in 2015, \$65.3 million in 2014 and \$14.8 million in 2013. These savings are shared by providers, managed care organizations, the federal government, and the state.

Beginning in 2018, DHS expanded and enhanced the IHP model in several important ways. DHS introduced multiple tracks to accommodate a diverse set of provider systems, added a quarterly population-based payment to providers to support their care coordination and infrastructure needs, modified the quality measurements methodology, and increased accountability for nonmedical social factors affecting the health of and disparities found within the IHP population.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	Percent of electronically submitted claims paid within two days ¹	98.28%	98.36%	FY2015 and FY2017
Quantity	Number of Providers Enrolled in an Integrated Health Partnership ²	19	24	2016 and 2018
Quantity	Total MA Benefit Recoveries (excluding fraud and cost avoidance) ³	\$58 million	\$61 million	FY2015 and FY2017

Performance Measure Notes:

1. Source: FY 2015 Member and Provider Services Operational Statistics. Compares Fiscal year 2015 (Previous) to Fiscal year 2017 (Current). Our goal is to pay 98 percent of electronically submitted claims within two days. The trend is stable.
2. Measure is the number of providers voluntarily contracting with DHS as an IHP to serve MA and MinnesotaCare recipients. Compares 2016 (Previous) to 2018(Current)
3. Source: Member and Provider Services Operational Statistics. Measure is the total amount of recoveries conducted by the benefit recovery unit at DHS and contractors performing recovery activities on its behalf. Compares FY 2015 (Previous) and FY 2017 (Current).

M.S. chapter 256 (Human Services) provides authority for many of the agency’s general administrative activities. Some of the authority to administer MA is also in that chapter. Additional legal authority to administer MA is in M.S. chapter 256B (Medical Assistance for Needy Persons). Our authority to administer MinnesotaCare is in M.S. chapter 256L.

Health Care

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	15,344	14,224	19,589	21,581	19,671	19,715
2000 - Restrict Misc Special Revenue	1,352	2,200	2,526	2,370	2,370	2,370
2001 - Other Misc Special Revenue	41,153	48,686	49,955	57,322	51,435	48,988
2360 - Health Care Access	24,176	25,721	25,090	24,490	24,313	24,313
3000 - Federal	16,517	13,132	8,214			
Total	98,542	103,962	105,373	105,763	97,789	95,386
Biennial Change				8,632		(17,961)
Biennial % Change				4		(9)

Expenditures by Category

Compensation	53,150	57,479	62,591	60,893	55,737	54,970
Operating Expenses	42,585	42,816	41,850	44,762	41,930	40,294
Grants, Aids and Subsidies	2,421	3,239	903			
Capital Outlay-Real Property	28	1				
Other Financial Transaction	359	428	30	108	122	122
Total	98,542	103,962	105,373	105,763	97,789	95,386

Full-Time Equivalents

	645.66	685.71	731.29	731.29	712.19	702.58
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Health Care

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In		1,520		384		
Direct Appropriation	16,667	16,683	20,719	21,249	21,676	21,720
Transfers In	2,568		703	3,344		
Transfers Out	2,760	3,914	1,449	3,396	2,005	2,005
Cancellations		66				
Balance Forward Out	1,131		384			
Expenditures	15,344	14,224	19,589	21,581	19,671	19,715
Biennial Change in Expenditures				11,602		(1,784)
Biennial % Change in Expenditures				39		(4)
Full-Time Equivalents	101.46	101.56	152.44	152.44	147.86	145.46
2000 - Restrict Misc Special Revenue						
Balance Forward In	203	159	5	5		
Receipts	1,187	1,602	1,614	1,619	1,619	1,619
Transfers In	120	538	912	751	751	751
Transfers Out		95		5		
Balance Forward Out	159	5	5			
Expenditures	1,352	2,200	2,526	2,370	2,370	2,370
Biennial Change in Expenditures				1,344		(156)
Biennial % Change in Expenditures				38		(3)
Full-Time Equivalents	1.75	6.93	12.37	12.37	12.37	12.37
2001 - Other Misc Special Revenue						
Balance Forward In	2,766	3,796	4,406	4,682	6,749	8,868
Receipts	6,302	5,426	6,002	6,431	6,431	6,431
Transfers In	35,756	43,667	45,091	52,958	47,123	44,676
Transfers Out			862			
Balance Forward Out	3,671	4,203	4,682	6,749	8,868	10,987
Expenditures	41,153	48,686	49,955	57,322	51,435	48,988
Biennial Change in Expenditures				17,438		(6,854)
Biennial % Change in Expenditures				19		(6)
Full-Time Equivalents	231.39	246.15	249.50	249.50	242.98	239.98

Health Care

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21

2360 - Health Care Access

Balance Forward In		230		246		
Direct Appropriation	33,185	34,007	23,697	23,804	24,313	24,313
Transfers In	200	1,324	2,058	970		
Transfers Out	9,168	9,815	419	530		
Cancellations		26				
Balance Forward Out	41		246			
Expenditures	24,176	25,721	25,090	24,490	24,313	24,313
Biennial Change in Expenditures				(318)		(954)
Biennial % Change in Expenditures				(1)		(2)
Full-Time Equivalents	298.04	323.99	314.58	314.58	306.58	302.37

3000 - Federal

Balance Forward In		0	20			
Receipts	16,516	13,132	8,194			
Expenditures	16,517	13,132	8,214			
Biennial Change in Expenditures				(21,435)		(8,214)
Biennial % Change in Expenditures				(72)		
Full-Time Equivalents	13.02	7.08	2.40	2.40	2.40	2.40

Program: Central Office Operations

Activity: Continuing Care For Older Adults

mn.gov/dhs/people-we-serve/seniors/

AT A GLANCE

- Oversees services to over 400,000 older Minnesotans each year with a value \$1.4 billion in state and federal funds.
- Provided nursing facility services to 14,529 people per month in FY 2017.
- Provided Elderly Waiver services to 33,654 people per month in FY 2017.
- Performs statewide human services planning and develops and implements policy.
- Obtains, allocates, and manages resources, contracts, and grants.
- Senior Nutrition grants provide congregate dining to 38,000 people and home delivered meals to 12,000 people.
- Provides comprehensive assistance and individualized help to more than 125,000 individuals through over 277,000 calls in 2017 through the Senior LinkAge Line®.
- Provided \$50.2 million in services to providers under Aging and Adult Service grants and \$1.6 million under Other Long Term Care grants in FY 2017.
- Sets standards for, and evaluates, service development and delivery, and monitors compliance
- Provides technical assistance and training to county and tribal agencies and supports local innovation and quality improvement efforts.
- All funds administrative spending for the Continuing Care Administration activity for FY 2017 was \$18.4 million. This represented 0.12 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

The Continuing Care for Older Adults Administration administers Minnesota's publicly funded long-term care programs and services for older Minnesotans and their families. Our Administration's mission is to improve the dignity, health and independence of the people we serve.

We have four goals:

- Support and enhance the quality of life for older people,
- Manage an equitable and sustainable long-term care system that maximizes value,
- Continuously improve how we administer services, and
- Promote professional excellence and engagement in our work

SERVICES PROVIDED

The Continuing Care for Older Adults Administration is composed of the following Divisions and units, each charged with particular areas of responsibility:

- Aging and Adult Services Division,
- Fiscal Analysis and Performance Measurement,
- Nursing Facility Rates and Policy Division,
- Operations and Central Functions, and
- Planning and Aging 2030

Our work includes:

- Administering Medical Assistance long-term care waiver programs and state plan services. This includes developing, seeking authority for and implementing policies, projects, and research. We also oversee state and federal grants and contracts, including Senior Nutrition Grants and Moving Home Minnesota, a federal Money Follows the Person Rebalancing Demonstration Program. These programs serve both seniors and people with disabilities;
- Providing training, education, assistance, advocacy and direct services, including overseeing the state’s adult protective services system;
- Monitoring service quality by doing evaluations and measuring results using county waiver reviews;
- Staffing of the Governor-appointed Minnesota Board on Aging (<http://www.mnaging.org>), a state agency administratively placed within DHS with oversight of the Office of Ombudsman for Long-Term Care;
- Working to improve the quality of services and share best practices across providers;
- Providing administrative, financial, and operational management and support for both the Continuing Care for Older Adults Administration and the Community Supports Administration;
- Supporting both Continuing Care for Older adults and Community Supports administrations on IT modernization projects, IT project portfolio oversight, and business process improvement efforts; and
- Providing outreach, staff support and technical assistance to stakeholders and stakeholder workgroups.

Direct services we provide include:

- Providing statewide referrals to services, care transitions support, health insurance and long-term benefits counseling through the Senior LinkAge Line® to older Minnesotans and their caregivers so that they can get answers about long-term care and how to pay for it, assistance resolving issues with Medicare and prescription drugs, connections with volunteer opportunities, or help finding resources;
- Providing long-term care ombudsman services, which help people resolve complaints and keep their services; and
- Developing, maintaining, and publishing provider quality rankings for consumers using the nursing home and HCBS report cards.

RESULTS

We use several information sources and data to monitor and evaluate quality outcomes and provider performance. Much of the information we analyze is from the DHS Data Warehouse or from surveys of consumers, providers, and lead agencies. More explanation of these measures is in the performance notes below the table.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	1. Average statewide risk-adjusted nursing facility quality of care score out of a possible 100 points	64.4	74.0	Jan. 2012 to Dec. 2017
Result	2. Percent of older adults served by home and community-based services	68.4%	72.9%	2013 to 2017

More information is available on the DHS Dashboard (<http://dashboard.dhs.state.mn.us/>).

Performance Notes:

1. Measure one compares January 2012 data to December 2017 data. (Source: Minimum Data Set resident assessments)
2. Measure two compares FY2013 to FY2017. This measure shows the percentage of older adults receiving publicly-funded long-term services and supports who receive home and community-based services

through the Elderly Waiver, Alternative Care, or home care programs instead of nursing home services.
(Source: MMIS Claims)

M.S. chapter 256 (Human Services) provides authority for many of the agency's general administrative activities. Some of the authority to administer MA is also in that chapter. Additional legal authority to administer MA is in M.S. chapter 256B (Medical Assistance for Needy Persons). For other activities administered under Continuing Care for Older Adults, we list legal citations that apply to the program at the end of each budget narrative.

Continuing Care for Older Adults

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	13,491	13,863	12,928	15,152	14,618	14,617
1200 - State Government Special Rev	103	129	122	129	126	126
2000 - Restrict Misc Special Revenue	49	162	44	4,107	1,841	1,502
2001 - Other Misc Special Revenue	244	277	510	864	446	363
2403 - Gift			6	30	15	15
3000 - Federal	3,668	3,928	3,921	4,009	3,304	2,883
Total	17,556	18,359	17,531	24,291	20,350	19,506
Biennial Change				5,907		(1,966)
Biennial % Change				16		(5)

Expenditures by Category

Compensation	11,280	11,807	12,315	13,903	13,494	13,097
Operating Expenses	6,097	6,111	4,817	10,363	6,831	6,384
Grants, Aids and Subsidies	71	394	383			
Other Financial Transaction	109	47	16	25	25	25
Total	17,556	18,359	17,531	24,291	20,350	19,506

Full-Time Equivalents

	120.82	118.28	119.73	119.73	116.06	114.11
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Continuing Care for Older Adults

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In		1,915		1,626		
Direct Appropriation	32,950	29,925	15,359	15,113	14,618	14,617
Transfers In	1,701	807	459	146		
Transfers Out	19,444	18,745	1,264	1,733		
Cancellations		40				
Balance Forward Out	1,716		1,626			
Expenditures	13,491	13,863	12,928	15,152	14,618	14,617
Biennial Change in Expenditures				726		1,155
Biennial % Change in Expenditures				3		4
Full-Time Equivalents	84.80	82.93	85.54	85.54	81.91	79.99
1200 - State Government Special Rev						
Balance Forward In		22		3		
Direct Appropriation	125	125	125	125	125	125
Transfers In				1	1	1
Cancellations		17				
Balance Forward Out	22		3			
Expenditures	103	129	122	129	126	126
Biennial Change in Expenditures				18		1
Biennial % Change in Expenditures				8		0
Full-Time Equivalents	0.57	1.22	1.13	1.13	1.09	1.06
2000 - Restrict Misc Special Revenue						
Balance Forward In	121	986	2,143	3,763	2,684	2,684
Receipts			123	1,502	1,502	1,502
Transfers In	914	1,319	1,541	1,526	339	
Balance Forward Out	986	2,143	3,763	2,684	2,684	2,684
Expenditures	49	162	44	4,107	1,841	1,502
Biennial Change in Expenditures				3,940		(808)
Biennial % Change in Expenditures				1,870		(19)
Full-Time Equivalents	0.22	1.88	0.60	0.60	0.60	0.60
2001 - Other Misc Special Revenue						

Continuing Care for Older Adults

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
Balance Forward In	397	84	96	112		
Receipts	111	182	53	168	168	168
Transfers In	842	897	472	584	278	195
Transfers Out	1,021	801				
Balance Forward Out	84	84	112			
Expenditures	244	277	510	864	446	363
Biennial Change in Expenditures				853		(565)
Biennial % Change in Expenditures				163		(41)
Full-Time Equivalents	0.34					

2403 - Gift

Balance Forward In	15	15	15	15		
Receipts	0	0	6	15	15	15
Balance Forward Out	15	15	16			
Expenditures			6	30	15	15
Biennial Change in Expenditures				36		(6)
Biennial % Change in Expenditures						(17)

3000 - Federal

Balance Forward In	5	15	55	28		
Receipts	3,669	3,962	3,894	3,981	3,304	2,883
Balance Forward Out	6	48	27			
Expenditures	3,668	3,928	3,921	4,009	3,304	2,883
Biennial Change in Expenditures				335		(1,743)
Biennial % Change in Expenditures				4		(22)
Full-Time Equivalents	34.89	32.25	32.46	32.46	32.46	32.46

Program: Central Office Operations

Activity: Community Supports

AT A GLANCE

- Provided 47,280 people with disability home and community-based services waivers in FY2017.
- Provided 42,550 people with Personal Care Assistance (PCA) services in FY2017.
- Provided 2,617 people living with HIV/AIDS medical and support services in FY2017.
- 22,169 people received assistance from the Deaf and Hard of Hearing Services Division in FY2017
- In SFY 2017, lead agencies administered over 150,000 assessments for long-term services and supports. (This includes MnCHOICES, legacy LTCC and DD screenings, and PCA Assessments)
- 270,651 adults received mental health services through Minnesota Health Care Programs (MHCP) in CY 2017
- 88,000 children and youth receive publically funded mental health services each year
- 5,713 individuals at risk of or experiencing long-term homelessness received supportive services in FY 2017
- All funds administrative spending for the Community Supports Budget Activity for FY 2017 was \$41 million. This represented 0.26% of the Department of Human Services overall budget.

PURPOSE & CONTEXT

The Community Supports Administration (CSA) within the Department of Human Services oversees service delivery systems for mental health, people with disabilities, alcohol and drug abuse, people who are deaf, deafblind and hard of hearing, and people needing housing supports. This includes prevention, treatment, long-term services and supports, including home and community based services and grant programs.

CSA trains, develops capacity and provides guidance and oversight for community partners including tribes, health plans, counties and community-based providers. Our current work encourages and supports research-informed practices and expanded use of successful models.

CSA goals are to support people to achieve meaningful outcomes, improve our operational excellence, and to manage an equitable and sustainable service delivery system.

SERVICES PROVIDED

We have four divisions within the Community Supports Administration (CSA):

- Behavioral Health Division (combination of former Alcohol and Drug Abuse and Mental Health Divisions)
- Disability Services Division
- Deaf and Hard of Hearing Services Division
- Housing Supports Division

Collaborating both with partners within state agencies and in local communities, our administration shapes and implements public policy on mental health, substance use disorder treatment and prevention services, home and community based services, services for people who are deaf, deafblind and hard of hearing and housing supports.

Specifically, our staff:

- Lead efforts to shape and implement public policy directed towards prevention, early intervention, and treatment of persons with a mental illness or substance use disorder.

- Administer payment policy and manage grant programs for mental health and substance use disorder services, such as the Consolidated Chemical Dependency Treatment Fund, Minnesota Health Care Programs, Adult Mental Health Grants, Child Mental Health Grants and Substance Use Disorder Treatment Support Grants.
- Manage and administer the four disability home and community-based services waivers, home care services (including Personal Care Assistance), intermediate care facilities for people with developmental disabilities, and various grant programs that support people with disabilities living in the community.
- Administer programs to assure access to services, facilitate community engagement, provide technical assistance on best practices, develop local service capacity, and provide general program oversight and guidance.
- Promote access to core medical and support services to people living with HIV/AIDS by paying premiums to maintain private insurance, co-payments for HIV-related medications, mental health services, dental services, nutritional supplements, and case management.
- Promote equal access to communication and community resources for Minnesotans who are deaf, deafblind and hard of hearing by delivering direct services through statewide regional offices, the Telephone Equipment Distribution (TED) program and the DHHSD mental health program.
- Manage grant programs for services to adults and children who are deafblind, mentors for families with very young children who have hearing loss, Certified Peer Support Specialists and other mental health services for people with hearing loss who use American Sign Language and have mental health challenges, psychological assessments for children and youth with hearing loss, increasing capacity of interpreting services in Greater Minnesota.
- Facilitate many stakeholder groups, including the Governor-appointed Commission of Deaf, DeafBlind and Hard of Hearing, a state agency housed within DHS (<http://mn.gov/deaf-commission>);
- Provide housing assistance support and related services to people experiencing homelessness or who are in danger of becoming homeless.
- Work to encourage the development of local service capacity, including related professional workforce development activities.
- Train and guide service delivery partners on best practices.
- Provide supervision, guidance, and oversight to service delivery partners including counties, tribes and non-profit providers.
- Partner with stakeholders to improve prevention and early intervention efforts and the service delivery system.
- Secure funding outside of state appropriations and seek such opportunities to leverage goals.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	The percent of adults in Assertive Community Treatment (ACT) who receive an annual comprehensive preventative physical exam. ²	27.8%	74.0%	2013 vs. 2016
Result	Past 30 day use of alcohol by youth in communities receiving prevention funding. ³	14.7%	11.2%	2013 vs. 2016
Result	Percentage of babies born with negative toxicology reports. ⁴	84%	58.9%	2014 vs. 2017

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Result	Percent of working age adults on certain Medical Assistance programs earning \$600 or more per month. ⁵	12.2%	15.7%	FY 2014 to FY 2016
Result	Percent of people with disabilities who receive home and community-based services at home. ⁶	53.1%	58.5%	2013 to 2017
Result	Percent of long term service and support spending for people with disabilities in home and community-based services rather than institutions. ⁷	88.3%	90.6%	2013 to 2017
Quality	Percent of consumers in DHHS grant-funded programs who are satisfied with quality of services they received. ⁸	94%	94%	2014 to 2017

Performance Measure Notes:

1. With parental consent, counties conduct mental health screenings for children in the child welfare and juvenile justice systems who have not had a recent assessment. The Previous measure is Calendar Year 2012; the Current measure is CY 2015. (Source: Minnesota Department of Human Services Dashboard, <http://dashboard.dhs.state.mn.us/>)
2. Compares CY 2013 (Previous) and CY 2016 (Current). The measure is based on ACT recipients who are not Medicare eligible and who are enrolled 12 months in MA or Minnesota Care. (Source: Minnesota Department of Human Services Dashboard, <http://dashboard.dhs.state.mn.us/>)
3. This measure consists of data as reported in the Minnesota Student Survey for 9th grade users. Previous represents calendar year CY 2013 and Current represents CY 2016.
4. The percentage of babies with negative toxicology results during a 12-month period, born to women served by the state Women's Recovery grants. Previous represents FY 2014 and Current represents FY 2017.
5. Measure compares monthly earnings for people age 18-64 who receive services from one of the following Medical Assistance programs: Home and Community-Based Waiver Services, Mental Health Targeted Case Management, Adult Mental Health Rehabilitative Services, Assertive Community Treatment and Medical Assistance for Employed Persons with Disabilities (MA-EPD). Source: DHS Data Warehouse.
6. This measure compares people who receive disability waiver services in their own home rather than residential services. Source: DHS Data Warehouse.
7. This measure compares spending of long term service and support for people with disabilities in home and community-based services rather than institutions. Source: DHS Data Warehouse.
8. Data source: Consumer satisfaction surveys and grantee reports.

M.S. chapter 256 (Human Services) provides authority for many of the agency's general administrative activities. Some of the authority to administer MA is also in that chapter. Additional legal authority to administer MA is in M.S. chapter 256B (Medical Assistance for Needy Persons). For other activities administered under Community Supports, we list legal citations that apply to the program at the end of each budget narrative.

Community Supports

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	22,346	25,128	27,032	30,721	28,550	28,221
2000 - Restrict Misc Special Revenue	4,748	3,936	5,350	8,788	8,497	8,289
2001 - Other Misc Special Revenue	2,807	3,500	3,957	5,003	4,260	4,105
2403 - Gift	2	5	3	23	13	13
3000 - Federal	5,707	8,297	6,222	8,827	7,950	6,952
4800 - Lottery	114	116	82	244	163	163
Total	35,724	40,982	42,645	53,606	49,433	47,743
Biennial Change				19,545		925
Biennial % Change				25		1

Expenditures by Category

Compensation	26,126	28,208	30,682	36,552	36,340	35,844
Operating Expenses	7,844	8,535	8,973	16,198	11,910	10,991
Grants, Aids and Subsidies	1,463	3,923	2,845	779	1,111	836
Capital Outlay-Real Property	1		1			
Other Financial Transaction	290	316	144	77	72	72
Total	35,724	40,982	42,645	53,606	49,433	47,743

Full-Time Equivalents

	268.92	290.25	307.44	307.44	296.95	292.86
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Community Supports

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In	842	3,418	95	3,303		
Direct Appropriation	7,058	7,314	29,546	29,381	28,391	28,162
Receipts	59	59	59	59	59	59
Transfers In	20,027	18,023	2,910	2,570	100	
Transfers Out	2,342	3,567	2,276	4,592		
Cancellations		25				
Balance Forward Out	3,298	95	3,302			
Expenditures	22,346	25,128	27,032	30,721	28,550	28,221
Biennial Change in Expenditures				10,279		(982)
Biennial % Change in Expenditures				22		(2)
Full-Time Equivalents	169.07	188.81	198.25	198.25	190.38	186.32

2000 - Restrict Misc Special Revenue

Balance Forward In	9,342	11,753	12,790	14,561	7,513	10,291
Receipts	9,554	9,495	14,712	6,292	10,921	10,974
Transfers In	1,576	1,339	1,295	2,259	5,046	4,838
Transfers Out	4,146	6,047	3,927	6,811	4,692	4,692
Balance Forward Out	11,578	12,604	19,520	7,513	10,291	13,122
Expenditures	4,748	3,936	5,350	8,788	8,497	8,289
Biennial Change in Expenditures				5,455		2,648
Biennial % Change in Expenditures				63		19
Full-Time Equivalents	36.44	32.40	46.79	46.79	46.79	46.79

2001 - Other Misc Special Revenue

Balance Forward In	122	1,228	676	503	313	207
Receipts	1,509	1,656	1,266	2,415	2,362	2,362
Transfers In	2,336	1,442	2,647	2,649	2,075	2,020
Transfers Out	33	202	130	251	283	283
Balance Forward Out	1,127	625	503	313	207	201
Expenditures	2,807	3,500	3,957	5,003	4,260	4,105
Biennial Change in Expenditures				2,652		(595)
Biennial % Change in Expenditures				42		(7)
Full-Time Equivalents	18.64	20.74	23.44	23.44	23.44	23.44

Community Supports

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21

2403 - Gift

Balance Forward In	12	14	12	10		
Receipts	4	3	1	13	13	13
Balance Forward Out	13	12	10			
Expenditures	2	5	3	23	13	13
Biennial Change in Expenditures				18		0
Biennial % Change in Expenditures				256		2

3000 - Federal

Balance Forward In	125	18	9			
Receipts	5,582	8,278	6,213	8,827	7,950	6,952
Transfers In	103					
Transfers Out	103	0				
Balance Forward Out	0					
Expenditures	5,707	8,297	6,222	8,827	7,950	6,952
Biennial Change in Expenditures				1,046		(147)
Biennial % Change in Expenditures				7		(1)
Full-Time Equivalents	43.44	46.90	37.96	37.96	35.39	35.39

4800 - Lottery

Balance Forward In		46		81		
Direct Appropriation	160	163	163	163	163	163
Cancellations		93				
Balance Forward Out	46		81			
Expenditures	114	116	82	244	163	163
Biennial Change in Expenditures				96		0
Biennial % Change in Expenditures				42		(0)
Full-Time Equivalents	1.33	1.40	1.00	1.00	0.95	0.92

Program: Central Office Operations

Activity: Central IT

mn.gov/mnit/about-mnit/offices/

AT A GLANCE

- Operate and maintain over 385 active applications serving over 2.8 million people across all programs and used by 31,000 county, tribal, and state workers, more than 200,000 providers, other client assistants and DHS and MNSure business partners
- Oversee more than 750 IT employees
- Manage over 175 active IT projects
- Coordinate 4 major DHS IT Transformation programs:
 - Minnesota Eligibility Technology (METS) System
 - Integrated Service Delivery System (ISDS)
 - Medicaid Management Information System (MMIS) Modernization
 - Direct Care & Treatment System Modernization
- Total all funds spending for this budget activity in FY 2017 was \$222 million, which represents 1.5 percent of the agency budget.

PURPOSE & CONTEXT

The Central IT budget activity funds MNIT@DHS to provide IT solutions that support agency business goals, and build and maintain the computer applications that automate the delivery of agency programs. MNIT provides secure and cost-effective information technology systems that support individuals who participate in DHS social services, health care, public assistance and direct care programs across the state. The work of MNIT@DHS helps DHS meet their mission to provide essential services to Minnesota's most vulnerable residents.

Please refer to the Office of MNIT Services Agency Profile for more information about the central MNIT organization.

SERVICES PROVIDED

MN.IT@DHS provides the following services to DHS:

1. Leadership and planning support in the delivery of IT services to DHS at a high-value and cost-effective manner. This includes:
 - Implementation and participation in the DHS IT governance structure which allocates funding and guides IT program design, including the sequence/prioritization of IT work
 - Ensure that user experience design, accessibility and plain language are incorporated into DHS technology solutions
2. Program management activities to develop and operate the DHS IT project and portfolio management. This includes:
 - Business Architecture,
 - Business analysis,
 - Project and portfolio management, and
 - Quality assurance
3. Application development and support to automate and maintain DHS services and operations. This includes:
 - Release Management,

- Enterprise architecture,
 - Methodologies to determine technology solutions,
 - Programming and coding, and
 - Ongoing maintenance to help ensure federal/state/industry compliance for DHS IT systems
4. IT services, including all of the computing, telecommunications and wide area network (WAN) services that underlie and support DHS program applications. This includes:
- Desktop, server and network support,
 - Operations support,
 - Firewall support & incident management,
 - Contact center support, and
 - Telephony, telepresence support

MNIT@DHS is funded through a combination of state general fund, health care access fund and dedicated federal revenues administered within the state systems account.

RESULTS

MN.IT contributes to the State’s results-based outcome of efficient and accountable government services and supports the State’s results-based outcomes for Community, Health, and Safety, by providing IT computing and telecom resources to support DHS business goals, and managing the applications that run agency programs.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	New projects added to the Project Portfolio	196 projects added in CY 2017	70 projects added through July 2018	Ongoing
Quantity	Projects completed	114 projects completed in CY 2017	52 projects completed through July 2018	Ongoing

MS § 256.014 provides the authority for DHS operation of systems necessary to operate its programs and the creation of the state systems account.

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<i>Expenditures by Fund</i>						
2001 - Other Misc Special Revenue	209,280	232,772	268,352	256,147	182,007	147,004
Total	209,280	232,772	268,352	256,147	182,007	147,004
Biennial Change				82,446		(195,488)
Biennial % Change				19		(37)

Expenditures by Category

Compensation	27	5				
Operating Expenses	207,017	224,829	259,336	256,147	181,975	146,868
Grants, Aids and Subsidies	100	0	0			
Capital Outlay-Real Property	16	6,933	8,498			
Other Financial Transaction	2,120	1,005	517		32	136
Total	209,280	232,772	268,352	256,147	182,007	147,004

Full-Time Equivalents

	0.01					
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(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
2001 - Other Misc Special Revenue						
Balance Forward In	7,689	28,652	43,684	79,056	55,268	43,717
Receipts	169,721	173,559	212,627	226,368	162,951	129,054
Transfers In	232,378	259,102	185,796	184,723	156,890	147,709
Transfers Out	195,782	225,139	169,791	178,732	149,385	137,227
Balance Forward Out	4,726	3,401	3,966	55,268	43,717	36,249
Expenditures	209,280	232,772	268,352	256,147	182,007	147,004
Biennial Change in Expenditures				82,446		(195,488)
Biennial % Change in Expenditures				19		(37)
Full-Time Equivalents		0.01				

Program: Forecasted Programs

Activity: Minnesota Family Investment Program (MFIP)/ Diversionary Work Program (DWP)

mn.gov/dhs/people-we-serve/children-and-families/economic-assistance/income/programs-and-services/

AT A GLANCE

- In 2017, MFIP and DWP provided assistance for approximately 33,450 low-income families a month, 71 percent of those served are children.
- The average monthly cash payment for an MFIP family was \$810, including the food portion of MFIP. The average monthly cash payment for a DWP family was \$386.
- All funds spending for the MFIP/DWP activity for FY 2017 was \$309 million. This represented 1.94 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

MFIP and DWP provide temporary financial support to help meet the basic needs of low-income families with children and low-income pregnant women.

Half the parents receiving MFIP or DWP were employed in the three months before they turned to the program for assistance. Common causes for job losses are layoff, reduced hours, birth of a baby by a parent with no leave time, need to care for an ill child or spouse with a disability, or transportation and child care costs that wages do not cover.

The goal of these related programs is to stabilize families and improve economic outcomes through employment. Without these benefits, families have little or no other resources available to help meet their basic needs.

These programs are funded with a combination of state, federal Supplemental Nutrition Assistance Program (SNAP), and federal Temporary Assistance for Needy Families (TANF) funds. Counties and tribes administer the MFIP and DWP programs.

SERVICES PROVIDED

MFIP provides job counseling, cash assistance and food assistance to low-income families with children and to low-income pregnant women. Families receive time limited benefits (60 months or fewer). The amount of benefits is based on family size and other sources of income. Families may request an extension of their benefits if, for example, an eligible adult has a disability or needs to care for a family member with a disability. A family of three - a parent with two children - with no other income can receive \$532 in financial assistance and \$453 in SNAP benefits per month. The benefits are structured to reward families who work and are gradually reduced as income rises. Parents are required to participate in employment services to develop the skills needed to move into the labor market as soon as possible. Families may also be eligible for child care assistance and for health care coverage under Medical Assistance.

DWP is designed to meet specific crisis situations and help families move to employment rather than go on MFIP. The program includes intensive, up-front services to focus on families' strengths and break down barriers to work. Families can participate in the program for four months within a 12-month period. A family receives cash benefits based on its housing, utility costs and personal needs up to a maximum based on the number of people in the family. Housing and utility costs are paid directly to the landlord or utility company. The maximum that a family of three – a parent with two children – can receive is \$532 in financial assistance. Most families are also eligible for SNAP benefits, child care assistance and for health care coverage under Medical Assistance.

Families who receive MFIP (with some exemptions) may also be eligible for the MFIP housing assistance grant of \$110 per month if they do not receive a rental subsidy through the federal Department of Housing and Urban Development.

RESULTS

The two key measures in MFIP are:

- The **Self-Support Index (S-SI)** is a results measure. The S-SI gives the percentage of adults eligible for MFIP or DWP in a quarter who have left assistance or are working at least 30 hours per week three years later. Customized targets are set for each county or tribe using characteristics of the people served and local economic conditions. State law requires the Department of Human Services to use the Self-Support Index to allocate performance bonus funds. The following chart shows that about two-thirds of participants have left MFIP and/or are working at least 30 hours per week three years after a baseline period.

<i>Year ending in March of:</i>	<i>S-SI</i>
2010	67.0%
2011	65.2%
2012	65.3%
2013	66.9%
2014	68.5%
2015	68.8%
2016	68.0%
2017	65.9%
2018	64.6%

- The federal **Work Participation Rate (WPR)** is a measure of quantity. The WPR reflects parents engaging in work and specific work-related activities. We calculate an estimated WPR for counties, county consortiums, and tribes monthly and it is annualized to allocate performance bonus funds. (Beginning in calendar year 2016, the bonus will be based solely on the S-SI.) The following chart shows the WPR for 2008 to 2015.

<i>Federal Fiscal Year</i>	<i>WPR</i>
2010	40.2%
2011	43.9%
2012	45.3%
2013	45.1%
2014	46.2%
2015	37.9%
2016	39.4%
2017	38.9%

The state legal authority for the Minnesota Family Investment Program (MFIP) and Diversionary Work Program (DWP) is under M.S. chapter 256J (<https://www.revisor.mn.gov/statutes/?id=256J>).

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	103,453	87,543	85,181	80,408	81,362	82,251
2000 - Restrict Misc Special Revenue	314	254	197	750	750	750
3000 - Federal	135,174	137,877	129,219	120,923	124,147	127,535
3001 - Federal TANF	60,572	83,571	75,669	77,419	78,135	79,404
Total	299,513	309,245	290,265	279,500	284,394	289,940
Biennial Change				(38,993)		4,569
Biennial % Change				(6)		1

Expenditures by Category

Operating Expenses			167			
Grants, Aids and Subsidies	298,918	308,650	289,513	278,700	283,594	289,140
Other Financial Transaction	595	595	585	800	800	800
Total	299,513	309,245	290,265	279,500	284,394	289,940

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In		1				
Direct Appropriation	103,453	87,542	88,930	80,408	81,362	82,251
Cancellations			3,749			
Expenditures	103,453	87,543	85,181	80,408	81,362	82,251
Biennial Change in Expenditures				(25,407)		(1,976)
Biennial % Change in Expenditures				(13)		(1)

2000 - Restrict Misc Special Revenue

Receipts	314	254	197	750	750	750
Expenditures	314	254	197	750	750	750
Biennial Change in Expenditures				378		553
Biennial % Change in Expenditures				67		58

3000 - Federal

Balance Forward In	9,451		21,958			
Receipts	125,723	137,877	107,260	120,923	124,147	127,535
Expenditures	135,174	137,877	129,219	120,923	124,147	127,535
Biennial Change in Expenditures				(22,909)		1,540
Biennial % Change in Expenditures				(8)		1

3001 - Federal TANF

Receipts	60,572	83,571	75,669	77,419	78,135	79,404
Expenditures	60,572	83,571	75,669	77,419	78,135	79,404
Biennial Change in Expenditures				8,944		4,451
Biennial % Change in Expenditures				6		3

Program: Forecasted Programs

Activity: MFIP Child Care Assistance

mn.gov/dhs/people-we-serve/children-and-families/economic-assistance/child-care/programs-and-services/child-care-assistance.jsp

AT A GLANCE

- In 2017 MFIP Child Care Assistance paid for child care for 15,927 children in 7,644 families in an average month.
- The average monthly assistance per family was \$1,672.
- All funds spending for the MFIP Child Care Assistance activity for FY 2017 was \$161 million. This represented 1 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

In order to work, families need safe and reliable child care. The annual cost of full time licensed care for one child can exceed \$10,000. Many low-income families struggle to find affordable child care that fits their needs. Minnesota Family Investment Program (MFIP) Child Care Assistance provides financial subsidies to help low-income families pay for child care. To support quality child care experiences and school readiness the program can pay a higher subsidy rate when a child is being cared for in a setting that meets quality standards.

SERVICES PROVIDED

The program provides supports to help improve outcomes for the most at risk children and their families by increasing access to high quality child care.

The following families are eligible to receive MFIP child care assistance or Transition Year child care assistance once they leave MFIP:

- MFIP and Divisionary Work Program (DWP) families who are employed, pursuing employment, or participating in employment, training or social services activities authorized in approved employment plans
- Employed families who are in their first year off MFIP or DWP (this is known as the “transition year”)
- Families in counties with a Basic Sliding Fee (BSF) child care waiting list who have had their transition year extended
- Parents under age 21 who are pursuing a high school or general equivalency diploma (GED), do not receive MFIP benefits, and reside in a county that has a BSF waiting list that includes parents under age 21.

As family income increases, so does the amount of child care expenses paid by the family in the form of copayments. All families receiving child care assistance and earning 75 percent or more of the federal poverty guideline make copayments based on family income. A family of three leaving MFIP and earning 115 percent of the federal poverty level (\$23,184) would have a total biweekly child care provider payment of \$24 for all children in child care.

The MFIP child care assistance activity is part of the state’s Child Care Assistance Program. Maximum rates in the Child Care Assistance Program are set in state law. Maximum rates are set for each type of care: child care centers, family child care and legal non-licensed child care. Providers are paid at the rate they charge private pay families, up to this limit. The program pays a higher rate to providers who have met quality standards through Parent Aware, are accredited, or hold certain educational credentials.

Child care must be provided by a legal child care provider over the age of 18 years. Allowable providers include legal non-licensed family child care, license-exempt centers, licensed family child care and licensed child care centers. Families choose their providers in the private child care market. Counties administer the Child Care Assistance Program.

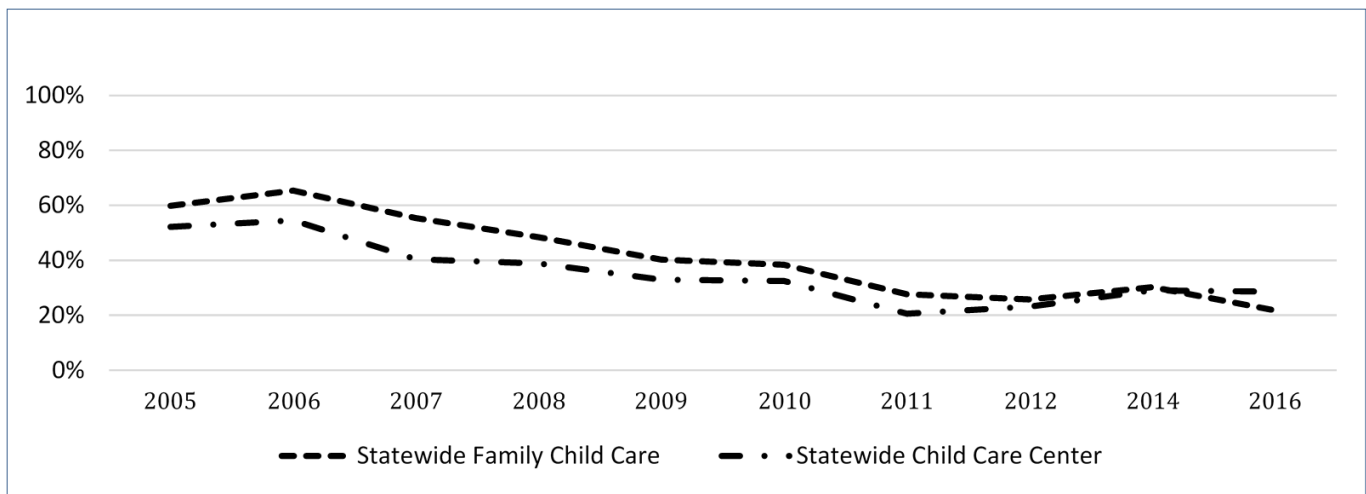
All families who meet eligibility requirements may receive this help. MFIP child care assistance is funded with state and federal funds that include the federal Child Care and Development Fund and the Temporary Assistance for Needy Families (TANF) fund.

RESULTS

PERCENT OF PROVIDER PRICES FULLY COVERED BY CHILD CARE ASSISTANCE PROGRAM - Maximum rates paid to providers under the Child Care Assistance Program may not cover the full cost of child care. This may be a barrier for some families, if the family cannot find a provider in their community whose prices are covered by the maximum allowed under the program. **The percent of child care provider prices that are fully covered by the Child Care Assistance Program increased when the maximum rates were raised in 2014, but the maximum rate paid remains low compared to prices in the market.**

This quality measure shows approximately 22 percent of all family child care providers and approximately 29% of child care centers charge prices that are fully covered by the Child Care Assistance Program maximum rates.

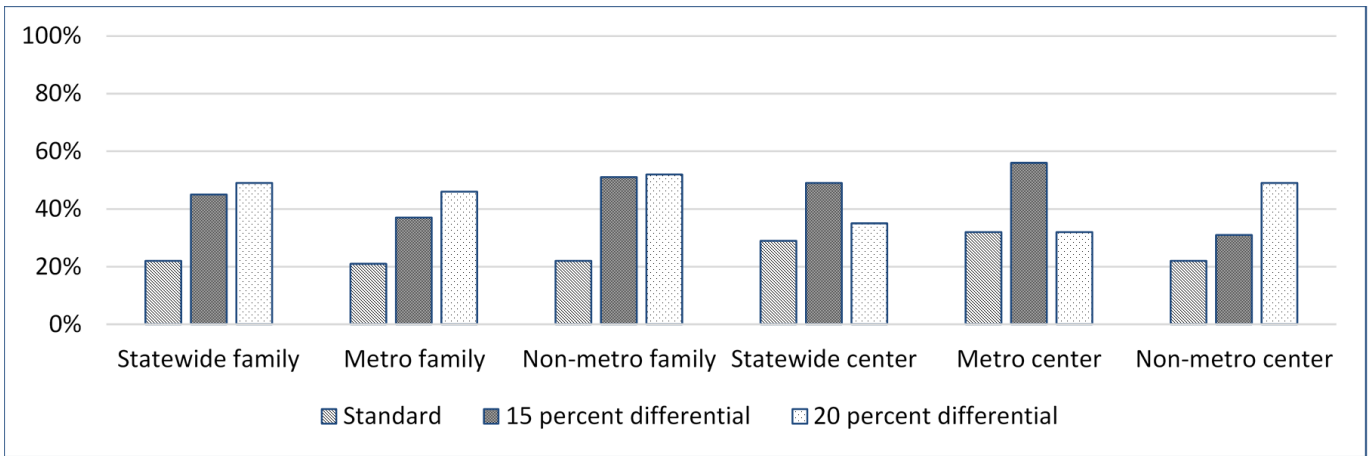
Provider prices fully covered by Standard Maximum Rates statewide, by percent



QUALITY DIFFERENTIAL IMPACT - Parent Aware is Minnesota’s rating tool for helping parents select high quality child care and early education programs. The Child Care Assistance Program allows up to a 15 percent higher maximum rate to be paid to providers with a Parent Aware 3-star rating, or who hold certain accreditation or education standards established in statute. Up to a 20 percent higher maximum rate can be paid to providers with a 4-star Parent Aware rating.

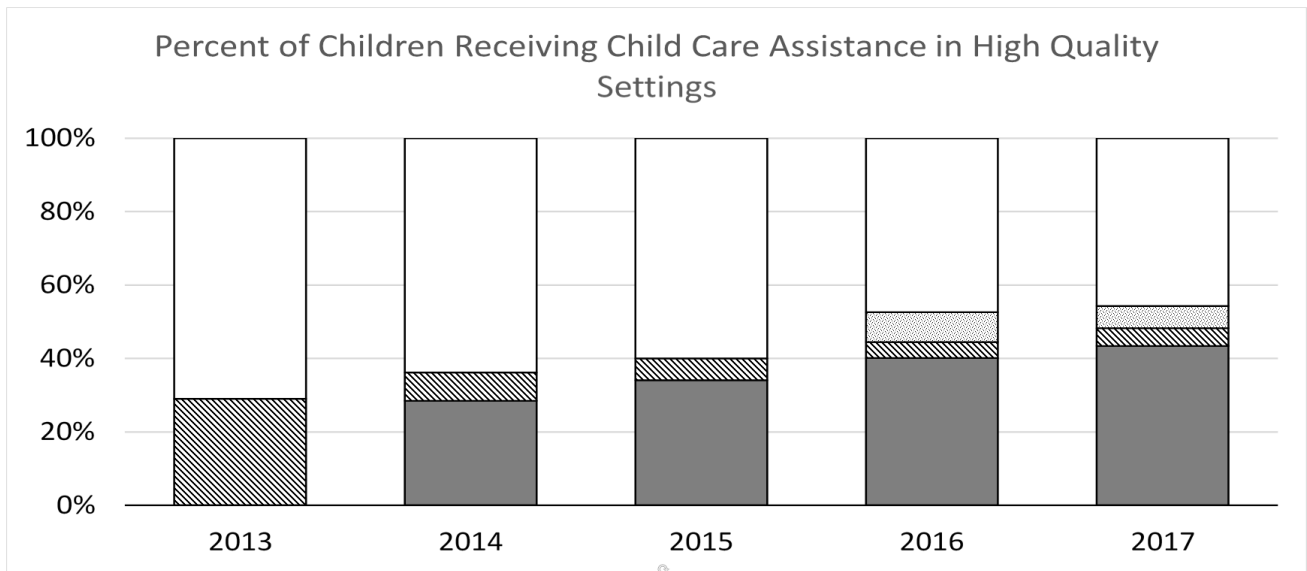
This quality measure shows that higher maximum rates may increase families’ access to high quality providers by allowing the maximum rate paid by the Child Care Assistance Program to fully cover more (or an equivalent proportion) of their prices as compared to the prices charged by all providers. This measure indicates the impact of quality differentials by type of care. It is first presented as a statewide total, and then broken out by metro and non-metro counties.

Prices fully covered by Standard and Quality Differential Maximum Rates – 2016



Specifically, the 20 percent differential allows the prices charged by center based four-star rated metro providers to be fully covered by the maximum subsidy in the same proportion as the prices of all metro center providers. The higher maximum rates offer coverage of the prices charged by all other types of quality providers at higher levels than the standard maximum rates.

Use of High Quality Care - Children who participate in high quality early care and education are more likely to experience school success and positive life-long outcomes. This quality measure shows that the percent of all children receiving child care assistance through providers eligible for the higher subsidy rates for quality has increased from 23 percent in quarter four of 2013 to 48 percent in quarter three of 2017.



Child's Provider Credentials	2013	2014	2015	2016	2017
Provider holds Parent Aware 3-4 Star*	NA	28%	34%	40%	43%
Provider holds Accreditation*	29%	8%	6%	5%	5%
Provider holds Parent Aware 1-2 Star	NA	NA	NA	8%	6%
Standard Care	71%	64%	60%	47%	46%

* These providers are eligible for CCAP higher rates for quality.

In 2014 a statute change allowed providers to qualify for the higher maximum subsidy rate through receiving a Parent Aware rating of 3-or-4-Stars. Previously only providers holding certain accreditations and family child care providers meeting certain education standards were eligible. In this figure, child care settings were categorized according to the quality standard they meet to be eligible for the CCAP quality differential.

- In 2013 settings meeting quality standards though accreditations/credentials may also have been highly rated by Parent Aware. In 2014-2015 settings that hold both a 3-or-4 Star Parent Aware rating and an accreditation or educational credential, are included in the Parent Aware rated category.

The data source for the prices charged by providers is a biennial survey of provider prices conducted by the Department. To assess the portion of provider prices fully covered, provider prices are compared to the applicable maximum subsidy rates.

The data source for children in care with provider's eligible for the higher rates for quality is from MEC2, Minnesota's child care electronic eligibility and payment system.

The legal authority for the MFIP/TY Child Care Assistance program is in M.S. chapter 119B (<https://www.revisor.mn.gov/statutes/?id=119B>)

MFIP Child Care Assistance

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	78,221	94,248	93,298	96,223	108,078	113,875
3000 - Federal	72,381	66,874	71,877	65,583	65,584	65,584
Total	150,602	161,122	165,175	161,806	173,662	179,459
Biennial Change				15,257		26,140
Biennial % Change				5		8
<u>Expenditures by Category</u>						
Operating Expenses	1	0				
Grants, Aids and Subsidies	150,601	161,123	165,175	161,806	173,662	179,459
Total	150,602	161,122	165,175	161,806	173,662	179,459

MFIP Child Care Assistance

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Direct Appropriation	78,221	94,248	101,293	96,223	108,078	113,875
Cancellations			7,995			
Expenditures	78,221	94,248	93,298	96,223	108,078	113,875
Biennial Change in Expenditures				17,052		32,432
Biennial % Change in Expenditures				10		17
3000 - Federal						
Balance Forward In			78	5		
Receipts	72,381	66,952	71,805	65,578	65,584	65,584
Balance Forward Out		78	5			
Expenditures	72,381	66,874	71,877	65,583	65,584	65,584
Biennial Change in Expenditures				(1,795)		(6,292)
Biennial % Change in Expenditures				(1)		(5)

Program: Forecasted Programs

Activity: General Assistance

mn.gov/dhs/people-we-serve/people-with-disabilities/economic-assistance/income/programs-and-services/

AT A GLANCE

- In FY2017, the General Assistance (GA) program supported a monthly average of 23,238 people.
- The typical monthly benefit is \$203 for an individual and \$260 for a couple.
- All funds spending for General Assistance activity for FY 2017 was \$49.6 million, which represented 0.3 percent of the overall agency budget.

PURPOSE & CONTEXT

General Assistance (GA) is the primary safety net for very low-income people without children who are unable to work and do not have enough money to meet their basic needs. The most common reason people are eligible is illness or incapacity (50 percent). GA helps people meet some of their basic and emergency needs. Without this income support, they would likely fall further into poverty and become homeless.

Many people receive GA while they wait for more stable assistance such as Supplemental Security Income (SSI), a federal income supplement program that helps people who are aged, blind or have a disability and have little or no income. Forty-seven percent of people eligible for GA have signed an Interim Assistance Agreement. That indicates they plan to apply for other income benefits such as SSI or Retirement, Survivors and Disability Income (RSDI).

SERVICES PROVIDED

General Assistance provides state-funded, monthly cash grants to people without children who have a serious illness, disabilities or other issues that limit their ability to work and are unable to fully support themselves. GA's maximum monthly benefit is \$203 for a single adult (about 21 percent of the Federal Poverty Guideline of \$990 per month for one person) and \$260 for a couple. Additional emergency funds may be available if a recipient cannot pay for basic needs and the person's health or safety is at risk. People eligible for GA may also be eligible for health care coverage under Medical Assistance.

The Department of Human Services (DHS) works with the federal Social Security Administration and the state's Disability Linkage Line® to streamline the disability determination process. DHS also connects recipients with resources to help them with the SSI application process. People who become eligible for SSI are no longer eligible for GA. They become eligible for Minnesota Supplemental Aid to supplement their SSI income.

DHS works with counties and tribes to administer the GA program.

RESULTS

GA is a safety net program that helps people achieve better outcomes by stabilizing crisis situations, avoiding homelessness and making connections to other resources.

GA recipients who may be eligible for SSI must apply and sign an Interim Assistance Agreement (IAA). If a person on GA is eligible for SSI, having an IAA in place allows the state to collect federal reimbursement for GA benefits paid while the person's application for SSI was pending. An increase in the percent of GA recipients with a signed IAA shows a better opportunity for stable income for recipients and state savings.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Percent of GA recipients with an Interim Assistance Agreement (IAA) signed within the calendar year.	47.9%	41.7%	Dec 2016 Dec 2017

GA is a safety net for people who do not have adequate income or resources to meet their basic needs. It is intended to be short-term while they apply for other benefits, look for employment, or secure other income. It is not intended as a long-term solution to meet a person's basic needs. Data below shows that while around 39 percent of cases are on the program for more than 12 months, only 25 percent of cases remain on the program after two years.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Percent of GA cases with more than 12 months of continuous GA usage	40.8%	39.1%	Dec. 2016 Dec. 2017
Quantity	Percent of GA cases with more than 24 months of continuous GA usage	25.4%	24.7%	Dec. 2016 Dec. 2017

One of the goals of the GA program is to help people prepare to obtain permanent work and become self-sufficient. Some features of GA act as work incentives. For example, the GA program allows some earned income to be disregarded when a person's GA eligibility and benefits are calculated. A person can work and still remain on GA if his or her earned income is minimal.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Percent of GA cases with earned income	3.4%	4.1%	Dec. 2016 Dec. 2017

The source for these outcomes are from data used for the DHS report, December 2016 General Assistance Caseload: Cases and Eligible People (<https://edocs.dhs.state.mn.us/lfserver/Public/DHS-6128I-ENG>), and the forthcoming report for December 2017.

The legal authority for the General Assistance program is M.S. chapter 256D (<https://www.revisor.mn.gov/statutes/?id=256D>)

General Assistance

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	50,444	49,556	48,883	49,614	50,563	51,200
2000 - Restrict Misc Special Revenue				50	50	50
Total	50,444	49,556	48,883	49,664	50,613	51,250
Biennial Change				(1,453)		3,316
Biennial % Change				(1)		3
<u>Expenditures by Category</u>						
Operating Expenses			0			
Grants, Aids and Subsidies	50,444	49,556	48,883	49,664	50,613	51,250
Total	50,444	49,556	48,883	49,664	50,613	51,250

General Assistance

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In		2,553				
Direct Appropriation	52,997	52,550	55,536	49,614	50,563	51,200
Transfers In	6,730	6,730	6,730	6,730	6,730	6,730
Transfers Out	6,730	6,730	6,730	6,730	6,730	6,730
Cancellations	2,553	5,547	6,653			
Expenditures	50,444	49,556	48,883	49,614	50,563	51,200
Biennial Change in Expenditures				(1,503)		3,266
Biennial % Change in Expenditures				(2)		3
2000 - Restrict Misc Special Revenue						
Receipts				50	50	50
Expenditures				50	50	50
Biennial Change in Expenditures				50		50
Biennial % Change in Expenditures						

Program: Forecasted Programs

Activity: MN Supplemental Assistance

mn.gov/dhs/people-we-serve/people-with-disabilities/economic-assistance/income/programs-and-services/

AT A GLANCE

- In FY2017, the Minnesota Supplemental Aid program supported a monthly average of 30,576 people.
- The typical benefit is \$81 for an individual and \$111 for a couple.
- This supplements a typical monthly federal Supplemental Security Income (SSI) benefit of \$750 for an individual living alone.
- All funds spending for Minnesota Supplemental Aid activity for FY 2017 was \$38.3 million, which represented 0.24 percent of the overall agency budget.

PURPOSE & CONTEXT

Minnesota Supplemental Aid (MSA) helps to prevent homelessness and poverty by supplementing the incomes of Minnesotans who are eligible for the federal Supplemental Security Income (SSI) program. It was established in 1974 and federal regulations require payments to be at a minimum of that paid in March 1983. MSA benefits are intended to cover basic daily or special needs. Nearly half of MSA recipients are age 60 or older and 78 percent have a disability.

SERVICES PROVIDED

MSA provides a state-funded monthly cash supplement to help people who are aged, blind or disabled, and who receive SSI benefits. Some recipients who do not receive SSI because their income is too high may still be eligible for MSA if they meet other eligibility criteria.

MSA housing assistance is available to qualified recipients, adding \$194 to the MSA benefit to help pay housing costs. To be eligible for housing assistance, applicants must:

- Be under age 65 at the time of application,
- Have total housing costs in excess of 40 percent of their total income,
- Apply for rental assistance if eligible, and
- Be relocating from an institution, or eligible for Medical Assistance personal care attendant services, or receiving waived services and living in their own place.

MSA may also provide additional payments for other special needs such as special diets and household repairs or furnishings.

The Department of Human Services works with counties, tribes, the Social Security Administration, service providers, and other nonprofit agencies to identify people eligible for the program, and to advise and administer MSA program policy.

RESULTS

People who receive federal Supplemental Security Income are categorically eligible for MSA, but must apply for MSA in order to receive the benefits. The MSA program has had stable enrollment of around 30,500 individuals over time, but the number of adults who receive SSI and yet do not receive MSA is increasing. This indicates some eligible people are not accessing the benefit. The Department of Human Services is working with the Social Security Administration to inform people about this benefit.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Results	Percent of SSI beneficiaries over age 18 who receive MSA	38.5%	38.3%	Dec. 2016 Dec. 2017

MSA provides additional money to help people who qualify and have high housing costs move into affordable housing or be able to afford their current housing costs.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Percent of MSA recipients who receive MSA housing assistance	2.8%	3.2%	Dec. 2016 Dec. 2017

The MSA and SSI programs support efforts of people who want to work. MSA follows work incentives used by the Social Security Administration to encourage people with disabilities to work.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Percent of MSA recipients with earned income	5.2%	5.2%	Dec. 2016 Dec. 2017

The source for these outcomes are from data used for the DHS report, December 2016 Minnesota Supplemental Aid: Cases and Eligible People, and the forthcoming December 2017 report, along with the Social Security Administration report on SSI Recipients by State and County 2017 (https://www.ssa.gov/policy/docs/statcomps/ssi_sc/2017/index.html).

The legal authority for the Minnesota Supplemental Aid program is in M.S. chapter 256D: sections 256D.33 (<https://www.revisor.mn.gov/statutes/?id=256D.33>) to 256D.54 (<https://www.revisor.mn.gov/statutes/?id=256D.54>).

MN Supplemental Assistance

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	37,735	38,309	39,066	40,601	41,834	45,866
2000 - Restrict Misc Special Revenue	0	1	1	5	5	5
Total	37,735	38,310	39,066	40,606	41,839	45,871
Biennial Change				3,627		8,038
Biennial % Change				5		10
<u>Expenditures by Category</u>						
Grants, Aids and Subsidies	37,735	38,310	39,066	40,606	41,839	45,871
Total	37,735	38,310	39,066	40,606	41,839	45,871

MN Supplemental Assistance

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In		320				
Direct Appropriation	38,055	38,938	40,484	40,601	41,834	45,866
Cancellations	320	949	1,418			
Expenditures	37,735	38,309	39,066	40,601	41,834	45,866
Biennial Change in Expenditures				3,622		8,033
Biennial % Change in Expenditures				5		10
2000 - Restrict Misc Special Revenue						
Receipts	0	1	1	5	5	5
Expenditures	0	1	1	5	5	5
Biennial Change in Expenditures				4		4
Biennial % Change in Expenditures				339		78

Program: Forecasted Programs

Activity: Housing Support (formerly known as Group Residential Housing)

mn.gov/dhs/people-we-serve/people-with-disabilities/economic-assistance/housing/programs-and-services/housing-support.jsp

AT A GLANCE

- In 2017, the Housing Support program served a monthly average of 20,222 participants.
- The current room and board rate limit is \$904.
- The average monthly payment per recipient in FY 2017 is \$657.12.
- All funds spending for the Housing Support activity for FY 2017 was \$159.5 million, which represented 1.0 percent of the overall agency budget.

PURPOSE & CONTEXT

Housing Support is a state-funded income supplement program that pays for room and board in approved locations for adults with low incomes who have a disability or are 65 years or older. Participants must meet a combination of eligibility requirements set by the federal Supplemental Security Income (SSI) program, state General Assistance program or residential crisis mental health facilities to qualify for help. Housing Support also has income and asset limits.

Seventeen percent of Housing Support recipients are older adults. Those who are younger than 65 years of age all have a combination of factors that limit their self-sufficiency, including a physical or mental health disability, visual impairment or chemical dependency. Program recipients likely would be in institutional placements or homeless without Housing Support.

SERVICES PROVIDED

The Housing Support room and board rate is currently \$904 per month. This rate is paid for residents in approximately 9,000 authorized settings in Minnesota. About 4,700 of those are adult foster care homes. Other settings include board and lodging facilities, supervised living facilities, boarding care homes, supportive housing and other assisted living facilities.

Housing Support providers receive payments on behalf of eligible recipients. The monthly room and board payment is to pay for rent, utilities, food, household supplies and other items needed to provide room and board to a recipient. Recipients are required to pay a portion of their income directly to providers toward the room and board rate. Housing Support can pay for additional supportive services in some settings if a recipient is not eligible for home and community-based waiver services or personal care assistance.

Counties and tribes also manage Housing Support agreements with providers. County human services agencies process eligibility and payments for people in the program.

RESULTS

An increase in the number of Housing Support recipients who are no longer homeless shows efforts are working to reduce homelessness.

Housing Support recipients who may be eligible for SSI must apply and sign an Interim Assistance Agreement (IAA). If a person receiving Housing Support is eligible for SSI, having an IAA in place allows the state to collect

federal reimbursement for state payments made while the person’s application for SSI was pending. An increase in the percent of Housing Support recipients with a signed IAA shows a better opportunity for stable income for recipients and state savings.

An increase in the percent of Housing Support applications processed within 30 days shows people get the help they need more quickly.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Results	Number of Housing Support recipients moving out of homelessness	2,633	2,788	May 2016, May 2017
Quantity	Percent of Housing Support recipients with signed Interim Assistance Agreement	17.40%	16.40%	May 2016, May 2017
Quality	Percent of Housing Support applications processed within 30 days	62%	63%	May 2016, May 2017

The information in these measures comes from MAXIS administrative data.

The legal authority for the Group Residential Housing program is M.S. chapter 256I (<https://www.revisor.mn.gov/statutes/?id=256I>).

Housing Support

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base FY20 FY21	
<u>Expenditures by Fund</u>						
1000 - General	147,461	157,370	159,027	167,639	171,722	176,206
2000 - Restrict Misc Special Revenue	1,999	2,087	2,330	2,175	2,175	2,175
Total	149,461	159,457	161,357	169,814	173,897	178,381
Biennial Change				22,254		21,107
Biennial % Change				7		6
<u>Expenditures by Category</u>						
Operating Expenses			2,374			
Grants, Aids and Subsidies	149,461	159,457	158,983	169,814	173,897	178,381
Other Financial Transaction			0			
Total	149,461	159,457	161,357	169,814	173,897	178,381

Housing Support

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In		191				
Direct Appropriation	147,652	158,707	169,312	167,639	171,722	176,206
Cancellations	191	1,527	10,285			
Expenditures	147,461	157,370	159,027	167,639	171,722	176,206
Biennial Change in Expenditures				21,835		21,262
Biennial % Change in Expenditures				7		7
2000 - Restrict Misc Special Revenue						
Balance Forward In		0				
Receipts	1,999	2,087	2,330	2,175	2,175	2,175
Expenditures	1,999	2,087	2,330	2,175	2,175	2,175
Biennial Change in Expenditures				419		(155)
Biennial % Change in Expenditures				10		(3)

Program: Forecasted Programs

Activity: Northstar Care for Children

mn.gov/dhs/people-we-serve/children-and-families/services/foster-care/

mn.gov/dhs/people-we-serve/children-and-families/services/adoption/

AT A GLANCE

- 16,593 children experienced an out-of-home placement in 2017
- 1,563 children were either adopted or had a permanent transfer of legal custody to a relative in 2017
- State spending for the North Star Care for Children activity for FY 2017 was \$51.8 million

PURPOSE & CONTEXT

Northstar Care for Children is designed to help children who are removed from their homes and supports permanency through adoption or transfer of custody to a relative if the child cannot be safely reunified with parents. Financial support is provided to adoptive and foster parents to encourage permanent placement of children in safe homes. The benefit varies with the child's age, but across the program averages about \$12,000 annually per child. Northstar Care for Children consolidates and simplifies administration of three existing programs: Family Foster Care, Kinship Assistance (which replaces Relative Custody Assistance) and Adoption Assistance. Northstar Care for Children will help more children grow up in safe and permanent homes.

SERVICES PROVIDED

The comprehensive, simplified Northstar Care for Children program:

- Combines three child welfare programs — Family Foster Care, Adoption Assistance and Kinship Assistance — into a single program with uniform processes and unified benefits
 - Northstar Foster Care is for family foster care, in which children might become permanent members of families, not for group housing or residential treatment.
 - Northstar Kinship Assistance replaced the previous Relative Custody Assistance, simplifying ongoing requirements for caregivers and bringing in federal Title IV-E foster care funds.
 - Northstar Adoption Assistance turns more decision-making over to adoptive parents that previously required detailed state review and approval.
- Provides a monthly basic benefit based on children's age
- Uses a uniform assessment for all children to determine any needs beyond the basic payment for one of 15 levels of monthly supplemental difficulty of care payments
- Maintains the highest range of the current foster care benefits for children with the highest need
- Grandfathers children in existing programs under their current programs unless specifically transitioned into Northstar Care for Children (the current programs are slowly phased out as children exit them)
- Reduces barriers to permanency by eliminating disparities in benefits across the existing programs
- Reduces racial disparities among the children who remain in long-term foster care

Funding for Northstar Care for Children comes from state general fund appropriations, federal payments for foster care and adoption assistance, and county or tribal spending on foster care.

RESULTS

The Department of Human Services (DHS) monitors the performance of counties and tribes in delivering child welfare services, including services provided under Northstar Care for Children. DHS expects to see better outcomes for children under Northstar Care in that a larger portion of children in the system will find permanent homes.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	Rate of Relative Care: Of all days that children spent in family foster care settings during the given period, what percentage of days were spent with a relative?	40.4%	56.3%	2014 to 2017
Quality	Placement Stability: Of all children who enter foster care in the year, what is the number of placement moves per 1,000 days spent in foster care?	4.5 per 1,000	3.8 per 1,000	2014 to 2017
Quality	Permanency, 12-23 months: Of all children in foster care who had been in foster care between 12 and 23 months on the first day of the year, what percent discharged from foster care to permanency within 12 months of the first day of the year?	50.0%	51.2%	2014 to 2017
Quality	Permanency, 24 months: Of all children in foster care who had been in foster care for 24 months or more on the first day of the year, what percent discharged to permanency within 12 months of the first day of the year?	17.4%	28.8%	2014 to 2017

Performance Measures notes:

Measures from the Research and Evaluation unit of the Child Safety and Permanency Division at the Department of Human Services.

Also see the DHS Child Welfare Dashboard

(http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=dhs16_148137).

Northstar Care for Children is established in M.S. section 256N.20

(<https://www.revisor.mn.gov/statutes/?id=256N.20>).

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	42,314	51,008	65,798	77,636	86,921	94,528
3000 - Federal	36,081	21,749	53,593	60,147	67,424	75,041
Total	78,394	72,757	119,392	137,783	154,345	169,569
Biennial Change				106,023		66,739
Biennial % Change				70		26
<u>Expenditures by Category</u>						
Grants, Aids and Subsidies	78,340	72,743	119,392	135,783	152,345	167,569
Other Financial Transaction	54	15		2,000	2,000	2,000
Total	78,394	72,757	119,392	137,783	154,345	169,569

Northstar Care for Children

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In		1,014				
Direct Appropriation	43,327	53,446	80,542	77,636	86,921	94,528
Cancellations	1,013	3,452	14,744			
Expenditures	42,314	51,008	65,798	77,636	86,921	94,528
Biennial Change in Expenditures				50,113		38,015
Biennial % Change in Expenditures				54		27
3000 - Federal						
Balance Forward In			87			
Receipts	36,081	21,759	53,506	60,147	67,424	75,041
Balance Forward Out		10				
Expenditures	36,081	21,749	53,593	60,147	67,424	75,041
Biennial Change in Expenditures				55,911		28,725
Biennial % Change in Expenditures				97		25

Program: Forecasted Programs

Activity: MinnesotaCare

mn.gov/dhs/people-we-serve/adults/health-care/health-care-programs/programs-and-services/minnesotacare.jsp

AT A GLANCE

- In FY 2017, MinnesotaCare had an average monthly enrollment of 89,081.
- MinnesotaCare expenditures reached \$397 million in FY 2017. This represented 2.7 percent of the Department of Human Services overall budget.
- The Minnesota state share of total MinnesotaCare program expenditures in FY2017 was \$11.6 million.

PURPOSE & CONTEXT

The MinnesotaCare Program was established in 1992 to provide affordable health coverage for people with incomes too high for Medicaid but unable to afford other health insurance. It provided a subsidized program for children and parents and later expanded to include adults.

Passage of the Affordable Care Act (ACA) in 2010, and subsequent state legislation, made many MinnesotaCare enrollees eligible for Medical Assistance (MA). Under the authority of the ACA, Minnesota established MinnesotaCare as a Basic Health Plan to provide health coverage for people with incomes between 138 percent and 200 percent of federal poverty guidelines. As a Basic Health Plan, Minnesota receives federal funds equal to 95 percent of the advanced premium tax credits that would otherwise be available to eligible people enrolled in commercial health care coverage through MNSure. In fiscal year 2017, federal Basic Health Plan funding covered 88 percent of MinnesotaCare's costs.

Today, MinnesotaCare provides comprehensive health care coverage for more than 89,000 Minnesotans who pay no more than \$80 a month in premiums. The program also includes additional benefits not necessarily available or as affordable on MNSure, including dental, vision and a broad array of behavioral health benefits.

SERVICES PROVIDED

MinnesotaCare covers a broad range of health care services including:

- primary and preventive care,
- inpatient and outpatient hospital care,
- coverage for prescription drugs,
- chemical dependency treatment,
- mental health services, and
- oral health services.

People seeking coverage under MinnesotaCare can apply directly through the MNSure web site or by submitting a paper application to MNSure, to DHS, or to their county human services or tribal office. Applicants are not eligible if they have access to affordable health insurance coverage through an employer. There are no health condition barriers for eligibility, but applicants must meet income guidelines and pay a premium (if applicable) to receive coverage¹. Premiums are based on income and are charged for each enrollee, up to a maximum of \$80 per month.

¹ Income eligibility guidelines (<https://edocs.dhs.state.mn.us/lfserver/Public/DHS-3182-ENG>) and estimated premium amounts (<https://edocs.dhs.state.mn.us/lfserver/Public/DHS-4139A-ENG>) by income are available on the DHS web site.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Result	Percent of Minnesotans without health insurance ¹	4.3%	6.3%	2015 to 2017
Result	Percent of Low Income Minnesotans without Health Insurance ²	8.5%	11.3%	2015 to 2017
Quantity	Number of MA and MinnesotaCare program enrollees served by an IHP ³	350,000	460,000	2015 to 2017
Quality	Estimated reduction in health care expenditures (below projections) for providers in Integrated Health Partnership demonstration project ⁴	\$48.3 million	\$60.6 Million	2016 to 2017

Performance Measure Notes:

1. Measure is the percent of Minnesotans that do not have health insurance. Source: Minnesota Health Access Survey, Minnesota Department of Health. Compares 2015 (Previous) and 2017 (Current)
2. Measure is the percentage of uninsured Minnesotans with family income below 200% of poverty. Source: Minnesota Health Access Survey, Minnesota Department of Health. Compares 2015 (Previous) and 2017 (Current)
3. Measure is the number of enrollees served by an IHP provider. Compares 2015 (Previous) and 2017 (Current).
4. Measure is an estimated reduction in annual medical costs below projections for 2016 and 2017 for the providers enrolled in the IHP demonstration. IHP provider contracts require this measure be calculated in the same manner each year. These reductions do not represent lower state spending.

Minnesota Statutes, chapter 256L provides the legal authority to operate the MinnesotaCare program. Many of the covered services, provider rates, and other elements of the MinnesotaCare program overlap with the Medical Assistance program and are detailed in the Medical Assistance statute. The statutory authority for Medical Assistance is located in M.S. chapter 256B.

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
2360 - Health Care Access	144,902	47,641	45,379	60,685	65,860	69,926
3000 - Federal	334,558	349,523	369,224	417,391	464,976	497,594
Total	479,460	397,164	414,602	478,076	530,836	567,520
Biennial Change				16,054		205,678
Biennial % Change				2		23
<u>Expenditures by Category</u>						
Operating Expenses	0					
Grants, Aids and Subsidies	479,460	397,164	414,602	478,076	530,836	567,520
Total	479,460	397,164	414,602	478,076	530,836	567,520

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
2000 - Restrict Misc Special Revenue						
Balance Forward In	171	200	20	2		
Receipts	(151)	(196)	(18)	(2)		
Balance Forward Out	20	3	2			
2360 - Health Care Access						
Balance Forward In	68	18,537	12	200		
Direct Appropriation	133,293	11,204	12,363	22,660	26,772	29,526
Receipts	29,994	36,055	36,577	37,825	39,088	40,400
Transfers In	180,659	36,140	12,000			
Transfers Out	180,659	36,140	12,000			
Cancellations	18,450	18,152	3,374			
Balance Forward Out	3	2	200			
Expenditures	144,902	47,641	45,379	60,685	65,860	69,926
Biennial Change in Expenditures				(86,479)		29,722
Biennial % Change in Expenditures				(45)		28
3000 - Federal						
Balance Forward In	26,167	624	146,032	241,612	199,709	80,369
Receipts	308,855	494,926	464,804	375,488	345,636	421,368
Balance Forward Out	464	146,027	241,612	199,709	80,369	4,143
Expenditures	334,558	349,523	369,224	417,391	464,976	497,594
Biennial Change in Expenditures				102,533		175,955
Biennial % Change in Expenditures				15		22

Program: Forecasted Programs

Activity: Medical Assistance

mn.gov/dhs/people-we-serve/adults/health-care/health-care-programs/programs-and-services/medical-assistance.jsp

AT A GLANCE

- In FY 2017, MA served a monthly average of 1,082,654 people. This is 19.4 percent of the state's population.
- In FY 2017, MA provided coverage for:
 - 28,096 births in (about 4 in 10 of all live births in Minnesota)
 - 217,061 people receiving mental health services
 - 433,682 people receiving dental services
- In FY 2017, the families with children group made up 65 percent of total MA enrollment, but only 23 percent of total program expenditures.
- In FY 2017, coverage for the elderly and disabled made up 16 percent of total enrollment, but 61 percent of total basic care expenditures.
- MA is funded with state general funds, the health care access fund, federal Medicaid funds, and with local shares for a few particular services.
- All funds spending for the Medical Assistance activity for FY 2017 was just over \$11 billion. This represented over 69 percent of the Department of Human Services overall budget.
- The Minnesota state share of total MA expenditures in FY 2017 was about \$4.6 billion.

PURPOSE & CONTEXT

Medical Assistance (MA) is Minnesota's Medicaid program. MA is Minnesota's largest public health care program and serves children and families, pregnant women, adults without children, seniors and people who are blind or have a disability. It covers one out of every five Minnesotans. As the third largest insurer in the state after self-insured employer-based coverage and Medicare, it makes up nearly 16 percent of the state's health insurance market.

MA provides basic health care, home-and community-based services and long-term care services. Most people who have MA get health care through health plans. You can choose a health plan from those serving MA members in your county. Members who do not get health care through a health plan get care on a fee-for-service basis, with providers billing the state directly for services they provide.

On July 30, 1965, President Lyndon B. Johnson signed into law legislation that led to the establishment of Medicare and Medicaid. Medicaid serves 24 percent of the nation's population. Medicaid contributes significantly to the financing of the U.S. health care system, supporting local public health infrastructure, hospitals, mental health centers, at-home care, community clinics, nursing homes, physicians and many other health professions. Medicaid — not Medicare — is the primary source of coverage for people who need long-term care services, such as nursing home services. In 1966, Minnesota implemented Medical Assistance (MA).

Currently, the federal government shares financial responsibility for the Medicaid program by matching state costs with federal dollars. While certain federal requirements outline who and what must be covered in each program, states generally have flexibility to tailor and expand their Medicaid program to meet the needs of their population and state budgets.

The Minnesota Department of Human Services (DHS) is the state Medicaid agency and partners with all 87 Minnesota counties and several Minnesota Indian Tribes to administer MA. DHS contracts with both health plans and health care providers across the state to deliver basic health care to MA enrollees.

Minnesotans may enroll in MA if they meet certain eligibility requirements under the following categories: (a) parents and children; (b) age 65 or older, blind or have disabilities; (c) adults without dependent children

An individual's eligibility is determined by factors such as household income, family size, age, disability status, and citizenship or immigration status. These criteria are set by federal and state law and vary by category. Enrollees must demonstrate their program eligibility at least once a year. All individuals who meet federal eligibility requirements are guaranteed coverage. States can expand upon the minimum federal requirements, add optional or special populations to their programs or increase the income eligibility limits. Individuals eligible for Medicaid are guaranteed a basic set of benefits covering specific services and settings.

Minnesota is known for its comprehensive approach to providing Medicaid coverage. Minnesota covers a broad group of people and services beyond the minimum standards set in federal law. This includes expanding coverage to higher-income children and adults and covering long-term care in the home and community instead of an institutional setting. Minnesota also covers many special populations in need of services who would otherwise be ineligible for Medicaid because of their income level, including children with disabilities whose parents are given the option to access Medicaid by paying a parental fee, women who have been diagnosed with breast or cervical cancer through the state's cancer screening program, and families in need of family planning services.

MA provides coverage for preventive and primary health care services for low-income Minnesotans. MA differs from the state's other health care program, MinnesotaCare, in that it has lower income eligibility guidelines, does not have premiums, and pays for previously incurred medical bills up to three months prior to the month of application. Additionally, MA can pay for nursing facility care and intermediate care facilities for people with developmental disabilities. It can also cover long term care services and supports for people with disabilities and older adults so that they can continue living in the community.

Home and community-based services (HCBS) waivers were established under section 1915(c) of the federal Social Security Act of 1981. These waivers are intended to correct the institutional bias in Medicaid by allowing states to offer a broad range of HCBS to people who may otherwise be institutionalized. Minnesota began serving people under the HCBS waiver in 1984, and these services have facilitated Minnesota's shift away from institutional care.

Minnesota's MA program has expanded since the mid-1980's. The expansions have focused on low-income, uninsured, or under-insured children as well as eligibility changes to better support seniors and people with disabilities in their own homes or in small, community-based settings. During this time, a moratorium was placed on nursing facilities and intermediate care facilities for people with developmental disabilities as efforts to develop home and community-based alternatives gained momentum.

The most significant recent changes to the Minnesota MA program followed legislative action during the 2013 session and applied to people without an aged, blind, or disabled basis of eligibility. These changes included an elimination of asset tests and an increase to the income eligibility limits for adults without children, parents and relative caretakers, children, and pregnant women. Under the higher income standards, people formerly eligible for MinnesotaCare including pregnant women and children with income up to 275 percent of poverty and adults below 133 percent of poverty became eligible for MA, resulting in over 110,000 former MinnesotaCare recipients transitioning to coverage under MA in January of 2014.

SERVICES PROVIDED

MA enrollees fall under one of five general categories, and receive either long term care services and supports, basic health care, or both long term care and basic care. The five categories include the following:

MA Coverage of Long-Term Services and Supports (LTSS)

Thirty years ago, people who needed help with daily living tasks, such as bathing, dressing, eating and preparing meals, and going to the bathroom, were faced with the choice of when, not if, they would move from their home into an institution or similar setting. Today, older Minnesotans and people with disabilities have many options and services available. This approach provides a higher quality of life for people as they have access to the right service at the right time, and it leads to more cost-effective services over time.

LTSS are a spectrum of health and social services that support Minnesotans who need help with daily living tasks. The services generally consist of ongoing care or supports that a person needs to manage a chronic health condition or disability. The services can be provided in institutional settings, such as hospitals and nursing homes, or in people's homes and other community settings. Federal law requires all state Medicaid programs to cover these services when provided in an institutional setting or nursing facility.

MA Coverage of Long-Term Care Facilities

A nursing home provides 24-hour care and supervision in a residential facility setting. Nursing homes provide an all-inclusive package of services that covers: nursing care, help with activities of daily living and other care needs, housing, meals and medication administration. Alternatively, an intermediate care facility for persons with developmental disabilities (ICF/DD) provides 24-hour care, active treatment, training and supervision to people with developmental disabilities. Additionally, day training and habilitation (DT&H) services help people living in an ICF/DD develop and maintain life skills, and take part in the community. DT&H services include supervision, training and assistance in self-care, communication, socialization, behavior management, and supported employment and work-related activities, among others.

MA pays for long-term care services for people who reside in facilities. In FY 2017, an average of 16,000 people per month received facility based long-term care services. Total spending on this group was nearly \$1.1 billion, \$563 million of which came from state funds. Care provided under this segment of MA includes 24-hour care and supervision in nursing facilities or intermediate care facilities for persons with developmental disabilities (ICF/DD). It also includes day training and habilitation (DT&H) services for people who live in an ICF/DD.

To receive MA long-term care services a person must have income and assets that are below allowable limits and have an assessed need for the services. DHS works with community providers, counties and tribes, and the Department of Health in administering and monitoring services in these long-term care settings. More information is available at <https://edocs.dhs.state.mn.us/lfserver/Public/DHS-5961-ENG>.

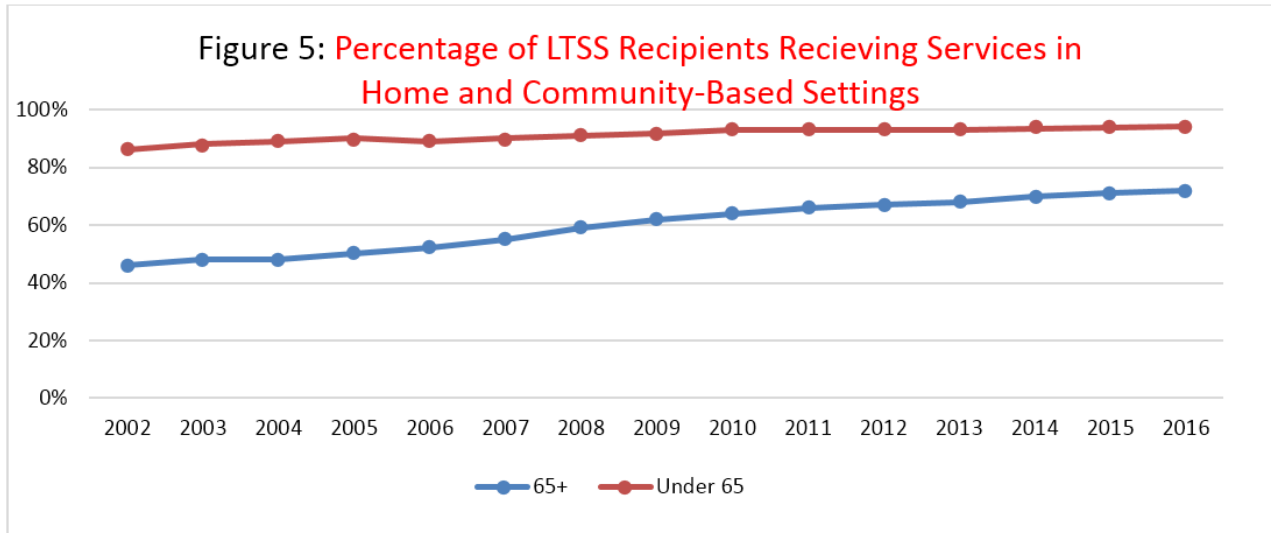
MA Coverage of Care Through Home and Community-Based Services

Home and community-based services are long-term services and supports delivered in homes or communities and not institutional settings. Congress established home and community-based services waivers in 1983 in section 1915(c) of the Social Security Act, giving states the option to seek a waiver of Medicaid rules governing institutional care to allow them to expand Medicaid services to home and community settings.

Minnesota has a long history of working to help all people live with dignity and independence. For more than 35 years, Minnesota has expanded long-term services and supports coverage to individuals receiving services in their homes and communities, which is often more effective and desirable than an institutional setting. In order to ensure that people with disabilities and older adults enjoy the same quality of life as other Minnesotans, the services and supports that they depend on must be available in the homes and communities where they choose to live.

By 1995, Minnesota had shifted from predominantly institution-based care to predominantly home- and community-based care. These services became a Medicaid state plan option in Minnesota in 2005. Home and community-based services are generally more cost effective and preferred by the people who rely on services.

The chart below shows that more enrollees receiving LTSS choose home and community-based services in Minnesota each year.



Minnesota has received federal approval to use Medicaid dollars to pay for these services through its home and community-based services waiver programs. These programs allow Medicaid to pay for services for people in their homes and communities if the services would otherwise be eligible for coverage in nursing facilities or hospitals.

DHS administers waiver programs in collaboration with county and tribal social services and public health programs. The vast majority of Minnesota’s Medicaid spending on long-term care services and supports goes to enrollees in home- and community-based waiver programs. For example, more than 90 percent of Medicaid long-term care spending for people with disabilities in Minnesota goes toward services provided in the community.

In FY 2017, an average of about 61,000 people received home care and waived services per month. Total spending on waiver and home care services was just over \$3 billion FY2017, and roughly half of this was from state funds.

Minnesota operates five home and community-based waivers:

- **Brain Injury (BI):** Allows Medicaid to cover services for people with a brain injury who need the level of care provided in a nursing facility or neurobehavioral hospital and choose to receive such care in home and community-based service settings.
- **Community Alternative Care (CAC):** Allows Medicaid to cover services for people who are in need of the level of care provided at a hospital and choose to receive such care in home or community-based service settings.
- **Community Access for Disability Inclusion (CADI):** Allows Medicaid to cover services for people who need the level of care provided in nursing facilities and choose to receive such care in home and community-based service settings.
- **Developmental Disabilities (DD):** Allows Medicaid to cover services for people with developmental disabilities who need the level of care provided at an intermediate care facility for people with developmental disabilities and choose to receive such care in home and community-based service settings.
- **Elderly Waiver (EW):** Allows Medicaid to cover services for those age 65 and older who need the level of care provided in a nursing facility and choose to receive such care in home and community-based service settings.

These waivers can offer:

- in-home and residential supports
- medical and behavioral supports
- customized day services
- employment supports
- Consumer-Directed Community Supports (a self-directed option)
- caregiver supports
- transitional services to support people to move out of institutions or other congregate settings
- transportation
- home modifications and assistive technology
- case management
- other goods and services

Medical Assistance Basic Health Care

MA also provided comprehensive coverage outside of long-term care to over one million Minnesotans in FY 2017. Total spending for basic health care services reached about \$6.9 billion in FY 2017, with \$2.5 billion coming from state funds. The enhanced federal share available with the MA expansion in 2014 reduced the overall share of basic care expenditures to just over 36 percent in FY 2017, a decrease from about 50 percent in FY 2013.

Basic health care services covered in the MA benefit include:

- primary and preventive care
- inpatient hospital benefits
- mental health and chemical dependency treatment
- medical transportation
- medical equipment
- prescription drugs
- dental care
- coverage for eyeglasses and eye care

MA Coverage of Basic Health Care for Elderly and Disabled

People receiving these services are low-income elderly (65 years or older) and people who are blind or have a disability. Their income and assets must be below allowable limits. As MA enrollees they receive health care coverage or financial assistance to help them pay for their Medicare premiums and cost sharing/copayments. This latter approach is often less expensive for the state than if the state provided their health coverage under MA alone.

This segment of the MA program also includes the Medical Assistance for Employed Persons with Disabilities (MA-EPD) program. MA-EPD working individuals with disabilities to receive the full MA benefit set. This program encourages people with disabilities to work and enjoy the benefits of being employed. It allows working people with disabilities to qualify for MA without an income limit and under higher asset limits than standard MA. More information on MA-EPD is available in the Medical Assistance for Employed Persons with Disabilities brochure (<http://edocs.dhs.state.mn.us/lfserver/public/DHS-2087L-ENG>).

In FY2017, this segment of MA funds supported an average of 177,262 people per month, many of whom are also enrolled in Medicare and so are “dual eligible beneficiaries.” Total spending on this group was over \$2.5 billion in FY2015, about half of which came from state funds.

MA Coverage of Basic Health Care for Families with Children

Enrollees in this eligibility category include low income pregnant women, children, parents and caretaker relatives. This segment of the MA program also includes funding for the Minnesota Family Planning Program (MFPP) and the MA Breast and Cervical Cancer Treatment program (MABC). MFPP provides coverage of family planning and related health care services for people not currently enrolled in MA or MinnesotaCare. MABC covers treatment costs for breast cancer, cervical cancer or a precancerous cervical condition for women without health insurance. In FY 2017, this segment of MA funds supported an average of 705,441 people per month. Total spending on this group was nearly \$2.6 billion, about half of which came from state funds.

MA Coverage of Basic Health Care for Adults without Children

In FY 2017, MA covered an average of 199,951 adults without dependent children people per month. Total spending on this group was about \$1.8 billion, with about \$40 million coming from state funds.

A full list of Medical Assistance populations, income and asset limits is in a Minnesota Health Care Programs brochure (<https://edocs.dhs.state.mn.us/lfserver/Public/DHS-3182-ENG>).

Today, Minnesota’s Medicaid program is a cornerstone of our state’s system of health and long-term care coverage, with more than one million people covered in 2017, including children, parents, people with disabilities and seniors.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	Percent of older adults served by home and community-based services ¹	68.4%	72.9%	FY2013 to FY2017
Quality	Percent of people with disabilities served by home and community-based services ²	93.5%	94.6%	FY2013 to FY2017
Result	Percent of Minnesotans without health insurance ³	4.3%	6.3%	2015 to 2017
Result	Percent of Low Income Minnesotans without Health Insurance ⁴	8.5%	11.3%	2015 to 2017
Quantity	Number of MA and MinnesotaCare program enrollees served by an IHP ⁵	350,000	460,000	2015 to 2017
Quality	Estimated reduction in health care expenditures (below projections) for providers in Integrated Health Partnership demonstration project ⁶	\$48.3 million	\$60.7 Million	2016 to 2017

Performance Measure Notes:

1. This measure reflects the percentage of older adults receiving publicly-funded long-term care services who receive HCBS services through the Elderly Waiver or Alternative Care program instead of services in nursing homes. Measure compares FY 2013 and FY 2017 data. (Source: DHS Data Warehouse)
2. This is the percent of people with disabilities receiving publicly-funded long-term care services who receive HCBS services through disability waiver or home care programs instead of services in nursing homes or Intermediate Care Facilities. Measure compares FY 2013 and FY 2017 data. (Source: DHS Data Warehouse)
3. Measure is the percent of Minnesotans that do not have health insurance. Source: Minnesota Health Access Survey, Minnesota Department of Health. Compares 2013 (Previous) and 2015 (Current)
4. Measure is the percentage of uninsured Minnesotans with family income below 200% of poverty. Source: Minnesota Health Access Survey, Minnesota Department of Health. Compares 2013 (Previous) and 2015 (Current)
5. Measure is the number of enrollees served by an IHP provider. Compares 2015 (Previous) and 2017 (Current).
6. Measure is an estimated reduction in annual medical costs below projections for 2016 and 2017 for the providers enrolled in the IHP demonstration. IHP provider contracts require this measure be calculated in the same manner each year. The lower health care spending does not result in savings to the state of the same amount. This number includes savings to providers, health plans, the federal government, and the

state. Integrated Health Partnerships (IHPs) allow participating providers to enter into an arrangement with DHS to care for enrollees under a payment model that holds the participants accountable for the costs and quality of care their Medicaid patients receive. The goal of the program is to improve the quality and value of care provided to Medicaid and MinnesotaCare enrollees while lowering the cost through innovative approaches to care and payment.

Minnesota Statutes, chapter 256B provides the legal authority for the Medical Assistance program. An example of legislative directives to improve and innovate in Medical Assistance is M.S. section 256B.021 (Medical Assistance Reform Waiver).

Medical Assistance

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	4,134,042	4,347,632	4,973,905	4,938,783	5,615,391	5,633,004
2000 - Restrict Misc Special Revenue	133,737	67,152	89,028	60,568	59,010	57,695
2360 - Health Care Access	588,188	240,720	385,159	438,848	438,848	438,848
3000 - Federal	6,524,854	6,380,543	7,226,322	7,092,827	7,910,927	7,732,726
Total	11,380,821	11,036,047	12,674,414	12,531,026	14,024,176	13,862,273
Biennial Change				2,788,572		2,681,009
Biennial % Change				12		11

Expenditures by Category

Operating Expenses	207,404	218,403	235,510			
Grants, Aids and Subsidies	11,173,032	10,817,249	12,438,479	12,530,726	14,023,876	13,861,973
Other Financial Transaction	384	395	425	300	300	300
Total	11,380,821	11,036,047	12,674,414	12,531,026	14,024,176	13,862,273

Medical Assistance

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In		44,391		2,297		
Direct Appropriation	4,173,316	4,545,885	5,174,139	4,970,705	5,647,975	5,649,054
Transfers In	32,774	31,730	40,052	13,592	1,052	1,228
Transfers Out	27,657	28,096	41,509	47,811	33,636	17,278
Cancellations	44,391	246,278	196,480			
Balance Forward Out			2,297			
Expenditures	4,134,042	4,347,632	4,973,905	4,938,783	5,615,391	5,633,004
Biennial Change in Expenditures				1,431,014		1,335,707
Biennial % Change in Expenditures				17		13

2000 - Restrict Misc Special Revenue

Balance Forward In	426	3,759	1,055	569		
Receipts	140,252	63,648	88,541	59,999	59,010	57,695
Balance Forward Out	6,941	256	569			
Expenditures	133,737	67,152	89,028	60,568	59,010	57,695
Biennial Change in Expenditures				(51,293)		(32,891)
Biennial % Change in Expenditures				(26)		(22)

2360 - Health Care Access

Balance Forward In		2				
Direct Appropriation	588,190	240,720	385,159	438,848	438,848	438,848
Cancellations	2	3				
Expenditures	588,188	240,720	385,159	438,848	438,848	438,848
Biennial Change in Expenditures				(4,900)		53,689
Biennial % Change in Expenditures				(1)		7

3000 - Federal

Balance Forward In	22,177	18,207	443	27,476		
Receipts	6,520,101	6,362,339	7,253,155	7,065,351	7,910,927	7,732,726
Transfers In			200			
Balance Forward Out	17,424	3	27,476			
Expenditures	6,524,854	6,380,543	7,226,322	7,092,827	7,910,927	7,732,726
Biennial Change in Expenditures				1,413,752		1,324,504

Medical Assistance

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
Biennial % Change in Expenditures				11		9

Program: Forecasted Programs

Activity: Alternative Care

mn.gov/dhs/people-we-serve/seniors/services/home-community/programs-and-services/alternative-care.jsp
mn.gov/dhs/people-we-serve/seniors/services/home-community/programs-and-services/essential-community-supports.jsp

AT A GLANCE

- The Alternative Care Program served 3,659 people, averaging 2,543 enrollees per month with an average monthly benefit of \$924 in FY 2017.
- Enrolled consumers contributed a total of \$1.9 million towards their cost of care.
- Essential Community Support grants are included as part of the Alternative Care Budget activity and serve 244 enrollees each month with an average monthly benefit of \$227 in FY 2017.
- All funds spending for the Alternative Care activity for FY 2017 was \$28.9 million. This represented 0.18 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

The Alternative Care (AC) Program is a cost-sharing program that provides certain home and community-based services for Minnesotans age 65 and over. Alternative Care services support seniors, their families, caregivers and communities to help seniors to stay in their homes and communities and avoid costly institutionalization.

The program is a cost-effective strategy to prevent or delay people from moving onto Medical Assistance long-term care services, such as Elderly Waiver and nursing home care. The program helps prevent the impoverishment of eligible seniors and maximizes the use of their own resources by sharing the cost of care with clients. AC is available to individuals who need the level of care provided in a nursing home but choose instead to receive services in the community, and whose income and assets would be inadequate to fund a nursing home stay for more than 135 days.

SERVICES PROVIDED

Alternative Care (AC) services are used in a person's own home. AC covers the following services: adult day services, caregiver assessment, case management, chore services, companion services, consumer-directed community supports, home health aides, home-delivered meals, homemaker services, environmental accessibility adaptations, nutrition services, personal emergency response system, personal care, respite care, skilled nursing, specialized equipment and supplies, training and support for family caregivers and transportation.

Beginning January 1, 2015, some people who have a lower level of need for long-term care services no longer qualify to have Medical Assistance pay for nursing facility care and community-based alternatives. Those people will instead be served by Essential Community Support grants. Essential Community Support grants cover the following services: adult day services, service coordination (case management), chore services, home delivered meals, homemaker services, personal emergency response, caregiver education/training, and community living assistance. People can qualify for up to \$424 a month for these services. These grants are included as part of the Alternative Care budget activity.

DHS partners with community providers, counties, tribal health groups and the Department of Health in providing and monitoring services.

The AC program is funded with state and federal money along with monthly fees paid by the person receiving services. Payments made by the state for AC services are also subject to estate recovery. Essential Community Support grants are state funded only.

More information is available on the Alternative Care fact sheet (<https://edocs.dhs.state.mn.us/lfserver/Public/DHS-4720-ENG>).

RESULTS

The agency monitors performance measures that show how this program is working. One key measure is how well people who are eligible for publically funded long-term services and supports access the services in their homes and community rather than in nursing facilities.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Result	Percent of older adults served by home and community-based services ¹	68.4%	72.9%	2013 to 2017
Quantity	Percent of long-term services and support expenditures for older adults spent on home and community-based services ²	45.1%	48.6%	2013 to 2017
Quantity	Percent of AC spending on Consumer-Directed Community Supports (CDCS) ³	5.4%	9.9%	2013 to 2017

Performance Notes:

1. Measure 1 compares FY2013 to FY2017. This measure shows the percentage of older adults receiving publicly-funded long-term services and supports who receive home and community-based services through the Elderly Waiver, Alternative Care, or home care programs instead of nursing home services. (Source: MMIS Claims)
2. Measure two compares FY2013 to FY2017 data. This measure shows the percentage of public long-term service and support funding for older adults that is spent on Elderly Waiver, Alternative Care or home care services instead of nursing home services. (Source: MMIS Claims).
3. Measure three compares FY2013 to FY2017 data. CDCS gives persons more flexibility and responsibility for directing their services and supports—compared to services provided through the traditional program – including hiring and managing direct care staff. (Source: MMIS Claims)

More information is available on the DHS Dashboard (<http://dashboard.dhs.state.mn.us/>).

The Alternative Care and Essential Community Support programs are authorized by Minnesota Statutes, sections 256B.0913 (<https://www.revisor.mn.gov/statutes/?id=256B.0913>) and 256B.0922 (<https://www.revisor.mn.gov/statutes/?id=256B.0922>).

Alternative Care

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	12,866	13,438	14,555	45,094	45,135	45,155
2000 - Restrict Misc Special Revenue	1,266	1,351	1,495	971	972	998
3000 - Federal	13,511	14,128	15,463	18,231	20,366	22,921
Total	27,643	28,918	31,513	64,296	66,473	69,074
Biennial Change				39,249		39,738
Biennial % Change				69		41
<u>Expenditures by Category</u>						
Grants, Aids and Subsidies	27,643	28,918	31,513	64,296	66,473	69,074
Total	27,643	28,918	31,513	64,296	66,473	69,074

Alternative Care

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Direct Appropriation	43,997	43,590	44,258	44,976	45,135	45,155
Transfers In			86	118		
Transfers Out	31,131	30,152	29,789			
Expenditures	12,866	13,438	14,555	45,094	45,135	45,155
Biennial Change in Expenditures				33,345		30,641
Biennial % Change in Expenditures				127		51
2000 - Restrict Misc Special Revenue						
Balance Forward In	139	302	294	25		
Receipts	1,256	1,199	1,226	946	972	998
Balance Forward Out	129	149	25			
Expenditures	1,266	1,351	1,495	971	972	998
Biennial Change in Expenditures				(152)		(496)
Biennial % Change in Expenditures				(6)		(20)
3000 - Federal						
Balance Forward In		1	29	24		
Receipts	13,512	14,146	15,458	18,207	20,366	22,921
Balance Forward Out	1	20	24			
Expenditures	13,511	14,128	15,463	18,231	20,366	22,921
Biennial Change in Expenditures				6,055		9,593
Biennial % Change in Expenditures				22		28

Program: Forecasted Programs

Activity: Chemical Dependency Treatment Fund

mn.gov/dhs/people-we-serve/children-and-families/health-care/substance-abuse/programs-and-services/

AT A GLANCE

- In the United States, 20.1 million people aged 12 and older had substance use disorders (CY 2016).
- Statewide, there were 56,157 admissions for substance use disorder treatment in 2016, which represents a 6 percent increase over 2015.
- The Chemical Dependency (CD) Treatment Fund pays for a little more than 43.6 percent of all admissions for substance abuse disorder treatment in Minnesota.
- The percentage of people completing substance use disorder was 51 percent in 2016.
- All funds spending for the CD Treatment Fund activity for FY 2017 was \$189 million, which represents 1.2% of the Department of Human Services overall budget.

PURPOSE & CONTEXT

The Chemical Dependency (CD) Treatment Fund activity pays for residential and outpatient substance use disorder (SUD) treatment services for eligible low-income Minnesotans.

People access the SUD treatment services paid by the fund by first being assessed as needing treatment for Substance Use Disorder, and second by meeting financial eligibility guidelines. Financial eligibility standards are similar to those for Medical Assistance, the state's Medicaid program.

Counties and tribes are responsible for providing assessments (known as "Rule 25" assessments) to individuals seeking access to these funds. These assessments not only determine an individual's eligibility for services paid for by the CD Treatment Fund but also determine the appropriate level or intensity of services the person may need based on their condition and circumstances. Through legislation passed in 2017, Minnesota is transitioning from Rule 25 assessments to provider-based comprehensive assessments. This allows for direct access to placement for people in need of SUD treatment services. The 2017 legislation allows providers to be reimbursed for comprehensive assessment, treatment coordination and/or peer support services, in addition to formal treatment services, while delivering long term care to the recipient.

SERVICES PROVIDED

The Consolidated Chemical Dependency Treatment Fund (CCDTF) is the single fee-for-service public payment source that funds residential and outpatient substance use disorder treatment services for eligible low-income Minnesotans. The CCDTF combines multiple funding sources – state appropriations, county funding, federal Medicaid funding and the federal Substance Abuse, Prevention and Treatment block grant – into a single fund with common eligibility criteria and a single process for evaluating treatment need and placement options. Federal Medicaid matching funds are collected on eligible treatment services provided to Medical Assistance recipients. Counties also contribute a share toward the cost of treatment. Counties pay 30 percent of the non-federal share of treatment costs for Medical Assistance (MA) recipients and 22.95 percent for non-MA recipients (this amount was reduced to 20.2 percent for FY 2017). The CCDTF pays for services that are part of a licensed residential or non-residential SUD treatment program. The CCDTF ensures that all clients have the same access to high quality, effective treatment programs.

All of these programs provide a continuum of effective, research-based treatment services for individuals who need them. Treatment services include individual and group therapy in outpatient or residential settings, and may

also include treatment for a mental illness, other medical services, medication-assisted therapies (with or without adjunct behavioral services), and service coordination.

SUD treatment providers use a variety of evidence-based practices, such as the twelve-step facilitation program, cognitive behavioral therapies, specialized behavioral therapy, motivational interviewing and motivational enhancement therapy as methods to ensure success.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous (CY2013)</i>	<i>Current (CY2015)</i>	<i>Dates</i>
Quantity	Number of treatment admissions to substance use disorder treatment ¹	54,242	56,157	2015 to 2016
Result	Percent of persons completing substance use disorder treatment	51.5%	51%	2015 to 2016
Result	Change in percent of clients who reported alcohol use within the last 30 days at time of admission and then again at the time of discharge	Admit 36.7% Discharge 11.1%	Admit 34.7% Discharge 9.3%	2015 to 2016 2015 to 2016

Measure Notes:

1. This indicator is from the Drug and Alcohol Abuse Normative Evaluation System (DAANES) in the Performance Measurement & Quality Improvement section in the Alcohol and Drug Abuse Division of the Minnesota Department of Human Services.

Minnesota Statutes chapter 254B (<https://www.revisor.mn.gov/statutes/?id=254B>) provides the legal authority for the CD Treatment Fund. M.S. section 254B.01, Subd.3 (<https://www.revisor.mn.gov/statutes/?id=254B.01>) defines chemical dependency services payable by the CD Treatment Fund. This definition applies to a wide variety of services within a planned program of care to treat a person’s chemical dependency, or substance use disorder.

CD Treatment Fund

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<i>Expenditures by Fund</i>						
2000 - Restrict Misc Special Revenue	161,379	188,856	214,765	232,387	248,780	266,350
Total	161,379	188,856	214,765	232,387	248,780	266,350
Biennial Change				96,917		67,978
Biennial % Change				28		15
<i>Expenditures by Category</i>						
Grants, Aids and Subsidies	161,204	188,631	214,520	232,126	248,519	266,089
Other Financial Transaction	175	225	245	261	261	261
Total	161,379	188,856	214,765	232,387	248,780	266,350

CD Treatment Fund

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Direct Appropriation	93,699	115,120	117,226	124,951	171,153	155,719
Transfers Out	93,699	115,120	117,226	124,951	171,153	155,719
2000 - Restrict Misc Special Revenue						
Balance Forward In	1,620	2,721	2,605	701	701	701
Receipts	67,036	72,217	94,934	107,936	78,127	111,131
Transfers In	93,699	115,120	117,226	124,951	171,153	155,719
Transfers Out		500		500	500	500
Balance Forward Out	976	701		701	701	701
Expenditures	161,379	188,856	214,765	232,387	248,780	266,350
Biennial Change in Expenditures				96,917		67,978
Biennial % Change in Expenditures				28		15

Program: Grant Programs

Activity: Support Services Grants

dhs.state.mn.us/main/id_004112

<http://mn.gov/dhs/people-we-serve/children-and-families/economic-assistance/food-nutrition/programs-and-services/e-and-t.jsp>

AT A GLANCE

- Provides employment services to approximately 26,500 people per month receiving Minnesota Family Investment Program/Diversionary Work Program (MFIP/DWP).
- Provides employment services to approximately 2,000 people per month receiving Supplemental Nutrition Assistance Program (SNAP).
- All funds spending for the Support Services Grants activity for FY 2017 was \$96.8 million. This represented 0.61 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

Support Services Grants cover the cost of services creating pathways to employment for low income families receiving benefits from the Minnesota Family Investment Program (MFIP), Diversionary Work Program (DWP) and the Supplemental Nutrition Assistance Program (SNAP). This is accomplished by addressing barriers, helping stabilize families and adults, and building skills that ensure participants are prepared to find and retain employment.

The primary focus of MFIP and DWP is self-sufficiency through employment, by building on job placements in today's economy and focusing on future workforce development. Support Services Grants ensure that a foundation is there to deliver key activities to help families meet their basic needs and achieve their highest potential.

SERVICES PROVIDED

The Support Services Grants activity provides funding for the MFIP Consolidated Fund. Counties and tribes use the MFIP Consolidated Fund to provide an array of employment services including job search, job placement, training and education. The Consolidated Fund also provides other supports such as emergency needs for low-income families with children.

In addition to helping those on MFIP/DWP, the Support Services Grants activity also provides funding for employment supports for adults who receive benefits through the Supplemental Nutrition Assistance Program (SNAP), or the SNAP Employment and Training program.

Services are delivered by Workforce Centers, counties, tribes and community agencies. Service providers evaluate the needs of each participant and develop an individualized employment plan that builds on strengths and addresses areas of need. Services include:

- Referrals to housing, child care, and health care coverage, including any needed chemical and mental health services, to aid in stabilizing families
- Basic education, English proficiency training, skill building and education programs to prepare participants for the labor market
- Job search assistance and job placement services to help participants locate employment that matches their skills and abilities
- Innovative programs to address special populations or needs such as: a single point of contact for teen parents that includes public health home visits, subsidized work experiences, integrated services for

families with serious disabilities and support for the FastTRAC program, which links education and credentials to high demand careers

Support Services Grants also fund a portion of county and tribal costs to administer MFIP and DWP. Support Services Grants are allocated to counties and tribes, and are funded with a combination of state and federal funds, including from the federal Temporary Assistance for Needy Families (TANF) block grant.

RESULTS

The two key measures in MFIP/DWP are:

- The **Self-Support Index (S-SI)**, which is a results measure. The S-SI shows the percentage of adults eligible for MFIP or DWP in a quarter who have left assistance or are working at least 30 hours per week three years later. Customized targets are set for each county or tribe using characteristics of the people served and local economic conditions. State law requires the Department of Human Services to use the Self-Support Index to allocate performance bonus funds. The chart following shows that about two-thirds of participants have left MFIP or DWP and/or are working at least 30 hours per week three years after a baseline period.

<i>Year ending in March of:</i>	<i>S-SI</i>
2010	67.0%
2011	65.2%
2012	65.3%
2013	66.9%
2014	68.5%
2015	68.8%
2016	68.0%
2017	65.9%
2018	64.6%

- The federal Work Participation Rate (WPR), which is a measure of quantity. The WPR shows parents engaging in work and specific work-related activities. We calculate an estimated WPR for counties, county consortiums and tribes monthly, and it is annualized to allocate performance bonus funds. (Beginning in calendar year 2016, the bonus will be based solely on the S-SI.) The chart following shows the WPR for 2008 to 2015.

<i>Federal Fiscal Year</i>	<i>WPR</i>
2008	29.9%
2009	29.8%
2010	40.2%
2011	43.9%
2012	45.3%
2013	45.1%
2014	46.2%
2015	37.9%
2016	39.4%
2017	38.9%

Another employment-related, state-mandated performance measure tracked is:

- **MFIP/DWP Median Placement Wage**, a quality measure that reflects the number of people getting jobs and the median wage. The chart shows the statewide median hourly starting wage. (Tribes are not included.)

<i>Calendar Year</i>	<i>Median Placement Wage Per Hour for MFIP Clients</i>	<i>Median Placement Wage Per Hour for DWP Clients</i>
2008	\$9.00	\$9.39
2009	\$9.00	\$9.30
2010	\$9.50	\$9.50
2011	\$9.50	\$9.50
2012	\$9.95	\$10.00
2013	\$10.00	\$10.00
2014	\$10.29	\$10.00
2015	\$11.00	\$11.00
2016	\$11.50	\$11.50
2017	\$12.00	\$12.00

The legal authority for Support Services Grants is M.S. sections 256J.626 (<https://www.revisor.mn.gov/statutes/?id=256J.626>) and 256D.051 (<https://www.revisor.mn.gov/statutes/?id=256D.051>)

Support Services Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	15,805	8,700	8,697	8,715	8,715	8,715
2000 - Restrict Misc Special Revenue		741				
3000 - Federal	19	43	2,503	9,200	9,200	9,200
3001 - Federal TANF	92,483	87,291	94,759	96,311	96,312	96,311
Total	108,307	96,774	105,959	114,226	114,227	114,226
Biennial Change				15,104		8,268
Biennial % Change				7		4
<u>Expenditures by Category</u>						
Operating Expenses	1,491	1,383	1,900			
Grants, Aids and Subsidies	102,360	92,436	100,657	114,226	114,227	114,226
Other Financial Transaction	4,455	2,955	3,402			
Total	108,307	96,774	105,959	114,226	114,227	114,226

Support Services Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base FY20 FY21	
1000 - General						
Balance Forward In	2,694					
Direct Appropriation	13,133	8,715	8,715	8,715	8,715	8,715
Cancellations	22	15	18			
Expenditures	15,805	8,700	8,697	8,715	8,715	8,715
Biennial Change in Expenditures				(7,093)		18
Biennial % Change in Expenditures				(29)		0
2000 - Restrict Misc Special Revenue						
Balance Forward In	741	741				
Balance Forward Out	741					
Expenditures		741				
Biennial Change in Expenditures				(741)		0
Biennial % Change in Expenditures						
3000 - Federal						
Receipts	19	43	2,503	9,200	9,200	9,200
Expenditures	19	43	2,503	9,200	9,200	9,200
Biennial Change in Expenditures				11,641		6,697
Biennial % Change in Expenditures				18,788		57
3001 - Federal TANF						
Receipts	92,483	87,291	94,759	96,311	96,312	96,311
Expenditures	92,483	87,291	94,759	96,311	96,312	96,311
Biennial Change in Expenditures				11,296		1,553
Biennial % Change in Expenditures				6		1

Program: Grant Programs

Activity: Basic Sliding Fee Child Care Assistance Grants

mn.gov/dhs/people-we-serve/children-and-families/economic-assistance/child-care/programs-and-services/basic-sliding-fee.jsp

AT A GLANCE

- In 2017 Basic Sliding Fee (BSF) child care program provided child care assistance to 13,241 children in 6,911 families in an average month.
- As of June 2018, there are 1,968 families eligible for assistance but on a waiting list for services.
- The average monthly assistance per family was \$1,142.
- All funds spending on BSF child care assistance grants for FY 2017 was \$96 million. This represented 0.61 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

In order to work, families need safe and reliable child care. The annual cost of full time licensed care for one child can exceed \$10,000. Many low-income families struggle to find affordable child care that fits their needs. The Basic Sliding Fee (BSF) child care program provides financial subsidies to help low-income families pay for child care through the Child Care Assistance Program. Families earning no more than 47 percent of the state median income (\$36,365 in 2015 for a family of three) are eligible to enter the BSF program. Families leave the Child Care Assistance Program when their earnings are greater than 67 percent of state median income (in October 2015, that level was set at \$51,841 for a family of three) or when their copayment exceeds their cost of care.

SERVICES PROVIDED

BSF child care assistance grants provide support to help improve outcomes for the most at-risk children and their families by increasing access to high quality child care.

Families must be working, looking for work or attending school to be eligible for the Basic Sliding Fee Program. The program helps families pay child care costs on a sliding fee basis. As family income increases, so does the amount of child care expenses (copayment) paid by the family. All families receiving child care assistance and earning 75 percent or more of the federal poverty guideline make copayments based on their income. A family of three earning 55 percent of the state median income (\$42,555) would have a total biweekly copayment of \$138 for all children in care.

BSF child care assistance grants are part of the state's Child Care Assistance Program. Maximum rates for provider payment in the Child Care Assistance Program are set in state law. Maximum rates are set for each type of care: child care centers, family child care and legal non-licensed child care. Providers are paid at the rate they charge in the private child care market, up to this limit. The program pays a higher rate to providers who have met quality standards through Parent Aware, are accredited, or hold certain educational credentials.

Child care must be provided by a legal child care provider over the age of 18 years. Allowable providers include legal non-licensed family child care, license-exempt centers, licensed family child care and licensed child care centers. Families choose their providers in the private child care market. Counties administer the Child Care Assistance Program.

BSF funding is a capped allocation. It includes a combination of state funds and federal funding from the Child Care Development Block Grant and the Temporary Assistance for Needy Families program. The Department of

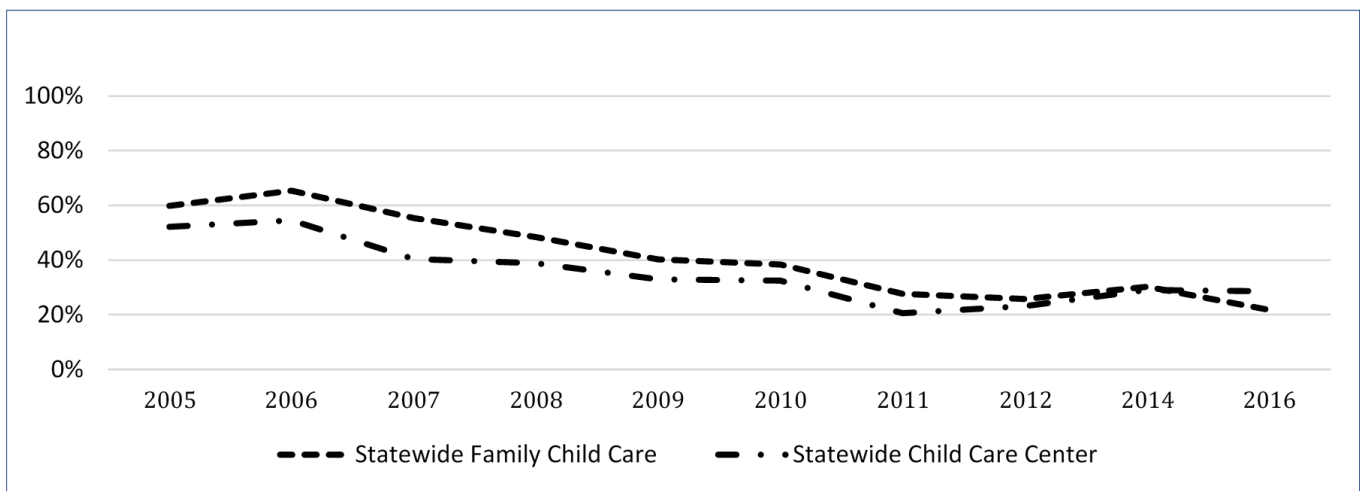
Human Services allocates funding to counties for program administration. Demand for the program exceeds available funds and families are waitlisted based on prioritization established in law. As of June 2018, there were 1,968 families on the waiting list.

RESULTS

Percent of Provider Prices Fully Covered by CCAP - Maximum rates paid to providers under the Child Care Assistance Program may not cover the full cost of child care. This may be a barrier for some families if they cannot find a provider in their community whose prices are covered by the maximum allowed under the program. The percent of child care providers who charge prices that are fully covered by the Child Care Assistance Program increased when the maximum rates were raised in 2014, but the maximum rate paid remains low compared to prices in the market.

This quality measure shows approximately 22% of family child care providers and approximately 29% of child care centers charge prices that are fully covered by the Child Care Assistance Program maximum rates.

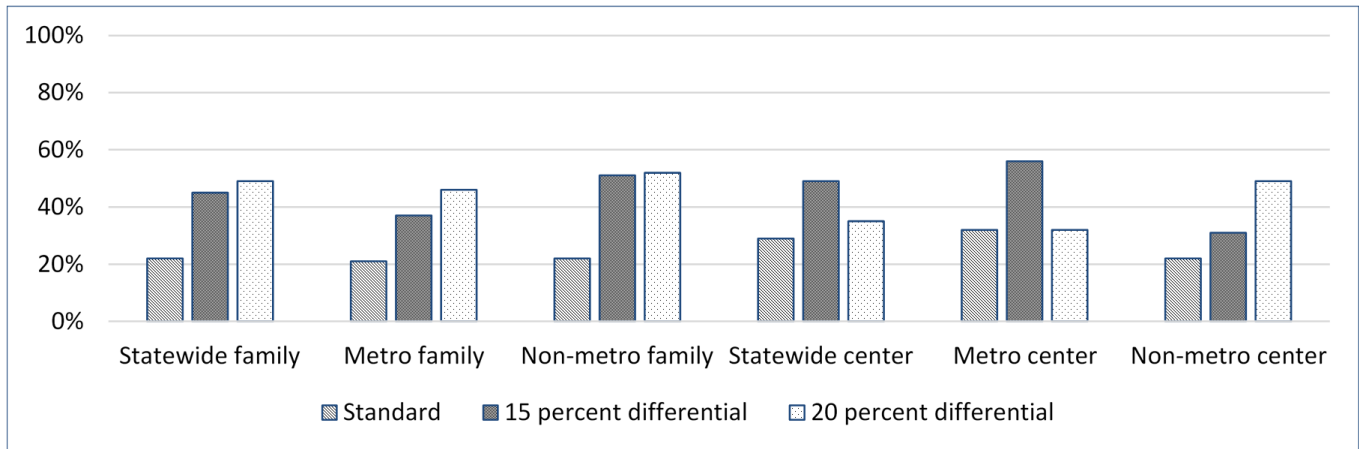
Provider prices fully covered by Standard Maximum Rates statewide, by percent



Quality Differential Impact - Parent Aware is Minnesota’s rating tool for helping parents select high quality child care and early education programs. The Child Care Assistance Program allows up to a 15 percent higher maximum rate to be paid to providers with a Parent Aware 3-star rating, or who hold certain accreditation or education standards established in statute. Up to a 20 percent higher maximum rate can be paid to providers with a 4-star Parent Aware rating.

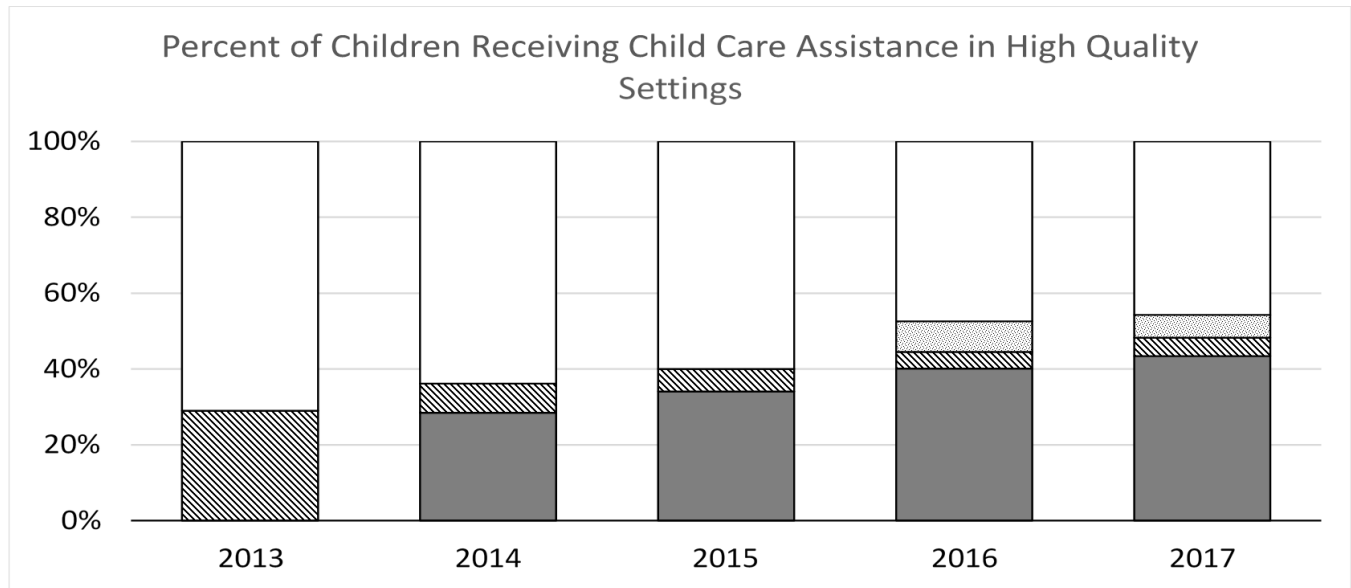
This quality measure shows that higher maximum rates may increase families’ access to high quality providers by allowing the maximum rate paid by the Child Care Assistance Program to fully cover more (or an equivalent proportion) of their prices as compared to the prices charged by all providers. This measure indicates the impact of quality differentials by type of care. It is first presented as a statewide total, and then broken out by metro and non-metro counties.

Prices fully covered by Standard and Quality Differential Maximum Rates – 2016



Specifically, the 20 percent differential allows the prices charged by center based four-star rated metro providers to be fully covered by the maximum subsidy in the same proportion as the prices of all metro center providers. The higher maximum rates offer coverage of the prices charged by all other types of quality providers at higher levels than the standard maximum rates.

Use of High Quality Care - Children who participate in high quality early care and education are more likely to experience school success and positive life-long outcomes. This quality measure shows that the percent of all children receiving child care assistance through providers eligible for the higher subsidy rates for quality has increased from 23 percent in quarter four of 2013 to 48 percent in 2017.



Child's Provider Credentials	2013	2014	2015	2016	2017
Provider holds Parent Aware 3-4 Star*	NA	28%	34%	40%	43%
Provider holds Accreditation*	29%	8%	6%	5%	5%
Provider holds Parent Aware 1-2 Star	NA	NA	NA	8%	6%
Standard Care	71%	64%	60%	47%	46%

* These providers are eligible for CCAP higher rates for quality.

In 2014 a statute change allowed providers to qualify for the higher maximum subsidy rate through receiving a Parent Aware rating of 3-or-4-Stars. Previously only providers holding certain accreditations and family child care providers meeting certain education standards were eligible. In this figure, child care settings were categorized according to the quality standard they meet to be eligible for the CCAP quality differential.

- In 2013 settings meeting quality standards though accreditations/credentials may also have been highly rated by Parent Aware. In 2014-2015 settings that hold both a 3-or-4 Star Parent Aware rating and an accreditation or educational credential, are included in the Parent Aware rated category.

The data source for the prices charged by providers is a biennial survey of provider prices conducted by the Department. To assess the portion of provider prices fully covered, provider prices are compared to the applicable maximum subsidy rates.

The data source for children in care with provider's eligible of the higher rates for quality is from MEC2, Minnesota's child care electronic eligibility and payment system.

The legal authority for the Basic Sliding Fee (BSF) Child Care Assistance program is in M.S. chapter 119B. (<https://www.revisor.mn.gov/statutes/?id=119B>)

BSF Child Care Assistance Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	48,439	51,559	44,043	53,413	53,583	53,639
3000 - Federal	47,187	44,726	54,490	52,906	56,393	56,429
Total	95,626	96,285	98,533	106,319	109,976	110,068
Biennial Change				12,941		15,192
Biennial % Change				7		7
<u>Expenditures by Category</u>						
Grants, Aids and Subsidies	95,626	96,285	98,533	106,319	109,976	110,068
Total	95,626	96,285	98,533	106,319	109,976	110,068

BSF Child Care Assistance Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Direct Appropriation	48,439	51,559	44,690	53,413	53,583	53,639
Cancellations			647			
Expenditures	48,439	51,559	44,043	53,413	53,583	53,639
Biennial Change in Expenditures				(2,542)		9,766
Biennial % Change in Expenditures				(3)		10
3000 - Federal						
Balance Forward In	3	18	196	212		
Receipts	47,201	44,797	54,506	52,694	56,393	56,429
Balance Forward Out	16	90	212			
Expenditures	47,187	44,726	54,490	52,906	56,393	56,429
Biennial Change in Expenditures				15,483		5,426
Biennial % Change in Expenditures				17		5

Program: Grant Programs

Activity: Child Care Development Grants

mn.gov/dhs/people-we-serve/children-and-families/services/child-care/

AT A GLANCE

- As of July 2018, 2,763 child care and early education programs have a Parent Aware rating.
- 2,538 family child care providers and 10,191 child care center staff are active users on *Develop*, Minnesota's Quality Improvement and Registry Tool.
- 3,790 individuals received coaching and support services to increase quality of care to children in FY18.
- All funds spending for the Child Care Development Grants activity for FY 2017 was \$18.1 million. This represented 0.1 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

Child Care Development Grants fund services that promote children's development and learning through initiatives that increase the availability of quality care and education in Minnesota. These grants support Parent Aware, Minnesota's Quality Rating and Improvement System. Parent Aware offers tools and resources that help families access quality child care and early education that will prepare them for school and for life. It also provides resources to help child care programs improve their practices.

It is important that all children and their families have access to high quality child care and early education programs. The first few years of children's lives are key to their intellectual, emotional and social development. Everyone wants to know that children are being well cared for while family members are at work or school. High quality child care that is available and affordable is important to children's safety and healthy development, and to families' self-sufficiency.

SERVICES PROVIDED

The Department of Human Services (DHS) works with public and private agencies, as well as individuals to promote school readiness through education and training. Child Care Development Grants are used to support services that improve the quality of early childhood and school-age care, and increase access to high quality care, especially for high-needs children. This grant activity also supports consumer education services for parents searching for child care. Services support:

- Information for parents searching for quality child care and early education for their children through Parent Aware, an online search tool (Parent Aware website, <http://parentaware.org/>), and other parent education services provided by Child Care Aware of Minnesota
- Grants, financial supports and other incentives for child care programs to improve quality, including for those participating in the voluntary Parent Aware Quality Rating and Improvement System
- Training, coaching, consultation and other workforce supports for early childhood and school-age care providers to increase their knowledge and skills in child development, instructional practices and ways to meet the needs of individual children
- Reimbursement to child care programs and providers to cover some of the fees charged to complete a nationally recognized child care accreditation program

Child Care Development Grants are funded primarily through the federal Child Care and Development Block Grant.

RESULTS

Use of High Quality Child Care - Children who participate in high quality child care and early education are more likely to experience school success and positive life-long outcomes. This measure shows that the percent of all children receiving child care assistance through providers eligible for the higher subsidy rates for quality has increased from 23 percent in quarter four of 2012 to 38 percent in quarter three of 2016. This represents a 65 percent increase over the 4-year period.

Number of Programs Rated by Parent Aware – Parent Aware improves children’s outcomes by improving families’ access to high quality child care. This measure shows that the percentage of child care and early education programs with a Parent Aware rating increased from 2015 to 2016.

Provider Education Levels – Child care and early education professionals with degrees or credentials are needed to provide the kind of early learning opportunities that will make a difference for children’s outcomes. This measure shows that the number of early childhood educators who earned a degree or credential in Minnesota increased from 947 in 2014 to 1,136 in 2015.

Searches for Quality Care Through Parent Aware - A new and improved website for parents was launched in FY2015 to better meet parents’ needs in choosing child care. After this launch, the website experienced a large increase in visitors in a short period of time.

<i>Type of Measure</i>	<i>Description</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Result	Percent of children receiving child care assistance in high quality settings ¹	38%	47%	2016 & 2017
Quantity	Percent of child care and early education programs with a Parent Aware rating ²	22%	25%	2017 & 2018
Quantity	Number of family child care providers and teachers working directly with children with a Credential, CDA or Degree (AAS, BA/BS or higher) ³	4,436	4,785	2017 & 2018
Quantity	Number of unique visitors on Parent Aware.org ⁴	92,193	98,658	2017 & 2018

Performance Measures notes:

1. Data is from the Department of Human Services (DHS) and includes the number of children receiving child care assistance served in high quality settings that were accredited or credentialed in 2016 (Q3), and the number of children receiving child care assistance served in high quality settings that were accredited or credentialed in 2017 (Q3).
2. Data is from DHS and includes licensed child care programs (DHS and tribally licensed family child care and child care centers), Head Start/Early Head Start programs, and public schools prekindergarten sites as of Dec. 31 of the reporting year.
3. Data is from Develop on Aug. 13, 2018, with the parameters of July 1, 2016 to June 30, 2017 for SFY17; and July 1, 2017 to June 30, 2018 for SFY18. This included only persons identifying as Teachers or Family child care providers. It is not a requirement for members of the child care and early education workforce to be registered or using Develop.
4. Data is collected via Google Analytics reports from Parent Aware.org using the State Fiscal Year.

The legal authority for the Child Care Development Grant activities is M.S. chapter 119B (<https://www.revisor.mn.gov/statutes/?id=119B>).

Child Care Development Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	2,600	5,477	2,961	2,962	2,962	2,962
2000 - Restrict Misc Special Revenue			7			
2001 - Other Misc Special Revenue	3,694	1,287				
3000 - Federal	9,301	11,382	16,843	21,357	22,441	23,344
Total	15,594	18,146	19,812	24,319	25,403	26,306
Biennial Change				10,391		7,578
Biennial % Change				31		17
<u>Expenditures by Category</u>						
Operating Expenses	137	1,050	848			
Grants, Aids and Subsidies	15,320	16,754	18,550	24,319	25,403	26,306
Other Financial Transaction	137	341	414			
Total	15,594	18,146	19,812	24,319	25,403	26,306

Child Care Development Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In		139				
Direct Appropriation	1,737	1,737	1,737	1,737	1,737	1,737
Transfers In	863	3,610	1,225	1,225	1,225	1,225
Cancellations		9	1			
Expenditures	2,600	5,477	2,961	2,962	2,962	2,962
Biennial Change in Expenditures				(2,153)		1
Biennial % Change in Expenditures				(27)		0

2000 - Restrict Misc Special Revenue

Balance Forward In	7	7	7			
Balance Forward Out	7	7				
Expenditures			7			
Biennial Change in Expenditures				7		(7)
Biennial % Change in Expenditures						

2001 - Other Misc Special Revenue

Balance Forward In	14	414				
Receipts	3,680	873				
Expenditures	3,694	1,287				
Biennial Change in Expenditures				(4,981)		0
Biennial % Change in Expenditures				(100)		

3000 - Federal

Balance Forward In	19					
Receipts	9,282	11,382	16,843	21,357	22,441	23,344
Expenditures	9,301	11,382	16,843	21,357	22,441	23,344
Biennial Change in Expenditures				17,518		7,585
Biennial % Change in Expenditures				85		20

Program: Grant Programs

Activity: Child Support Enforcement Grants

mn.gov/dhs/people-we-serve/children-and-families/services/child-support/

AT A GLANCE

- County and state child support offices provide services to more than 346,000 custodial and non-custodial parents and their 240,000 children.
- In 2017, the child support program collected and disbursed \$580 million in child support.
- Access and visitation funds served 675 children in 2017.
- All Funds spending for the Child Support Enforcement Grants Activity for FY 2017 was \$1.6 million dollars. This represented 0.01 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

Every child needs financial and emotional support. Minnesota's child support program benefits children by enforcing parental responsibility for their support.

The MN child support program plays an active role in reducing the reliance on other state income maintenance programs given the significant amount of child support that is collected and sent directly to families.

Child support represents a high proportion of income for low income custodial parents. Eleven percent of cases are currently on public assistance and 48 percent of cases were former on public assistance cases. Eighty-seven percent of custodial parents who are eligible for child support are women.

Child Support Enforcement Grants help strengthen families by providing financial supports. Child support helps families become self-sufficient.

SERVICES PROVIDED

Child support activities are administered by counties and tribes under state direction and supervision. Staff provides assistance for custodial parents in obtaining basic support, medical support and child care support for children, through locating parents and establishing paternity and support obligations. Without this assistance, many families would not have the financial resources to remain self-sufficient.

The following activities help to support and stabilize families:

- Establish paternity through genetic testing, Recognition of Parentage or other means;
- Establish and modify court orders for child support, medical support and child care support, based on statutory guidelines;
- Enforce court orders to assure payment through remedies established in federal regulation and state law, such as income withholding, driver's license suspension and passport denial; and
- Collect and process payments from employers, parents, counties and other states, and issue support funds to families.

Additional grants provide federal funding to improve non-custodial parents' access to their children. Funding is a mix of federal funds, state general funds and fees.

RESULTS

The federal government funds state child support programs in part through performance incentives. These are calculated by measuring the state's performance in core activities: Paternity establishment, order establishment, collection of current support, collection of arrears (past due support) and program cost effectiveness. States are

ranked by their scores on the measures and earn higher incentives as performance increases. Each percentage measurement has a threshold of 80 percent to earn the maximum incentive for that measure. To maximize the incentive for cost-effectiveness, states must collect \$5.00 for every dollar spent on the child support program.

Minnesota’s child support performance has increased in all measures over the last five years. Minnesota ranks among the top five states on child support collections measures. In 2015, Minnesota earned \$12 million dollars in federal incentives. The federal incentives are passed on to counties to help cover their administrative costs of the program.

<i>Type of Measure</i>	<i>Performance Measures¹</i>	<i>FFY 2017</i>	<i>FFY 2016</i>	<i>FFY 2015</i>	<i>FFY 2014</i>	<i>FFY 2013</i>
Quantity	Paternities established: percent of children born outside marriage for whom paternity was established in open child support cases for the year	101%	101%	99%	100%	102%
Quantity	Orders established: percent of cases open at the end of the year with orders established	89%	89%	88%	88%	86%
Quantity	Collections on current support: percent of cases with current support due within the year that had a collection on current support	75%	74%	73%	72%	71%
Quantity	Collections on arrears: percent of cases with arrears due within the year that had a collection on arrears	72%	72%	72%	70%	70%
Quality	Cost effectiveness: dollars collected per dollar spent	\$3.30	\$3.30	\$3.54	\$3.58	\$3.63

Performance Measures notes:

1. Federal performance measures are listed in the 2017 Minnesota Child Support Performance Report (<https://www.leg.state.mn.us/docs/2018/other/180484.pdf>).
2. FFY = federal fiscal year
3. Paternities established can be higher than 100 percent because the results include children born in prior years for whom paternity has been established in that year.

The legal authority for Child Support Enforcement Grants comes from federal and state laws.

Federal law 42 U.S.C. secs. 651-669b requires that states establish a child support program and gives general guidelines for administering the program. (Title 42 651) (<http://www.gpo.gov/fdsys/pkg/USCODE-2012-title42/pdf/USCODE-2012-title42-chap7-subchapIV-partD.pdf>)

State law:

Requires a person receiving public assistance to assign child support rights to the state and cooperate with child support services (M.S. sec. 256.741, <https://www.revisor.mn.gov/statutes/?id=256.741>)

Provides legal authority to establish child support (M.S. sec. 256.87, <https://www.revisor.mn.gov/statutes/?id=256.87>) and to establish paternity (M.S. sec. 257.57, <https://www.revisor.mn.gov/statutes/?id=257.57>)

Provides legal authority to set and collect fees for child support services (M.S. sec. 518A.51, <https://www.revisor.mn.gov/statutes/?id=518A.51>), and requires the state to establish a central collections unit (M.S. sec. 518A.56, <https://www.revisor.mn.gov/statutes/?id=518A.56>).

Child Support Enforcement Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
2000 - Restrict Misc Special Revenue	1,543	1,558	1,534	1,603	1,543	1,543
2001 - Other Misc Special Revenue	(5)	(76)	(17)	349	50	50
3000 - Federal	188	138	132	190	445	445
Total	1,726	1,620	1,649	2,142	2,038	2,038
Biennial Change				445		285
Biennial % Change				13		8
<u>Expenditures by Category</u>						
Operating Expenses	(305)	(341)	(275)	489	138	138
Grants, Aids and Subsidies	2,031	1,961	1,923	1,653	1,900	1,900
Total	1,726	1,620	1,649	2,142	2,038	2,038

Child Support Enforcement Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Direct Appropriation	50	50	50	50	50	50
Transfers Out	50	50	50	50	50	50
2000 - Restrict Misc Special Revenue						
Balance Forward In	0	0	0	60		
Receipts	1,577	1,592	1,628	1,543	1,543	1,543
Transfers Out	34	34	34			
Balance Forward Out	0	0	60			
Expenditures	1,543	1,558	1,534	1,603	1,543	1,543
Biennial Change in Expenditures				36		(51)
Biennial % Change in Expenditures				1		(2)
2001 - Other Misc Special Revenue						
Balance Forward In	48	103	229	299		
Receipts			3			
Transfers In	50	50	50	50	50	50
Balance Forward Out	103	229	299			
Expenditures	(5)	(76)	(17)	349	50	50
Biennial Change in Expenditures				413		(232)
Biennial % Change in Expenditures				(508)		(70)
3000 - Federal						
Balance Forward In		9				
Receipts	188	129	132	190	445	445
Expenditures	188	138	132	190	445	445
Biennial Change in Expenditures				(5)		568
Biennial % Change in Expenditures				(1)		177

Program: Grant Programs

Activity: Children's Services Grants

<https://mn.gov/dhs/people-we-serve/children-and-families/services/child-protection/>

AT A GLANCE

In 2017:

- 30,927 reports of child abuse and neglect were assessed involving 39,606 children
- Of these, 8,447 children were determined to be victims of child maltreatment
- 16,593 children experienced an out-of-home placement
- All funds spending for the Children's Services Grants activity for FY 2017 was \$73 million. This represented 0.46 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

The purpose of Children's Services Grants is to provide families and communities with resources to keep children safe, especially in times of stress. The goal of grants is to strengthen families and provide resources to help children thrive in stable, nurturing environments. Grants help to minimize long-term intervention costs for crime, corrections, truancy, hospitalization, special education and mental health care.

SERVICES PROVIDED

The Children's Services Grants activity funds child welfare services around the state, including Indian child welfare services, child protection, homeless youth services, and child abuse and neglect services through counties, tribes, and community-based providers. Grants provide supports to help keep more children out of foster care and safely with their families, and to decrease the disproportionate number of children of color in out-of-home placements. Most recently these grants have been used to:

- Reform the child welfare system to focus on ensuring children's safety while supporting families
- Improve the Minnesota Child Welfare Training System
- Work with tribes to design and develop tribal approaches that ensure child safety and permanency
- Transfer responsibilities from counties to tribes to deliver a full continuum of child welfare services to American Indian children and families on two reservations
- Expand the Parent Support Outreach Program (PSOP <https://edocs.dhs.state.mn.us/lfserver/Public/DHS-4472A-ENG>) by doubling the number of counties in the program.

These services are essential in keeping children safe and families stable. Children's Services Grants include state and federal funding for child welfare services.

RESULTS

The Department of Human Services monitors the performance of counties and tribes in delivering child welfare services. Minnesota outcomes match or exceed most federal standards. Efforts to engage families early and collaboratively with evidence-based interventions have resulted in improving safety and timely permanency outcomes.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
Quality	Percent of children not experiencing repeated abuse or neglect within 12 months of a prior report	94.3%	94.5%	91.8%	91%
Quality	Percent of all children who enter foster care in the previous year that are discharged to permanency (i.e., reunification with parents, caregivers, living with relative, guardianship, adoption) within 12 months	60%	56.1%	50.6%	47.5%
Quality	Percent of all children in foster care who had been in care between 12 and 23 months on the first day of the year that were discharged to permanency within 12 months of the first day of the year	50%	44.8%	48.1%	51.2%
Quality	Percent of all children in foster care who had been in care for 24 months or more on the first day of the year that were discharged to permanency within 12 months of the first day of the year	17.4%	23.1%	25.2%	28.8%

Performance Measures notes:

Measures from the Research and Evaluation unit of the Child Safety and Permanency Division at the Department of Human Services.

Also see the DHS Child Welfare Dashboard

(http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=dhs16_148137).

Several state statutes provide the legal authority for the Children's Services Grants activity:

Provisions for reasonable efforts, Interstate Compact on Placement of Children and Minnesota Indian Preservation Act are in M.S. chapter 260 (<https://www.revisor.mn.gov/statutes/?id=260>)

Provisions for juvenile protection are in M.S. chapter 260C (<https://www.revisor.mn.gov/statutes/?id=260C>)

Provisions for voluntary foster care for treatment are in M.S. chapter 260D (<https://www.revisor.mn.gov/statutes/?id=260D>)

Reporting of Maltreatment of minors is under M.S. section 626.556 (<https://www.revisor.mn.gov/statutes/?id=626.55>)

Children's Services Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	37,044	36,487	36,735	38,620	37,683	37,683
2000 - Restrict Misc Special Revenue	335	429	628	475	875	875
2001 - Other Misc Special Revenue	2,181	2,126	2,620	2,882	2,858	2,437
2403 - Gift	11	12	8	24	24	24
3000 - Federal	11,030	33,770	14,047	19,377	23,333	23,433
3001 - Federal TANF	140	140	140	140	140	140
Total	50,740	72,963	54,180	61,518	64,913	64,592
Biennial Change				(8,006)		13,807
Biennial % Change				(6)		12
<u>Expenditures by Category</u>						
Operating Expenses	899	735	1,058	136	536	536
Grants, Aids and Subsidies	43,523	65,321	45,461	60,807	63,802	63,481
Other Financial Transaction	6,318	6,907	7,660	575	575	575
Total	50,740	72,963	54,180	61,518	64,913	64,592

Children's Services Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In	719	1,082	733	937		
Direct Appropriation	39,015	39,465	39,240	39,165	39,165	39,165
Transfers In	769	164	937			
Transfers Out	2,251	1,646	2,419	1,482	1,482	1,482
Cancellations	126	1,844	819			
Balance Forward Out	1,082	733	937			
Expenditures	37,044	36,487	36,735	38,620	37,683	37,683
Biennial Change in Expenditures				1,824		11
Biennial % Change in Expenditures				2		0

2000 - Restrict Misc Special Revenue

Balance Forward In	555	782	916	882	913	544
Receipts						
Transfers In	563	627	640	575	575	575
Transfers Out	6	65	46	69	69	69
Balance Forward Out	778	916	882	913	544	175
Expenditures	335	429	628	475	875	875
Biennial Change in Expenditures				340		647
Biennial % Change in Expenditures				45		59

2001 - Other Misc Special Revenue

Balance Forward In	1,846	1,531	1,544	604	551	65
Receipts	1,284	1,167	1,428	2,272	2,272	2,272
Transfers In	1,482	1,482	1,482	1,482	1,482	1,482
Transfers Out	900	511	1,230	925	1,382	1,382
Balance Forward Out	1,531	1,544	604	551	65	
Expenditures	2,181	2,126	2,620	2,882	2,858	2,437
Biennial Change in Expenditures				1,196		(207)
Biennial % Change in Expenditures				28		(4)

2403 - Gift

Balance Forward In	16	15	8			
Receipts	9	6	0	24	24	24

Children's Services Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
Balance Forward Out	15	8	0			
Expenditures	11	12	8	24	24	24
Biennial Change in Expenditures				9		16
Biennial % Change in Expenditures				41		48

3000 - Federal

Balance Forward In	152	58	39	21		
Receipts	10,886	33,721	14,030	19,356	23,333	23,433
Balance Forward Out	9	10	21			
Expenditures	11,030	33,770	14,047	19,377	23,333	23,433
Biennial Change in Expenditures				(11,375)		13,342
Biennial % Change in Expenditures				(25)		40

3001 - Federal TANF

Receipts	140	140	140	140	140	140
Expenditures	140	140	140	140	140	140
Biennial Change in Expenditures				0		0
Biennial % Change in Expenditures				0		0

Program: Grant Programs

Activity: Child & Community Service Grants

Child Protection:

(http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=id_000152)

Adult Protective Services Unit:

(http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=id_005710)

AT A GLANCE

In 2017:

- 30,927 reports of child abuse and neglect were assessed involving 39,606 children
- 1,563 children were either adopted or had a permanent transfer of legal custody to a relative
- 57,180 reports of suspected maltreatment of a vulnerable adult were received, screened and dispatched
- 27,969 reports of suspected maltreatment of a vulnerable adult were assessed by a county
- 7,962 reports of suspected maltreatment of a vulnerable adult were investigated by a county
- All funds spending for the Children & Community Services activity for FY 2017 was \$88.6 million. This represented 0.56 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

Under the state Vulnerable Children and Adult Act, Child and Community Services Grants provide funding to support core safety services for vulnerable children and adults, including response to reports of maltreatment, assessments of safety and risk, case management and other supportive services that help keep children and adults safely in their own homes.

The grants provide funding that support counties' administrative responsibility for child protection services and foster care. The funding also helps counties to purchase or provide these services for children, vulnerable adults and families.

SERVICES PROVIDED

Funding through these grants provides core safety services that focus on preventing or remedying vulnerable adult maltreatment and child neglect, preserving and rehabilitating families, and providing for community-based care. Services include:

- Response to reports of child and adult maltreatment, and assessment of safety and risk of harm
- Adoption and foster care supports for children
- Case management and counseling

Children and Community Services Grants provide child protection services to help keep more children out of foster care and safely with their families, and to decrease the disproportionate number of children of color in out-of-home placements. They help ensure that vulnerable children and adults are better protected and receive support services in their communities.

Allocated to counties through the state's Vulnerable Children and Adult Act, these grants include state funds and the federal Social Services Block Grant.

This budget activity also includes a smaller set of grant funds that support initiatives by the White Earth and Red Lake Nations to operate their own human services systems.

RESULTS

The Department of Human Services monitors the performance of counties in delivering child welfare and adult protective services. Minnesota outcomes match or exceed most federal child welfare standards. Efforts to engage families early and collaboratively with evidence-based interventions have resulted in improving safety and timely permanency outcomes for children.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
Quality	Percent of children not experiencing repeated abuse or neglect within 12 months of a prior report	94.3%	94.5%	91.8%	91%
Quality	Percent of all children who enter foster care in the previous year that are discharged to permanency (i.e., reunification with parents, caregivers, living with relative, guardianship, adoption) within 12 months	60%	56.1%	50.6%	47.5%
Quality	Percent of all children in foster care who had been in care between 12 and 23 months on the first day of the year that were discharged to permanency within 12 months of the first day of the year	50%	44.8%	48.1%	51.2%
Quality	Percent of all children in foster care who had been in care for 24 months or more on the first day of the year that were discharged to permanency within 12 months of the first day of the year	17.4%	23.1%	25.2%	28.8%

Performance Measures notes:

Measures provided by the Child Safety and Permanency Division at the Department of Human Services

Also see the DHS Child Welfare Data Dashboard

(www.dhs.state.mn.us/main/idcplg?dcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=dhs16_148137).

The legal authority for the Vulnerable Children and Adult Act is in M.S. chapter 256M

(<https://www.revisor.mn.gov/statutes/?id=256M>). This Act establishes a fund to address the needs of vulnerable children and adults in each county under a service plan agreed to by each county board and the commissioner of human services.

Child & Community Service Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	56,301	58,201	58,201	58,201	58,201	58,201
3000 - Federal	30,322	30,362	30,227	30,738	30,737	30,737
Total	86,623	88,563	88,428	88,939	88,938	88,938
Biennial Change				2,181		509
Biennial % Change				1		0
<u>Expenditures by Category</u>						
Grants, Aids and Subsidies	86,623	86,663	86,528	87,039	87,038	87,038
Other Financial Transaction		1,900	1,900	1,900	1,900	1,900
Total	86,623	88,563	88,428	88,939	88,938	88,938

Child & Community Service Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Direct Appropriation	56,301	58,201	58,201	58,201	58,201	58,201
Expenditures	56,301	58,201	58,201	58,201	58,201	58,201
Biennial Change in Expenditures				1,900		0
Biennial % Change in Expenditures				2		0
3000 - Federal						
Receipts	30,322	30,362	30,227	30,738	30,737	30,737
Expenditures	30,322	30,362	30,227	30,738	30,737	30,737
Biennial Change in Expenditures				281		509
Biennial % Change in Expenditures				0		1

Program: Grant Programs

Activity: Child & Economic Support Grants

SNAP (mn.gov/dhs/people-we-serve/children-and-families/economic-assistance/food-nutrition/programs-and-services/supplemental-nutrition-assistance-program.jsp)

Activity Website: Economic Opportunity (http://www.dhs.state.mn.us/main/id_002550)

AT A GLANCE

Annually:

- More than 429,000 Minnesotans receive help through the Supplemental Nutrition Assistance Program (SNAP) every month; the average monthly benefit is \$112 per person.
- More than 11,400 people receive emergency shelter and services with state and federal funds.
- More than 4,700 individuals in 2,600 households receive transitional housing services
- All funds spending for the Child & Economic Support Grants activity for FY 2017 was \$492 million. This represented 3.09 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

People living in poverty often face numerous barriers and have complex needs. Through the Children and Economic Support Grants activity the Department of Human Services (DHS) funds efforts to stabilize both short-term crises and long-term strategies to help people leave poverty and sustain financial security for themselves and their families.

The largest part of this budget activity is federal funding for the Supplemental Nutrition Assistance Program (SNAP), which amounted to over \$449 million in FY 2017. Outreach and nutrition education are conducted under this activity. These efforts help keep more people fed and healthy, and increase nutrition assistance participation.

DHS also administers nearly 200 grants annually to more than 100 organizations through the Children and Economic Support Grant activity. These grants help people in poverty meet their basic needs for food, clothing and shelter. Funds are also used to help people get the skills, knowledge and motivation to become more self-reliant. Without these funds, more people would be hungry, homeless and poor.

SERVICES PROVIDED

Children and Economic Support Grants fund food, housing, poverty reduction, and financial capability services for low-income families and individuals. Services include:

- Help for low income persons to purchase food and associated outreach and education activities funded through the federal SNAP program.
- Help under the Minnesota Food Assistance Program (MFAP) for legal non-citizens who do not qualify for federal SNAP due to citizenship status
- Funding for food banks, food shelves and on-site meal programs
- Help for homeless individuals and families to find safe and stable housing
- Supportive services for people who experience long-term homelessness
- Emergency shelter and essential services for homeless adults, children, and youth
- Specialized emergency shelter and services for youth who have been victims of sex trafficking
- Funding, training, and technical assistance to counties and tribes for services to reduce barriers for long-term homeless adults, youth and families.

These grants also support:

- Programs administered by regional Community Action Agencies that help low-income people become more economically secure
- Financial capability services through the Family Assets for Independence in Minnesota (FAIM) and related financial education initiatives.

In addition to the federal funding for SNAP, other funding sources include state grants and federal grants from the U.S. Departments of Agriculture (USDA), Health and Human Services (HHS), Housing and Urban Development (HUD) as well as private foundations.

RESULTS

Several programs, such as the Transitional Housing Program and Homeless Youth Act help people with their shelter needs.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Results	Percent of transitional housing participants that moved into permanent housing.	72%	74%	2014 2016
Quality	Percent of transitional housing participants that maintained permanent housing six months or more	66%	70%	2014 2016
Quantity	Number of youth heads of household served in emergency shelter or in housing.	690	1549	2015 2017

Measures provided by Economic Assistance & Employment Support Division at the Department of Human Services.

The legal authority for the Children and Economic Support Grants activities comes from:

- Minnesota Food Assistance Program, M.S. sec. 256D.053 (<https://www.revisor.mn.gov/statutes/?id=256D.053>)
 Community Action Programs, M.S. secs. 256E.30 to 256E.32 (<https://www.revisor.mn.gov/statutes/?id=256E.30>)
 Transitional Housing Programs, M.S. sec. 256E.33 (<https://www.revisor.mn.gov/statutes/?id=256E.33>)
 Minnesota Food Shelf Program, M.S. sec. 256E.34 (<https://www.revisor.mn.gov/statutes/?id=256E.34>)
 Family Assets for Independence in Minnesota (FAIM), M.S. sec. 256E.35 (<https://www.revisor.mn.gov/statutes/?id=256E.35>)
 Emergency Services Grants, M.S. sec. 256E.36 (<https://www.revisor.mn.gov/statutes/?id=256E.36>)
 Homeless Youth Act, M.S. sec. 256K.45 (<https://www.revisor.mn.gov/statutes/?id=256k.45>)

Child & Economic Support Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	18,899	19,180	22,999	24,562	22,065	22,065
2000 - Restrict Misc Special Revenue	31	1,389	4	47		
3000 - Federal	472,200	464,727	431,039	495,553	490,935	490,935
Total	491,129	485,296	454,042	520,162	513,000	513,000
Biennial Change				(2,222)		51,796
Biennial % Change				(0)		5

Expenditures by Category

Operating Expenses	30	74	104	5	5	5
Grants, Aids and Subsidies	489,845	483,760	452,623	520,157	512,995	512,995
Other Financial Transaction	1,254	1,462	1,315			
Total	491,129	485,296	454,042	520,162	513,000	513,000

Child & Economic Support Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In		274		672		
Direct Appropriation	19,783	20,037	23,965	23,975	22,065	22,065
Transfers In	1,103	1,281	1,465	1,675	1,675	1,675
Transfers Out	1,103	1,281	1,550	1,760	1,675	1,675
Cancellations	610	1,131	209			
Balance Forward Out	274		672			
Expenditures	18,899	19,180	22,999	24,562	22,065	22,065
Biennial Change in Expenditures				9,482		(3,431)
Biennial % Change in Expenditures				25		(7)

2000 - Restrict Misc Special Revenue

Balance Forward In	125	37	51	47		
Receipts	(231)	1,832				
Transfers In	174	4				
Transfers Out		432				
Balance Forward Out	37	51	47			
Expenditures	31	1,389	4	47		
Biennial Change in Expenditures				(1,369)		(51)
Biennial % Change in Expenditures				(96)		(100)

3000 - Federal

Balance Forward In	38	129	59			
Receipts	472,161	464,600	430,980	495,553	490,935	490,935
Balance Forward Out	1	3				
Expenditures	472,200	464,727	431,039	495,553	490,935	490,935
Biennial Change in Expenditures				(10,334)		55,278
Biennial % Change in Expenditures				(1)		6

Program: Grant Programs**Activity: Refugee Services Grants**mn.gov/dhs/people-we-serve/children-and-families/services/refugee-assistance/e

AT A GLANCE

- In 2017, an average of 1,835 people per month received employment and social services through Refugee Services grants.
- The average monthly cost per recipient in 2017 was \$416 for employment-related services such as assessment, employment development planning, supported job search, placement and follow-up services.
- All funds spending for the Refugee Services Grants activity for FY 2017 was \$6.4 million. This represented 0.04 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

Refugees are individuals who fled their country of origin and are unable to return because of a well-founded fear of persecution. When no other options exist, the United States, as well as most Western nations, provides refugees an opportunity for permanent resettlement. Most refugees resettled in Minnesota over the last decade have been from Somalia, Burma, Laos, Ethiopia, Liberia, Bhutan, Iraq and Moldova.

Refugee Services Grants provide assistance to refugees, asylees and victims of human trafficking to resettle in Minnesota. These federally-funded grants are provided to state and local agencies, including county and voluntary resettlement agencies, school districts and community agencies to enhance human, health, educational, employment and training services. Absent these services, fewer refugees will find work and more will lack the medical, social and financial supports necessary to resettle successfully.

SERVICES PROVIDED

The Department of Human Services (DHS) Refugee Resettlement Programs Office works with many others to support the effective resettlement of refugees in Minnesota by coordinating services to help refugees transition to life in the United States. These services may include: resettlement and placement; food, cash and health care assistance; employment services; or social services.

Most refugees who resettle in Minnesota are members of families with minor children who qualify for the same cash assistance (Minnesota Family Investment Program) and health care programs available to state residents with low incomes. Refugees who do not qualify for one or both of these programs can apply for Refugee Cash Assistance (RCA) and Refugee Medical Assistance (RMA). These programs are available for the first eight months after refugees arrive in Minnesota. Applications for these programs are taken at county human services agencies and at voluntary resettlement agencies for refugees in the Twin Cities metro area and Olmsted County. The Resettlement Programs Office works to ensure existing systems and supports that are available to Minnesota residents are also accessible to residents with refugee status.

In addition, Refugee Services Grants support limited supplemental services for refugees, including:

- Supported employment services and transportation
- Case management services
- Information and referral
- Translation and interpreter services
- Citizenship and naturalization preparation services

- Refugee student services
- Health screening coordination

Grants are used to supplement existing services to better meet the needs of refugees through local community partners, counties, and refugee communities to ensure refugees and their families are healthy, stable and live and work in strong, welcoming communities. The activity is funded with federal grants from the United States Department of Health and Human Services.

RESULTS

The DHS Resettlement Programs Office uses several client outcome indicators to measure performance and determine the effectiveness of our grant management activity.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Results	Percent of refugees employed within the same year of enrollment	68%	69%	Sept.2015 Sept 2017
Quantity	Percent of refugees receiving health screening within 90 days of arrival	97%	97%	Sept.2015 Sept 2017
Result	Job retention rate within 90 days	75%	79%	Sept.2015 Sept 2017
Quantity	Average hourly wage	\$9.99	\$11.60	Sept.2015 Sept 2017

Performance Measure Note: The average hourly wage is the average wage over the previous year for all participants.

The legal authority for the Refugee Services Grants activities comes from federal law: 45 CFR 400

Refugee Services Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
3000 - Federal	6,351	6,380	4,606	6,640	6,395	6,195
Total	6,351	6,380	4,606	6,640	6,395	6,195
Biennial Change				(1,485)		1,344
Biennial % Change				(12)		12
<u>Expenditures by Category</u>						
Operating Expenses	365	227	279	435	435	435
Grants, Aids and Subsidies	5,986	6,153	4,327	6,205	5,960	5,760
Total	6,351	6,380	4,606	6,640	6,395	6,195

Refugee Services Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
3000 - Federal						
Balance Forward In	1	26	69			
Receipts	6,351	6,353	4,537	6,640	6,395	6,195
Expenditures	6,351	6,380	4,606	6,640	6,395	6,195
Biennial Change in Expenditures				(1,485)		1,344
Biennial % Change in Expenditures				(12)		12

Program: Grants Program

Activity: Health Care Grants

AT A GLANCE

- There are currently 655 navigators and in person assisters available statewide to aid people in obtaining health care coverage.
- Navigators and in person assisters provided application assistance to over 61,000 individuals or families enrolled in public health care programs during FY 2017
- All of Minnesota's 87 counties collect and track Child and Teen Check-up immunization data with the help of grant funds from this activity.
- All funds spending for the Health Care Grants activity for FY 2017 was \$30.2 million. This represents 0.2 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

Health Care Grants activity funding provides supports, infrastructure investments and outreach. These grants benefit enrollees in Minnesota Health Care Programs (Medical Assistance (MA) and MinnesotaCare) and some uninsured or underinsured individuals. These grants have historically targeted projects or work that supplements the direct health care services funded under the MA or MinnesotaCare programs.

Some grants in this budget activity augment the agency's own operational efforts. In doing so, we engage experts outside of the Department of Human Services (DHS) to help ensure that eligible Minnesotans are enrolled in the appropriate health care program and that those enrolled, especially our youngest and/or most vulnerable or hard to reach, receive the needed health care for which they are eligible.

SERVICES PROVIDED

The particular set of active health care grants in this budget activity administered by DHS can change over time depending on the length of the funding or project. Health care grants may be for one year or may be ongoing. Grantees can range from providers, counties, or community organizations.

Funding is generally dedicated to a specific project, demonstration or function as directed by legislation. The grants currently funded under this budget activity include:

- **In Person Assister and Minnesota Community Application Agent (MNCAA) Programs.** These funds provide incentive payments to entities assisting people applying to and enrolling in MinnesotaCare and Medical Assistance.
- **Emergency Medical Assistance Referral and Assistance Grants:** These grants fund organizations to provide immigration legal assistance to people with emergency medical conditions whose immigration status is a barrier to Medical Assistance or MinnesotaCare eligibility. In 2016 and 2017, these funds supported legal assistance to 268 people receiving care through Emergency Medical Assistance (EMA). 87 of these individuals became eligible for MA or MinnesotaCare because of changes in their immigration status.
- **Immunization Registry Grants.** Provides administrative funds for counties to support immunization registries
- **Child and Teen Checkup Grants:** Provides funding to over 50 tribes and community health boards for outreach and education to children on Medical Assistance related to Child and Teen Checkup services.

- **Integrated Care for High Risk Pregnancies (ICHRP).** This pilot program provides funding for community-led collaborative care models to improve birth outcome disparities in the MA program. ICHiRP grants support planning, systems development, and the integration of medical, chemical dependency, public health, social services, and child welfare coordination to reduce maternal opiate use and improve birth outcomes. Grantees include 5 American Indian Tribal Organizations and three community based organizations in the metro area that promote the healthy development of African American babies.
- **Minnesota Medicaid Promoting Interoperability Program (formerly the EHR Incentive Program).** Distributes federal funds to eligible providers and hospitals that purchase and use a certified electronic health record. The goal of the Promoting Interoperability program is to improve the patient experience of health care and population health, at a reduced cost to providing care. In FY2017, this program allocated \$20,715,378 in federal funding to a total of 1,841 eligible providers and hospitals across the State.

Health Care Grants are funded with appropriations from the state general fund, health care access fund and with federal funds.

RESULTS

The Health Care Grants activity contributes to the statewide goal of reducing the percentage of Minnesotans that do not have health insurance. DHS collects information on the number of successful applications completed by application agents under the MNCAA and In Person Assister programs.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Enrollees receiving support from MNCAAs/In Person Assisters ¹	40,922	61,138	FY2015 and FY2017
Quantity	Individuals receiving immigration legal assistance	112	156	2016 and 2017

1. Measure is the number of MNCAAs and In Person Assisters receiving incentive payments as reported by MNsure and DHS staff.

Minnesota Statutes section 256.962 provides the authority to provide incentives for application assistance under the MNCAA program.

Minnesota Statutes section 256B.021 is the legal authority for grants related to reforms in the Medical Assistance program.

Minnesota Statutes section 62V.05 provides authority for the In Person Assister program.

Health Care Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	207	2,251	3,902	5,011	3,711	3,711
2360 - Health Care Access	1,322	1,345	1,216	3,465	3,465	3,465
3000 - Federal	37,912	26,628	30,777	90,390	80,390	75,390
Total	39,442	30,224	35,895	98,866	87,566	82,566
Biennial Change				65,096		35,371
Biennial % Change				93		26
<u>Expenditures by Category</u>						
Operating Expenses	2,006	1,380	1,214	5,615	5,615	5,615
Grants, Aids and Subsidies	37,435	28,378	34,432	93,251	81,951	76,951
Other Financial Transaction		466	248			
Total	39,442	30,224	35,895	98,866	87,566	82,566

Health Care Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In				900		
Direct Appropriation	536	2,482	5,519	4,111	3,711	3,711
Cancellations	329	231	717			
Balance Forward Out			900			
Expenditures	207	2,251	3,902	5,011	3,711	3,711
Biennial Change in Expenditures				6,455		(1,491)
Biennial % Change in Expenditures				263		(17)
2360 - Health Care Access						
Direct Appropriation	3,341	3,465	3,465	3,465	3,465	3,465
Cancellations	2,019	2,120	2,249			
Expenditures	1,322	1,345	1,216	3,465	3,465	3,465
Biennial Change in Expenditures				2,014		2,249
Biennial % Change in Expenditures				76		48
3000 - Federal						
Balance Forward In	19	23	66	89		
Receipts	37,894	26,605	30,800	90,301	80,390	75,390
Balance Forward Out			89			
Expenditures	37,912	26,628	30,777	90,390	80,390	75,390
Biennial Change in Expenditures				56,627		34,613
Biennial % Change in Expenditures				88		29

Program: Grant Programs

Activity: Other Long-Term Care Grants

AT A GLANCE

- The Home and Community-Based Service (HCBS) Incentive Pool funding was awarded to 11 grantees in FY 2017 and 35 grantees in FY 2018, the first year of full implementation of the program. Approximately 425 people were served in FY 2018.
- The Other Long-Term Care grants budget activity was established in FY2016. All funds spending for the Other Long-Term Care grants activity for FY 2017 was \$1.6 million.

PURPOSE & CONTEXT

The purpose of other long-term care grants is to serve more people in community-based settings and to encourage creativity in how services are delivered for people with disabilities, mental illness, and seniors.

Currently, there are three grants that are included in Other Long-Term Care Grants, which will expand as more cross-population grants are developed. The HCBS Incentive Pool grant incentivizes providers to innovate in achieving integrated competitive employment, living in the most integrated setting, and other outcomes. The Incentive pool began distributing funds in FY 2017. There are two Money Follows the Person (MFP) grants: the Rebalancing Demonstration grant and the Tribal grant.ⁱ

SERVICES PROVIDED

- The Home and Community-Based Service (HCBS) Incentive Pool rewards providers, service recipients, and other entities for innovation in achieving outcomes that improve quality of life, including integrated, competitive employment and living in the most integrated setting in the community. In FY 2017, the funds were distributed via a request for proposal (RFP) process. There are three ways that the money was distributed:
 1. Large grants. These grants incent innovation in HCBS services by using pay for performance concepts and models that utilize outcome-based payments. For the purpose of the RFPs, outcome-based payments consist of financial incentives based on the outcomes proposed, produced and achieved.
 2. Micro grants. The micro grant program provides modest amounts of money to people with disabilities so they can accomplish their own goals and aspirations. The funds complement and supplement what can already be paid for through other sources of funds and have a lasting and ongoing impact for the micro-grant recipient.
 3. Small grants. This is for grants of under \$50,000 per year for 1-3 years. This solicits participation from diverse grantees, beyond typical responders. This could include individuals, small groups, sole proprietors, small businesses, etc.
- Under the Money Follows the Person (MFP) Rebalancing Demonstration grant, rebalancing funds may be used by the state to invest in or support activities that will promote improvements to the state's delivery of long-term services and supports and move the state toward more integrated and inclusive community-based service delivery systems. MFP awards are eligible for enhanced federal financial participation (FFP) which is deposited into the special revenue fund and will be paid out starting in FY 2019.
- Funds under the Money Follows the Person Tribal Initiative is used to improve access to community-based long-term care services and supports (CB-LTSS) for American Indians and Alaska Natives who have been in an institutional setting for over 90 days. In addition, the Tribal Initiative may be used to advance the

development of an infrastructure required to implement CB-LTSS for American Indians and Alaska Natives using a single, or a variety of applicable Medicaid authorities. Funding is intended to support the planning and development of:

1. An in-state Medicaid program CB-LTSS (as an alternative to institutional care) tailored for American Indians and Alaska Natives who are presently receiving services in an institution; and
2. A service delivery structure that includes a set of administrative functions delegated by the state Medicaid agency to Tribes or Tribal organizations, such as enabling tribe(s) to design an effective program or package of Medicaid CB- LTSS, and operating day-to-day functions pertaining to the LTSS program(s).

The Tribal Initiative may be used to cover costs necessary to plan and implement activities consistent with the objectives of this funding and within Federal grant regulations. The funds are subject to all the terms and conditions of the MFP Program. Tribal Initiative is funded through a federal grant.

RESULTS

The agency monitors data, reviews counties, and administers surveys to consumers to evaluate services. Minnesota has seen continuous improvement in the number of people with disabilities served by community-based rather than institution-based services.

More information is also available on the DHS dashboard (<http://dashboard.dhs.state.mn.us/>) and the Continuing Care Performance Report (<http://mn.gov/dhs/partners-and-providers/continuing-care/data-measures/public-planning-performance-reporting/performance-reports.jsp>).

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Result	Percent of working age people on certain Medical Assistance programs earning \$600 or more per month. ¹	12.2%	15.7%	FY 2014 to FY 2016
Result	Percent of people with disabilities who receive home and community-based services at home. ²	53.1%	58.5%	2013 to 2017

Performance Measures Notes:

1. Measure compares monthly earnings for people age 18-64 who receive services from one of the following Medical Assistance programs: Home and Community-Based Waiver Services, Mental Health Targeted Case Management, Adult Mental Health Rehabilitative Services, Assertive Community Treatment and Medical Assistance for Employed Persons with Disabilities (MA-EPD). Source: DHS Data Warehouse.
2. This measure compares people who receive disability waiver services in their own home rather than residential services. Source: DHS Data Warehouse.

ⁱ The Money Follows the Person grant accounts were under the Disability Grants budget activity in FY16-17. These grants were transferred to Other Long Term Care Grant accounts in FY2018.

Other Long Term Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General		1,344	2,480	2,925	1,925	1,925
2000 - Restrict Misc Special Revenue				3,261	1,467	1,127
3000 - Federal	129	265	346	1,335	726	49
Total	129	1,609	2,827	7,521	4,118	3,101
Biennial Change				8,609		(3,129)
Biennial % Change				495		(30)
<u>Expenditures by Category</u>						
Grants, Aids and Subsidies	129	1,534	2,622	6,376	3,430	3,052
Other Financial Transaction		75	205	1,145	688	49
Total	129	1,609	2,827	7,521	4,118	3,101

Other Long Term Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Direct Appropriation		1,344	2,500	2,925	1,925	1,925
Cancellations			20			
Expenditures		1,344	2,480	2,925	1,925	1,925
Biennial Change in Expenditures				4,061		(1,555)
Biennial % Change in Expenditures						(29)
2000 - Restrict Misc Special Revenue						
Balance Forward In		600	1,665	3,098	2,490	2,490
Receipts				1,127	1,127	1,127
Transfers In	600	1,065	1,433	1,526	340	
Balance Forward Out	600	1,665	3,098	2,490	2,490	2,490
Expenditures				3,261	1,467	1,127
Biennial Change in Expenditures				3,261		(667)
Biennial % Change in Expenditures						
3000 - Federal						
Receipts	129	265	346	1,335	726	49
Expenditures	129	265	346	1,335	726	49
Biennial Change in Expenditures				1,287		(906)
Biennial % Change in Expenditures				327		(54)

Program: Grant Programs

Activity: Aging & Adult Services Grants

mn.gov/dhs/people-we-serve/seniors/

AT A GLANCE

- Provides congregate dining to 38,000 people and home delivered meals to 12,000 people.
- Supports more than 17,000 older volunteers per year who provide services through the Retired and Senior Volunteer Program (RSVP), Foster Grandparents, and Senior Companions.
- Provides comprehensive assistance and individualized help to more than 125,000 individuals through over 277,000 calls in 2017 through the Senior LinkAge Line®.
- Funds home and community-based service options for more than 11,000 people and increased capacity by 8,700 volunteers through the Community Service/Services Development (Live Well at Home) grant program.
- All funds spending for the Aging & Adult Services Grants activity was \$50.2 million in FY2017. This represented 0.3 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

The purpose of Aging and Adult Services Grants is to provide non-medical social services and supports for older Minnesotans and their families to allow older adults to stay in their own homes and avoid institutionalization.

These funds increase the number and kind of service options for older Minnesotans in both urban and rural communities. This gives greater opportunity for Minnesotans to age at home. Several of the state grant programs are coordinated with the services provided under the federal Older Americans Act (OAA). Federal OAA funds in Minnesota are administered through the Minnesota Board on Aging. These funds provide core social services to at-risk older adults and their family caregivers who are not yet eligible for public programs. Services are targeted to people with the greatest social and economic need.

SERVICES PROVIDED

Aging and Adult Services Grants promote affordable services that are both dependable and sustainable. These grants are often used along with local private money, including donations. Aging and Adult Services grants provide:

- Nutritional services including congregate meals, home-delivered meals, and grocery delivery.
- Increased service options for older Minnesotans through service development activities funded by the Community Service/Community Services Development (CS/SD), Family Caregiver Support, and ElderCare Development Partnership (EDP) grant programs. Those services include: transportation, help with chores, help with activities of daily living, evidence-based health promotion, chronic disease management, falls prevention services, respite and other supportive services to family caregivers, and other services that help people stay in their own homes.
- Support to older volunteers who provide services through the Retired and Senior Volunteer Program, Foster Grandparent, and Senior Companion programs.
- Comprehensive and individualized help through the Senior LinkAge Line®. The Senior LinkAge Line® trains long-term care options counselors that assist individuals to find community resources and financing options for beneficiaries of all ages.
- Information about community-based resources and customized long-term care planning tools through www.minnesotahelp.info, (<http://www.minnesotahelp.info/>) a web-based database of over 45,000 services.

- Long-term care options counseling services provided by the Senior LinkAge Line®, known as Return to Community, that help people successfully remain in their homes after discharge from a nursing home. Since the launch of this service in 2010 and through 2017, over 14,000 consumers have been contacted for discharge support. Of those 14,000, direct assistance was provided to over 3,400 older adults at their request to return home and nearly 1,100 are receiving five years of follow up at home.
- Home and community-based services quality information which includes a tool to help people who need long-term services and supports and their caregivers find and locate services. The tool includes 340 features about services. In addition, consumer reviews are being piloted for assisted living providers, supported employment and independent living services.
- Core Service provides grants to nonprofit providers who deliver in-home and community-based services to older adults. These grants expand the number of organizations that can be supported, which increases the number of individuals served.

The Agency administers these grants in partnership with regional Area Agencies on Aging, counties, tribes, and community providers.

RESULTS

Minnesota has seen improvement in the proportion of older adults served by community-based rather than institution-based services. The percent of older adults served in the community has improved over the past four years. Through our partners, we surveyed users of the Senior LinkAge Line® and found a consistent proportion of people would recommend Senior LinkAge Line® services to others.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Result	Percent of older adults served by home and community-based services ¹	68.4%	72.9%	2013 to 2017
Quality	Percent of consumers who would recommend the Senior LinkAge Line® to others ²	93%	94%	2012 to 2017
Quantity	Number of people who have moved from nursing homes back to the community through the Return to Community Initiative to date ³	2,896	5,229	Q4 2015 to Q4 2017

Results Notes:

1. Measure 1 compares FY2013 to FY2017. This measure shows the percentage of older adults receiving publicly-funded long-term services and supports who receive home and community-based services through the Elderly Waiver, Alternative Care, or home care programs instead of nursing home services. (Source: MMIS Claims)
2. Measure 2 compares 2012 data to 2017 data (Source: Consumer Surveys, Web Referral database)
3. Measure 3 compares cumulative quarter 4 CY2015 data to quarter 4 CY2017 data (Source: Return to Community Database)

M.S. sections 256B.0917 (<https://www.revisor.mn.gov/statutes/?id=256B.0917>) and 256B.0922 (<https://www.revisor.mn.gov/statutes/?id=256B.0922>) provide the legal authority for Aging and Adult Services Grants. M.S. section 256.975 (<https://www.revisor.mn.gov/statutes/?id=256.975>) created the Minnesota Board on Aging.

Aging & Adult Services Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	26,411	26,434	30,724	32,437	32,811	32,995
2001 - Other Misc Special Revenue	130			300		
3000 - Federal	21,508	23,808	24,271	26,221	26,482	26,470
Total	48,048	50,242	54,994	58,958	59,293	59,465
Biennial Change				15,662		4,806
Biennial % Change				16		4
<u>Expenditures by Category</u>						
Operating Expenses	(159)	85	1,984	1,819	1,819	1,819
Grants, Aids and Subsidies	47,991	49,887	52,960	57,139	57,474	57,646
Other Financial Transaction	216	270	50			
Total	48,048	50,242	54,994	58,958	59,293	59,465

Aging & Adult Services Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Direct Appropriation	28,463	28,162	30,786	32,437	32,811	32,995
Cancellations	2,052	1,728	62			
Expenditures	26,411	26,434	30,724	32,437	32,811	32,995
Biennial Change in Expenditures				10,316		2,645
Biennial % Change in Expenditures				20		4

2000 - Restrict Misc Special Revenue

Balance Forward In	153	94	75			
Receipts	155	135	33			
Transfers Out	214	154	108			
Balance Forward Out	94	75				

2001 - Other Misc Special Revenue

Receipts	130			300		
Expenditures	130			300		
Biennial Change in Expenditures				170		(300)
Biennial % Change in Expenditures						

3000 - Federal

Balance Forward In	16		63			
Receipts	21,491	23,809	24,208	26,221	26,482	26,470
Balance Forward Out		2				
Expenditures	21,508	23,808	24,271	26,221	26,482	26,470
Biennial Change in Expenditures				5,176		2,460
Biennial % Change in Expenditures				11		5

Program: Grant Programs

Activity: Deaf & Hard of Hearing Grants

mn.gov/dhs/people-we-serve/adults/services/deaf-hard-of-hearing/programs-services/

AT A GLANCE

- Deaf and Hard of Hearing Grants supported 658 people in FY 2017.
- Participants in deafblind programs chose consumer-directed services option 30 percent of the time in FY 2017.
- Certified Peer Support Specialists worked with 27 people in FY 2017 who are deaf and have a serious mental illness.
- The Deaf & Hard of Hearing Role Model and Deaf Mentor Family programs supported 37 families who have a young child with hearing loss in FY 2017.
- All funds spending for the Deaf and Hard of Hearing Grants activity for FY 2017 was \$2.747 million. This represented 0.01 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

National research estimates 20 percent of the population has some degree of hearing loss. In Minnesota, this means approximately 1.1 million people are likely to have some degree of hearing loss. Of those, an estimated 11 percent are deaf and as many as 1,640 individuals are deafblind.

One-third of people between ages 65-74 have hearing loss and nearly half of those over age 75 have hearing loss. According to the Minnesota Department of Health, permanent childhood hearing loss affects 200-400 infants born in Minnesota each year.

Deaf and Hard of Hearing Services grants help Minnesotans of all ages who are deaf, deafblind and hard of hearing with services and supports they need to live independently and be involved in their families and communities. The Deaf and Hard of Hearing Services Division (DHHSD) administers these grants.

SERVICES PROVIDED

Deaf and Hard of Hearing Grant programs include:

- Sign language interpreter-related services that allow Minnesotans who are deaf, hard of hearing, and deafblind to access every day activities and core services such as medical care, mental health services, human services, the judicial system, and self-help; this activity includes two programs to increase the number of interpreters in Greater Minnesota available to provide community interpreting services and pays travel costs to bring interpreters to areas where there are no local interpreters.
- Deafblind grants to support adults who are both deaf and blind so they can live independently and stay in their own homes. Supports include service providers fluent in American Sign Language and trained in specialized communication methods and assistive technology; consumers have an option for consumer-directed services.
- Services for children who are deafblind to provide experiential learning and language development through service providers called interveners.
- Specialized mental health programs for adults and for children and youth that provide linguistically and culturally appropriate services including home-based outreach, inpatient therapy, outpatient therapy, family counseling, psychological assessments and educational opportunities for families, schools, and mental health providers.
- Certified Peer Support Specialists for individuals who are deaf and have a serious mental illness.

- Mentors who work with families that have children with hearing loss to develop the family’s communication competence, including an option to have an American Sign Language mentor or a hard of hearing role model.
- Real-time television captioning grants that allow consumers statewide who are deaf, deafblind, hard of hearing or late deafened to have equal access to their community and statewide live news programming.

We partner with statewide community providers, mental health professionals, local television stations and the Department of Commerce to provide services.

Deaf and Hard of Hearing grants are primarily funded by the state general fund. In addition, the Telecommunications Access Minnesota (TAM) funds collected by the Department of Commerce provide the grants for real-time television captioning of local news programs.

RESULTS

People served in deaf and hard of hearing grant-funded programs fill out surveys to measure satisfaction with the quality and timeliness of services. Over the last three years, they have reported a high level of satisfaction with the quality of services. Across the Deaf and Hard of Hearing grant-funded mental health programs, the percent of clients who have completed or are making good progress on their treatment goals remains consistently above 80 percent. In a variety of programs that support families with a child who is deaf, deafblind, or hard of hearing, at least 80 percent of parents report noticeable improvement in their child’s progress in communication, social development and community integration as a result of the services they receive.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	Percent of consumers in DHHS grant-funded programs who are satisfied with quality of services they received	94%	94%	2014 to 2017
Quality	Percent of consumers in DHHS grant-funded programs who are satisfied with timeliness of the services they received	86%	87%	2014 to 2017
Quality	Percent of clients in DHHS grant-funded mental health programs who completed or are making good progress on their treatment plan goals	86%	81%	2014 to 2017
Quality	Percent of parents in DHHS grant-funded programs who observed progress in the communication ability, community integration and social development of their child who is deaf, hard of hearing, or deafblind.	83%	80%	2014 to 2017

Performance Notes:

- Data source: Consumer satisfaction surveys and grantee reports.

M.S. sections 256.01, subd. 2 (<https://www.revisor.mn.gov/statutes/?id=256.01>), 256C.233 (<https://www.revisor.mn.gov/statutes/?id=256C.233>), 256C.25 (<https://www.revisor.mn.gov/statutes/?id=256C.25>), and 256C.261 (<https://www.revisor.mn.gov/statutes/?id=256C.261>) provide the legal authority for Deaf and Hard of Hearing grants.

Deaf & Hard of Hearing Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	2,225	2,374	2,622	2,675	2,675	2,675
2001 - Other Misc Special Revenue	240	282	266	266	266	266
2403 - Gift				13	13	13
3000 - Federal	75	91	75	75	75	75
Total	2,540	2,747	2,963	3,029	3,029	3,029
Biennial Change				704		66
Biennial % Change				13		1
<u>Expenditures by Category</u>						
Operating Expenses	19	19	0	13	13	13
Grants, Aids and Subsidies	2,522	2,728	2,963	3,016	3,016	3,016
Total	2,540	2,747	2,963	3,029	3,029	3,029

Deaf & Hard of Hearing Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Direct Appropriation	2,225	2,375	2,675	2,675	2,675	2,675
Cancellations	0	1	53			
Expenditures	2,225	2,374	2,622	2,675	2,675	2,675
Biennial Change in Expenditures				698		53
Biennial % Change in Expenditures				15		1

2001 - Other Misc Special Revenue

Balance Forward In	12	93				
Receipts	276	225	300	297	297	297
Transfers In		0				
Transfers Out	33	36	34	31	31	31
Balance Forward Out	15					
Expenditures	240	282	266	266	266	266
Biennial Change in Expenditures				9		0
Biennial % Change in Expenditures				2		0

2403 - Gift

Receipts				13	13	13
Expenditures				13	13	13
Biennial Change in Expenditures				13		13
Biennial % Change in Expenditures						

3000 - Federal

Receipts	75	91	75	75	75	75
Expenditures	75	91	75	75	75	75
Biennial Change in Expenditures				(16)		0
Biennial % Change in Expenditures				(10)		0

Program: Grant Programs
Activity: Disabilities Grants

mn.gov/dhs/people-we-serve/people-with-disabilities/services/home-community/a-z/index.jsp

AT A GLANCE

- The Family Support Grant served 1,985 people in FY 2017
- The Consumer Support Grant supported an average of 2,419 people a month in FY 2017.
- Semi-independent living services served 1,434 people in FY 2017.
- HIV/AIDS programs helped 2,617 people living with HIV/AIDS.
- The Disability Linkage Line, now known as Disability Hub MN, served 28,443 people in FY 2017, had 68,313 contacts with people receiving services, and participated in 163 educational events.
- All funds spending for the Disabilities Grants activity for FY 2017 was \$62.6 million. This represented 0.39 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

The US Census Bureau estimates that nearly 550,000 or 10.3 percent of Minnesotans have a disability or disabling condition. Disabilities Grants provide services and supports to help Minnesotans with disabilities remain in their communities and avoid institutionalization. This work is done by counties, tribes, families and local providers. These funds increase the service options for people with disabilities and their families; help people with HIV/AIDS with medical expenses; provide information and assistance on disability programs and services; and support county and tribal service infrastructure.

SERVICES PROVIDED

Disabilities Grant programs include:

- The Family Support Grant (FSG) provides cash to families to offset the higher-than-average cost of raising a child with a disability due to the child's disability.
- The Consumer Support Grant (CSG) is an alternative to home care paid through the state plan, which helps people purchase home care, adaptive aids, home modifications, respite care, and other help with the tasks of daily living. This program will be sunsetted when Community First Services and Supports (CFSS) replaces the services provided by CSG.
- Semi-Independent Living Services (SILS) grants help adults with developmental disabilities, who do not require an institutional level of care, live in the community. The funding is used for instruction or assistance with nutrition education, meal planning and preparation, shopping, first aid, money management, personal care and hygiene, self-administration of medications, use of emergency resources, social skill development, home maintenance and upkeep, and use of transportation.
- HIV/AIDS programs help people living with HIV/AIDS pay premiums to maintain private insurance, co-payments for HIV-related medications, mental health services, dental services, nutritional supplements, and case management.
- The Disability Linkage Line (DLL), now known as Disability Hub MN, provides one-to-one assistance to make it easier for people with disabilities to understand their options, find solutions, and engage in possibilities.

- Local planning grants assist counties and tribes in development of community alternatives to corporate foster care settings. This funding is used to implement specific county plans to address the needs of people with disabilities in their communities.
- Day Training and Habilitation (DT&H) grants are allocated to counties. Counties pay for DT&H costs for some residents. This funding is allocated to counties to help offset costs for legislative rate increases to day training and habilitation facilities.
- State Quality Council and Region 10 grants fund state and regional quality councils. The State and Regional Quality Councils, in collaboration with DHS exist to support a system of quality assurance and improvement in the provision of person directed services for people with disabilities.
- Work Empower grants help people with disabilities maintain or increase stability and employment, increase access to and utilization of appropriate services across systems, reduce use of inappropriate services, improve physical / mental health status, increase earnings and achieve personal goals.
- Autism Spectrum Disorder grants appropriated in the 2017 legislative session were awarded to an organization that provides life skills training to young adults with learning disabilities to meet the needs of individuals with autism spectrum disorder. This grant is only appropriated in FY 2018 and FY 2019.
- Institutional Settings and Intellectual and Developmental Disability grants fund a disability advocacy organization to maintain and promote self-advocacy services and supports for persons with intellectual and developmental disabilities throughout the state.
- Waiver rate system transition grants are for home and community-based disability waiver services providers that are projected to receive at least a ten percent decrease in revenues due to transition to rates calculated under the disability waiver rate setting system.

The Disabilities Grants activity is funded by the state general fund, federal funds and special revenue funds. The HIV/AIDS programs receive federal funds from the Ryan White Care Act and also rebate funding from pharmaceutical companies for drugs and insurance.

RESULTS

The agency monitors data, reviews counties and tribes, and administers surveys to consumers to evaluate services. Minnesota has seen continuous improvement in the number of people with disabilities served by community-based rather than institution-based services.

The agency tracks the percent of people with disabilities who receive home and community-based services in their own home instead of in a congregate residential setting, such as foster care. There is now a reduced reliance on corporate foster care.

More information is also available on the DHS dashboard (<http://dashboard.dhs.state.mn.us/>).

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Result	Percent of people with disabilities who receive home and community-based services at home. ¹	53.1%	58.5%	2013 to 2017
Result	Percent of people served in corporate foster care or corporate living services. ²	35%	30%	2013 to 2017
Quality	Percent of consumers who would recommend the Disability Hub MN to others. ³	98%	91%	2015 to 2017
Quantity	Annual number of people served through the Technology for Home Services grant. ⁴	348	372	2013 to 2017

1. This measure compares people who receive disability waiver services in their own home rather than residential services. Source: DHS Data Warehouse
2. This measure represents the proportion of disability waiver participants using corporate foster care or corporate supported living services (SLS), when the service is billed in a daily unit. It does not include SLS billed in 15 minute unit, since that is typically not provided in a residential setting.
3. The change in this measure reflects better randomization of surveys and a more accurate measure of satisfaction. It continues to show over 90 percent satisfaction with the Disability Hub services. Source: DLL Customer Satisfaction Surveys.
4. This measure represents the unduplicated annual number of people served through the Technology for Home Services grant, which provides assistive technology for people in their own homes. Source: Technology for Home report. Source: DHS Data Warehouse

M.S. sections 252.275 (<https://www.revisor.mn.gov/statutes/?id=252.275>); 252.32 (<https://www.revisor.mn.gov/statutes/?id=252.32>); 256.01, subds. 19, 20, and 24 (<https://www.revisor.mn.gov/statutes/?id=256.01>); 256.476 (<https://www.revisor.mn.gov/statutes/?id=256.476>); and 256B.0658 (<https://www.revisor.mn.gov/statutes/?id=256b.0658>) provide the legal authority for Disabilities Grants.

Disabilities Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	41,956	45,930	45,333	54,024	53,527	37,849
2000 - Restrict Misc Special Revenue	3,199	6,965	10,547	16,426	8,582	8,582
2001 - Other Misc Special Revenue	12	0	259	278	277	277
3000 - Federal	7,811	9,306	9,899	11,499	10,043	9,343
Total	52,977	62,200	66,037	82,227	72,429	56,051
Biennial Change				33,087		(19,784)
Biennial % Change				29		(13)
<u>Expenditures by Category</u>						
Operating Expenses	1,126	2,017	2,951	7,843	2,443	2,443
Grants, Aids and Subsidies	51,851	60,083	62,986	74,186	69,957	53,579
Other Financial Transaction		100	100	198	29	29
Total	52,977	62,200	66,037	82,227	72,429	56,051

Disabilities Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In	2,500	2,451				
Direct Appropriation	20,332	20,369	20,686	20,687	20,570	20,571
Transfers In	25,357	24,866	29,517	33,337	32,957	17,278
Transfers Out			375			
Cancellations	4,683	1,756	4,495			
Balance Forward Out	1,550					
Expenditures	41,956	45,930	45,333	54,024	53,527	37,849
Biennial Change in Expenditures				11,471		(7,981)
Biennial % Change in Expenditures				13		(8)

2000 - Restrict Misc Special Revenue

Balance Forward In	16,499	17,777	18,766	14,098	7,638	4,467
Receipts	3,884	6,181	5,879	8,000	8,000	8,000
Transfers In				2,158		
Transfers Out				192	2,589	2,656
Balance Forward Out	17,184	16,994	14,098	7,638	4,467	1,229
Expenditures	3,199	6,965	10,547	16,426	8,582	8,582
Biennial Change in Expenditures				16,809		(9,809)
Biennial % Change in Expenditures				165		(36)

2001 - Other Misc Special Revenue

Balance Forward In				1		
Receipts	12		261	277	277	277
Balance Forward Out			1			
Expenditures	12	0	259	278	277	277
Biennial Change in Expenditures				526		17
Biennial % Change in Expenditures				4,533		3

3000 - Federal

Balance Forward In	7	5				
Receipts	7,808	9,301	9,899	11,499	10,043	9,343
Balance Forward Out	5					
Expenditures	7,811	9,306	9,899	11,499	10,043	9,343

Disabilities Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY16	FY17	FY18	FY19	FY20	FY21
Biennial Change in Expenditures				4,281		(2,012)
Biennial % Change in Expenditures				25		(9)

Program: Grant Programs

Activity: Housing & Support Services Grants

<https://mn.gov/dhs/partners-and-providers/program-overviews/housing-and-homelessness>

AT A GLANCE

- Supportive services were provided to 5,713 individuals at-risk or experiencing long-term homelessness in FY 2017.
- The Community Living Infrastructure funding was awarded to 17 grantees beginning in FY 2018.
- The Real Time Housing funding was awarded to one grantee to develop the website beginning in FY 2018.
- The Housing Access Service grant served 207 clients and had 4,493 inquiries for service in CY 2017.
- The Housing and Support Services Grants activity includes \$7.3 million moved from Children and Family Services Grants, and \$489,000 from Disability Services Grants. The remainder are new funds beginning in FY 2018. This activity represents .06 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

According to the 2016 Point-in-Time count by the Minnesota Interagency Council on Homelessness, 7,304 Minnesotans were experiencing homelessness on January 28, 2016 of which 3,660 were individuals in families with children.

DHS works to ensure that appropriate housing is available for the people we serve by supporting systems that integrate housing, services and income supports to enable people to live in the community of their choice. This work is done by counties, tribes, families and local providers.

SERVICES PROVIDED

Housing and Support Services grant programs include:

- The Long-Term Homelessness grant program provides funds for supportive services to serve individuals, unaccompanied youth, and families with children experiencing long-term homelessness. The goal is to link those persons who are long-term homeless and have been evaluated to have the most significant need for permanent supportive housing, as determined by the respective Continuum of Care Coordinated Entry System, with housing that is permanent and sustainable.
- The Community Living Infrastructure grant program supports the needs of people with disabilities and housing instability who want to live in the community but are faced with significant barriers in transitioning into community living from institutions, licensed facilities or homelessness. The purpose of the program is to increase and improve opportunities for Minnesotans with disabling conditions by improving access to community options. This grant program funds three areas of service: 1) outreach efforts; 2) housing resources specialists; 3) and funding for counties, tribes, and collaboratives to administer and monitor the Housing Support program.
- The Real Time Housing Website grant is for the design, development and maintenance of a fully accessible and usable website, including an application, to track real-time-housing openings for people with disabilities across the state of Minnesota. The website is to help support the needs of people with disabilities who want to live in the community. It will help connect individuals, their advocates, and family members to housing options and educate about community living resources available.
- Housing Benefit grant money pays for the development and maintenance of the Housing Benefits 101 website which helps persons with disabilities understand types of housing available to them depending

the person’s situation, needs and desires. The website has information on housing programs that can make housing more affordable along with information on different types of housing options and services that can improve quality of life. HB101 has a Vault feature in which persons can securely store their personal information related to housing and utilize a Personalized Housing Planning Tool in their search for housing in the community of their choice.

- Housing Access Services grants have been used to support a non-profit organization that helps individuals who are eligible for home care, other state plan services, or waiver services, to move out of licensed settings or family homes and into their own homes. Since the fall of 2009 more than 2,000 people have used Housing Access Services to move from licensed or unlicensed settings to homes of their own that are not owned, leased, or controlled by disability services providers.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Number of households receiving long-term homeless supportive services grants (LTSS) : Percent families; Percent single adults.	1,495 53% 47%	1,357 45% 55%	CY 2013- CY 2016
Quantity	Percent of individuals living without a permanent home for more than a year before receiving LTSS services; Percent homeless for at least six years.	58% 10%	63% 14%	CY 2013 – CY 2016
Quantity	Percent of those receiving LTSS services with some type of mental illness.	41%	77%	CY 2013 – CY 2016

Legal authority for Housing and Support Services Grants:
M.S. sections 256I.09 (<https://www.revisor.mn.gov/statutes/cite/256I.09>);
256K.26 (<https://www.revisor.mn.gov/statutes/?id=256k.26>);
256B.0658 (<https://www.revisor.mn.gov/statutes/cite/256B.0658>);
256I.04 (<https://www.revisor.mn.gov/statutes/cite/256I.04>)

Housing Support Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	6,906	7,413	9,489	9,539	9,264	10,364
2000 - Restrict Misc Special Revenue	99	140	140	140	140	140
Total	7,005	7,553	9,629	9,679	9,404	10,504
Biennial Change				4,750		600
Biennial % Change				33		3
<u>Expenditures by Category</u>						
Grants, Aids and Subsidies	7,005	7,553	9,493	9,679	9,404	10,504
Other Financial Transaction			136			
Total	7,005	7,553	9,629	9,679	9,404	10,504

Housing Support Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Direct Appropriation	7,483	7,484	9,454	9,454	9,264	10,364
Transfers In			85	85		
Cancellations	577	71	50			
Expenditures	6,906	7,413	9,489	9,539	9,264	10,364
Biennial Change in Expenditures				4,709		600
Biennial % Change in Expenditures				33		3

2000 - Restrict Misc Special Revenue

Balance Forward In	0	41	2			
Transfers In	140	140	140	140	140	140
Transfers Out	0	41	2			
Balance Forward Out	41					
Expenditures	99	140	140	140	140	140
Biennial Change in Expenditures				41		0
Biennial % Change in Expenditures				17		0

Program: Grant Program

Activity: Adult Mental Health Grants

mn.gov/dhs/people-we-serve/adults/health-care/mental-health/index.jsp

AT A GLANCE

- Approximately 230,972 adults in Minnesota have a serious mental illness.
- Assertive Community Treatment was provided to 2,041 people in CY 2017.
- Projects for Assistance in Transition from Homelessness (PATH) served 417 persons who were chronically homeless and 902 persons who were at imminent risk of homelessness in CY 2017. An additional 451 persons were contacted through outreach.
- Crisis Housing Assistance services were provided to prevent homelessness of 231 people in facility based treatment in CY 2017.
- Housing with Support services assisted 1,716 persons with serious mental illness in accessing and retaining permanent supportive housing by the end of CY 2017.
- Crisis Response Services served 17,515 people in response to crisis episodes in CY 2017.
- All funds spending for the Adult Mental Health Grants activity for FY 2017 was \$84.9 million. This represented 0.53 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

The Adult Mental Health Grants support services for adults with mental illness and are administered by the Behavioral Health Division of the Community Supports Administration, using both federal and state funds. These funds, combined with county dollars, are used to identify and meet the local service need by developing and providing a range of mental health services in the community. Adult Mental Health Grants support the mission of the Minnesota Comprehensive Adult Mental Health Act by supporting community mental health system infrastructure and services. The grants are used in conjunction with healthcare coverage and other funding sources to support individuals in independent living through community-based service and treatment options. Services are delivered using best practice and evidence-based practice models that are person-centered and effective.

SERVICES PROVIDED

Adult Mental Health Grants support a broad range of vital community service needs. The grants provide funding for infrastructure, community services, supports, and coordination activities not covered by Medical Assistance (MA), and/or for persons who are uninsured or under-insured by public or private health plans. These grants are delivered in a number of ways. Some are block grants to counties who have the flexibility to use the funding for a number of services. Others are grants to counties, mental health providers, and other organizations for specific services, projects, and programs. Services include, but are not limited to the following:

Transitions to Community Initiative - This initiative reduces the time that individuals remain at the Anoka Metro Regional Treatment Center (AMRTC) or the Minnesota Security Hospital (MSH) once they no longer need hospital care. By providing funding to cover community-based services and address the unique discharge barriers faced by some individuals, the initiative promotes recovery, allows individuals to move to integrated settings of their choice as outlined in the Minnesota Olmstead Plan, and opens up beds at AMRTC and MSH for other individuals who need them.

Targeted Case Management – These activities coordinate services and help adults with serious and persistent mental illness gain access to needed medical, social, educational and vocational services. These activities include

developing a functional assessment, an individual community support plan, and ensuring coordination of services and monitoring of service delivery.

Assertive Community Treatment (ACT) – These intensive, non-residential mental health services are provided by a multidisciplinary staff using a team model. The team includes, at a minimum, a psychiatrist, mental health professional, registered nurse, vocational and substance abuse specialists. ACT services are available 24 hours a day. ACT teams assume full responsibility for the individual’s mental health treatment. This service keeps people in the community and prevents hospitalization.

Adult Rehabilitative Mental Health Services (ARMHS) - ARMHS are services that enable a recipient to develop, retain and enhance their mental stability and functioning by providing education on medication management, basic social and living skills, household management, employment-related skills, and also by assisting with transitions to community living.

Adult Outpatient Medication Management - Provides for prescriptions, medication education, and reviews to help individuals manage their symptoms.

Basic Living /Social Skills and Community Intervention - Basic living /social skills and community intervention services provided to help individuals live safely and inclusively in the community.

Project for Assistance in Transition from Homelessness (PATH) - PATH is a federal program with a state match to provide homeless outreach, service coordination, and related services designed to find and engage persons with serious mental illness who are homeless or at imminent risk of becoming homeless and provide them with in services, basic needs, resources, and housing.

Crisis Housing – This program provides direct payments for rent, mortgage, and utility costs, to assist persons with retaining their housing while getting needed facility based treatment. The program prevents homelessness while the individual uses their income to pay for treatment or loses income while getting needed treatment.

Housing with Supports - These grants fund the development of permanent supportive housing for persons with serious mental illness, by providing options that assist individuals who need housing with linked supports to help maintain an individual’s mental health and housing stability while living in the community.

Crisis Response Services – Provides an array of services from mobile crisis response teams to crisis stabilization beds and aftercare services. Mobile crisis teams respond to an individual’s call for help in their home, place of employment, or possibly to an emergency department in a hospital in cases where they are experiencing a severe mental health problem that requires immediate assistance. Many components of crisis services are not reimbursable under Medicaid, such as telephone contacts with a person in crisis, linkage and coordination, benefits assistance, and post-hospital transition services. Ancillary services that are not able to be billed to MA are being provided through grant funding.

Culturally specific services – These grants expand capacity for ethnically and culturally-specific, trauma-informed, adult mental health services within target cultural and ethnic minority communities in Minnesota.

Individual Placement Supports (IPS) Supported Employment - Counties use adult mental health grants to fund evidence-based practices such as the IPS model of supported employment to improve the ability of adults with serious and persistent mental illness to find and maintain competitive employment. These grants extend and support the work done by the Department of Employment and Economic Development.

Minnesota Center for Chemical and Mental Health (MNCAMH) - These grants fund training and technical assistance from the Minnesota Center for Chemical and Mental Health (MNCAMH), a program of the University of Minnesota drawing from the strengths of the School of Social Work, the College of Continuing Education, and the

Department of Psychiatry. MNCAMH is a center of excellence for workforce training created to advance the professional development of the treatment services workforce on research informed practices for recovery-oriented systems of care.

Certified Peer Specialist (CPS) Implementation and Training - Selected and qualified individuals with a lived experience of mental illness are trained to work as Certified Peer Specialists in Assertive Community Treatment (ACT), Adult Rehabilitative Mental Health Services (ARMHS), Crisis Response Services and Intensive Residential Treatment (IRTS) services.

Mental Health Innovations – These grant funds are dedicated to finding innovative approaches for improving access to and the quality of community-based, outpatient mental health services. Programs are focused on helping people with mental illness receive effective and culturally specific services in their community.

RESULTS

Transitions to Community – Fiscal Year 2017

- 92 unduplicated individuals received support through the Transition to Community program.
- Of the 92 individuals served, 47 individuals were discharged: 33 from AMRTC and 14 from MSH.
- Technical assistance was provided by DHS staff to navigate discharge options for an additional 19 individuals.

Assertive Community Treatment (ACT), Adult Rehabilitative Mental Health Services (ARMHS), and Crisis Response

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Number of Adults receiving Assertive Community Treatment (ACT) ¹ services	1,991	2,015	CY 2015- CY 2017
Quantity	Number of Adults with Serious Mental Illness who received Adult Rehabilitative Mental Health Services (ARMHS)	19,149	20,800	CY 2015 to CY 2017
Quantity	Number of episodes for which Mental Health Crisis Services were provided	13,449	17,515	CY 2015 to CY 2017
Result	Percent of people needing hospitalization after receiving crisis service interventions	14%	14%	CY 2015 to CY 2017

Measure Notes:

1. Previous measure is the number of ACT clients served in CY 2015. Current measure is the number served in CY 2017. The department goal is to reduce the need for hospitalization and keep persons served in the community.

MS § 256E.12, 245.4661, and 245.70 provide the authority for the grants in this budget activity.

Adult Mental Health Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	71,521	73,523	81,693	81,477	79,802	79,802
2000 - Restrict Misc Special Revenue			1,000	1,000	1,000	1,000
2360 - Health Care Access	973	2,391	409	750	750	750
3000 - Federal	8,515	9,007	8,137	17,536	17,115	9,700
Total	81,009	84,921	91,238	100,763	98,667	91,252
Biennial Change				26,072		(2,082)
Biennial % Change				16		(1)
<u>Expenditures by Category</u>						
Operating Expenses	2,208	2,211	2,565	781	956	431
Grants, Aids and Subsidies	76,655	80,520	85,684	99,982	97,711	90,821
Other Financial Transaction	2,146	2,190	2,990			
Total	81,009	84,921	91,238	100,763	98,667	91,252

Adult Mental Health Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In			140			
Direct Appropriation	71,543	73,169	81,577	81,477	79,802	79,802
Transfers In	600	900				
Transfers Out		300				
Cancellations	622	106	24			
Balance Forward Out		140				
Expenditures	71,521	73,523	81,693	81,477	79,802	79,802
Biennial Change in Expenditures				18,125		(3,566)
Biennial % Change in Expenditures				13		(2)
2000 - Restrict Misc Special Revenue						
Receipts			1,000	1,000	1,000	1,000
Expenditures			1,000	1,000	1,000	1,000
Biennial Change in Expenditures				2,000		0
Biennial % Change in Expenditures						0
2360 - Health Care Access						
Direct Appropriation	1,575	2,473	750	750	750	750
Cancellations	602	82	341			
Expenditures	973	2,391	409	750	750	750
Biennial Change in Expenditures				(2,205)		341
Biennial % Change in Expenditures				(66)		29
3000 - Federal						
Balance Forward In	12	4				
Receipts	8,503	9,003	8,137	17,536	17,115	9,700
Expenditures	8,515	9,007	8,137	17,536	17,115	9,700
Biennial Change in Expenditures				8,151		1,142
Biennial % Change in Expenditures				47		4

Program: Grant Programs

Activity: Children's Mental Health Grants

mn.gov/dhs/people-we-serve/children-and-families/health-care/mental-health/

AT A GLANCE

- An estimated 108,000 children and youth in Minnesota (from birth to age 21) need treatment for serious emotional disturbance.
- Each year about 88,000 children and youth receive publicly funded mental health services in Minnesota.
- Approximately 12,150 children and youth received mental health screenings in 2017.
- 9 percent of school-age children and 5 percent of preschool children in Minnesota have a mental health concern that becomes longer lasting and interferes significantly with child's functioning at home and in school.
- All funds spending for the Child Mental Grants activity for FY 2017 was \$24.3 million. This represented 0.15 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

Children's Mental Health Grants are administered by the Behavioral Health Division of the Community Supports Administration, which receives both federal and state funding, to support services for children with mental illness. These grants fund community, school, home, and clinic-based children's mental health services provided by non-profit agencies, schools, Medicaid-enrolled mental health clinics, tribes, counties, and culturally specific agencies.

SERVICES PROVIDED

Children's mental health grants promote integration of mental health services into the state's overall healthcare system by:

- filling gaps in the continuum of services and supports, especially those not covered in the broader Minnesota Health Care Programs benefits set;
- paying for necessary ancillary services, supports, and coordination activities that are not eligible for federal Medicaid reimbursement;
- covering treatment and supports for children who remain uninsured or under-insured by private health plans;
- building statewide service delivery capacity in workforce-shortage areas, where key services are not available regardless of insurance coverage;
- expanding access to direct treatment by providing care in community, school, home, and clinic-based children's mental health settings;
- providing coordination of mental and chemical health services with physical healthcare, services for persons with disabilities, and county social services;
- training providers on evidence-based practices;
- funding measurement of treatment outcomes;
- developing new levels of care for children and youth with complex mental health conditions;
- developing a new model to serve youth with first episode psychosis; and
- expanding the current system of mental health care for youth experiencing serious mental illness and their families by piloting and demonstrating new and enhanced services and creating finance and policy reforms necessary to sustain a system of care that is family driven, youth-guided, culturally and linguistically competent and grounded in scientific evidence.

Partners are essential in order to develop and maintain a dynamic and competent mental health service delivery system. For children, coordination of care must include other child-serving sectors of the public and private health and human service systems of Minnesota, including families and youth —such as:

- primary health care,
- day care,
- substance abuse treatment facilities,
- schools,
- public health entities,
- child welfare system,
- juvenile justice system,
- tribes,
- health plans,
- counties, and
- adult transition services.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Service Utilization Rate (per 10,000)	422	450	CY2013- CY2015
Quality	Percent of children in the child welfare system who received a mental health screening	57%	64%	CY2012- CY2015

Measure Notes:

- Service Utilization Rate: An indicator of service access, this indicator counts the number of children (under age 18) receiving any mental health service from the publicly financed health care system, per 10,000 children in the general child population. A higher utilization rate denotes more access to services for children.
- Percent of children receiving a mental health screening: This activity funds screenings for children in the child welfare system. Counties conduct mental health screenings for children in the child welfare system who have not had a recent assessment.

Minnesota Statutes, section 245.4889 (<https://www.revisor.mn.gov/statutes/?id=245.4889>) provides the legal authority for Children’s Mental Health grants.

Child Mental Health Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	20,163	24,341	23,186	23,926	20,826	20,826
3000 - Federal			1,018	4,019	2,394	2,384
Total	20,163	24,341	24,203	27,945	23,220	23,210
Biennial Change				7,644		(5,718)
Biennial % Change				17		(11)
<u>Expenditures by Category</u>						
Operating Expenses	47	34	16	80	80	80
Grants, Aids and Subsidies	19,690	24,072	23,546	27,865	23,140	23,130
Other Financial Transaction	427	235	641			
Total	20,163	24,341	24,203	27,945	23,220	23,210

Child Mental Health Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base FY20 FY21	
1000 - General						
Direct Appropriation	23,386	24,346	23,861	23,926	20,826	20,826
Cancellations	3,223	5	675			
Expenditures	20,163	24,341	23,186	23,926	20,826	20,826
Biennial Change in Expenditures				2,607		(5,460)
Biennial % Change in Expenditures				6		(12)
3000 - Federal						
Receipts			1,018	4,019	2,394	2,384
Expenditures			1,018	4,019	2,394	2,384
Biennial Change in Expenditures				5,037		(259)
Biennial % Change in Expenditures						(5)

Program: Grant Programs

Activity: Substance Use Disorder (SUD) Treatment Support Grants

mn.gov/dhs/people-we-serve/adults/health-care/substance-abuse/

AT A GLANCE

- In the United States in 2016, 20.1 million people over the age of 12 had substance use disorders (SUD).
- 56,157 people in Minnesota received treatment for substance use disorder in CY 2016.
- 51 percent of people who sought substance use disorder treatment in 2016 completed their program.
- The compulsive gambling helpline receives more than 1,000 calls and texts each year for information or referrals to treatment.
- All funds spending for the SUD Treatment Support and Primary Prevention grant activity for FY 2017 was \$17.9 million, which represented 0.1 percent of the Department of Human Services overall budget.

PURPOSE & CONTEXT

The Substance Use Disorder (SUD) Treatment Support and Primary Prevention Grants activity uses both federal and state funding to support state-wide prevention, intervention, recovery maintenance, case management and treatment support services for people with alcohol, or drug addiction. Treatment support services include subsidized housing, transportation, child care, and parenting education.

This activity also houses the state Compulsive Gambling Treatment Program, which funds statewide prevention, intervention, treatment and recovery services for individuals and families impacted by problem gambling through evidence based practices, education, supports, and protective financial resources.

SERVICES PROVIDED

Substance Use Disorder Treatment Support and Primary Prevention Grants provide:

- community drug and alcohol abuse prevention, intervention, and case management services for communities of color, the elderly, disabled, individuals with a mental illness and substance use disorder, individuals experiencing chronic homelessness, and people involved in the criminal justice system;
- treatment supports specifically targeted to women, women with children, the elderly, and other diverse populations;
- a statewide prevention resource center that provides education and capacity building on the misuse of alcohol and other drugs. Education includes delivering information and training to counties, tribes, local communities, and other organizations;
- community-based planning and implementation grants that use a public health approach to preventing alcohol use problems among young people;
- regional prevention coordinators across MN to provide substance use prevention technical assistance and training locally to prevention professionals; and
- a tobacco merchant educational training and compliance check project, as well as funding for Synar inspectors, who conduct random inspections of tobacco retailers.

Additional information is in the March 2013 report, [Minnesota's Model of Care for Substance Use Disorder](http://www.leg.state.mn.us/docs/2013/mandated/130622.pdf) (www.leg.state.mn.us/docs/2013/mandated/130622.pdf).

Most of the funding for SUD Treatment Support and Prevention Grants comes from the U.S. Dept. of Health and Human Services Substance Abuse and Mental Health Services Administration (SAMHSA) Block Grant. Additional

funding comes from the SAMHSA Strategic Prevention Framework Partnerships for Success grant focusing on the prevention of alcohol and marijuana use/abuse on college campuses. State appropriations provide additional funding for drug and alcohol abuse prevention, treatment support and recovery maintenance services for Native Americans.

The state’s Compulsive Gambling Program provides:

- public awareness campaigns to promote information and awareness about problem gambling;
- a statewide help phone and text line and problem gambling awareness resources and supports;
- funding for problem gambling assessments, outpatient and residential treatment of problem gambling and gambling addiction;
- compulsive gambling assessments of offenders under section 609.115, subdivision 9;
- training for gambling treatment providers and other behavioral health service providers; and
- research that evaluates awareness, prevention, education, treatment service and recovery supports related to problem gambling and gambling addiction.

Public awareness campaigns target Minnesotans statewide, with specific initiatives aimed at young adults, women, military and veterans, and diverse race and ethnic communities that experience higher rates of problem gambling. The Compulsive Gambling statewide helpline, <http://www.getgamblinghelp.com/about-us/>, (1-800-333-HOPE or text HOPE to 61222) generally receives about one thousand calls/texts requesting information, supports or referrals for treatment services each year. The Compulsive Gambling Treatment program provides funding for approximately 700 people per year for outpatient treatment services. An average of approximately 177 people receive residential treatment each year.

The Compulsive Gambling Treatment program is largely funded by a portion of state lottery proceeds, and a dedicated one-half of one percent of the revenue from the state tax on lawful gambling proceeds.

The Congratulate and Educate tobacco merchant education and compliance project funds local law enforcement and public health departments to conduct undercover buy checks and provide publications. The project, activated in 2014, is designed to promote community policing and to both congratulate clerks who pass an educational tobacco compliance inspection (do not sell to the minor) and to provide education to clerks and owners about youth access tobacco laws and consequences.

The Synar Program which is funded by the federal Substance Abuse Prevention and Treatment Block Grant. Synar conducts annual inspections of randomly selected tobacco retailers in Minnesota to determine the State’s Retailor Violation Rate. Synar requirements include the facilitation of the annual Tobacco Enforcement Survey (TES), the coverage study which is required every three years and the Annual Synar Report which is a required deliverable under the terms and conditions of the Federal Block Grant Award.

The Behavioral Health Division, a division of the agency’s Community Supports Administration, administers the programs and grants within the SUD Treatment Support Grants activity.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Result	Past 30-day use of alcohol by 9th grade youth in communities that received a Planning & Implementation (P&I) grant for prevention work in 2006	35.5%	14.3%	CY2004 vs CY2016
Result	Babies born with negative toxicology results	84%	59%	FY2014 vs. FY2017

Additional Measurement Efforts: The Minnesota Student Survey (MSS) is one viable data source to understand the prevalence of problem gambling among youth and adolescents. Program staff partnered with University of Minnesota researchers to ensure the inclusion of gambling specific questions in the 2016 MSS. Data from the 2016 survey will establish baseline measures for at-risk gambling among youth and adolescents.

Measure Notes:

- The Past 30 day use of alcohol measure consists of data as reported in the Minnesota Student Survey (<http://www.health.state.mn.us/divs/chs/mss/>) for 9th grade students who self-report on their use of alcohol in the last 30 days.
 - P&I grant communities were 7.7 percentage points above the MN State average in 2004 and were 3.1 percentage points above the MN State average in 2016. The MN State average was 27.8 percent in 2004 and 11.2 percent in 2016.
- The babies born with negative toxicology measure is the percentage of babies with negative toxicology results during a 12-month period, born to women served by the state Women's Recovery grants. Note: This data reflects Women's Recovery grant program participants only and is not a population based measure.
 - The decrease in percentage can be attributed to two factors. One key provider provided recovery services to fewer pregnant women in 2017. In addition, the reporting of toxicology was notably less consistent in 2017.
 - Infant toxicology: 59% of infants born in this period tested negative for substances at birth, while 27% tested positive, mostly for marijuana. Results were not available for the remaining 14% of infants born.

Minnesota Statutes, chapters 254A (<https://www.revisor.mn.gov/statutes/?id=254A>), 254B (<https://www.revisor.mn.gov/statutes/?id=254B>) and 256, (<https://www.revisor.mn.gov/statutes/?id=256>) and sections 245.98 (<http://www.revisor.mn.gov/statutes/?id=245.98>) and 297.E02, subd. 3 (<https://www.revisor.mn.gov/statutes/?id=297E.02>) provide the legal authority for CD Treatment Support and Primary Prevention Grants.

CD Treatment Support Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	2,203	2,296	2,827	3,753	2,995	3,059
2000 - Restrict Misc Special Revenue	247	325	172	503	500	500
2001 - Other Misc Special Revenue			772	698	340	340
3000 - Federal	13,901	13,507	20,778	23,096	16,786	15,436
4800 - Lottery	1,400	1,733	1,705	1,733	1,733	1,733
Total	17,750	17,860	26,254	29,783	22,354	21,068
Biennial Change				20,426		(12,615)
Biennial % Change				57		(23)

Expenditures by Category

Operating Expenses	175	540	1,343	1,847	1,085	1,085
Grants, Aids and Subsidies	15,715	15,464	21,141	25,909	19,342	18,806
Other Financial Transaction	1,860	1,855	3,770	2,027	1,927	1,177
Total	17,750	17,860	26,254	29,783	22,354	21,068

CD Treatment Support Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In	961	673	402	584		
Direct Appropriation	1,561	1,595	2,386	2,386	2,136	2,136
Receipts	504	579	695	783	859	923
Cancellations	150	150	72			
Balance Forward Out	673	402	584			
Expenditures	2,203	2,296	2,827	3,753	2,995	3,059
Biennial Change in Expenditures				2,082		(526)
Biennial % Change in Expenditures				46		(8)
2000 - Restrict Misc Special Revenue						
Balance Forward In			175	3		
Receipts	247					
Transfers In		500		500	500	500
Balance Forward Out		175	3			
Expenditures	247	325	172	503	500	500
Biennial Change in Expenditures				103		325
Biennial % Change in Expenditures				18		48
2001 - Other Misc Special Revenue						
Balance Forward In	640	450	790	358		
Transfers In	340	340	340	340	340	340
Transfers Out	530					
Balance Forward Out	450	790	358			
Expenditures			772	698	340	340
Biennial Change in Expenditures				1,470		(790)
Biennial % Change in Expenditures						(54)
3000 - Federal						
Balance Forward In	13,612	363				
Receipts	289	14,058	20,778	23,096	16,786	15,436
Balance Forward Out		914				
Expenditures	13,901	13,507	20,778	23,096	16,786	15,436
Biennial Change in Expenditures				16,466		(11,652)

CD Treatment Support Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
Biennial % Change in Expenditures				60		(27)

4800 - Lottery

Direct Appropriation	1,733	1,733	1,733	1,733	1,733	1,733
Cancellations	333	0	28			
Expenditures	1,400	1,733	1,705	1,733	1,733	1,733
Biennial Change in Expenditures				305		28
Biennial % Change in Expenditures				10		1

Program: Direct Care and Treatment

Activity: Mental Health & Substance Abuse Treatment Services

mn.gov/dhs/people-we-serve/people-with-disabilities/services/direct-care-treatment/

AT A GLANCE

- Mental illness affects one in five families.
- Direct Care and Treatment (DCT) provided mental health inpatient and residential services to approximately 1,125 people in FY 2017.
- DCT operates Anoka Metro Regional Treatment Center, a 110-bed psychiatric hospital that served 354 unduplicated patients in FY18.
- DCT operates six 16-bed Community Behavioral Health Hospitals located across the state, which served a total 677 individuals in FY 2018.
- 759 clients were served in the Community Addiction Recovery Enterprise (C.A.R.E.) program during FY 2017.
- All funds spending for this budget activity was \$114 million for FY 2018. This represents approximately 25 percent of the total Direct Care and Treatment (DCT) all funds spending. Total DCT spending is less than 3 percent of the overall spending for DHS.

PURPOSE & CONTEXT

- As part of the Department of Human Services Direct Care and Treatment (DCT) Administration, Mental Health and Substance Abuse Treatment Services (MHSATS) provides specialized treatment and support services to individuals with mental illness, chemical dependencies/substance abuse and other complex conditions.
- One of the Department of Human Service's goal is to serve people with disabilities by providing access to care close to their home community and natural supports. DCT provides services to individuals with the goal of allowing them to move through the system and back to the community.

SERVICES PROVIDED

The following services are funded with general fund appropriations:

- Adult inpatient services at the Anoka Metro Regional Treatment Center (AMRTC)
- Adult inpatient services at the Community Behavioral Health Hospitals (CBHHs) located in Alexandria, Annandale, Baxter, Bemidji, Fergus Falls, and Rochester
- Child & Adolescent Behavior Health in-patient Services (CABHS) in Willmar
- Minnesota Specialty Health System (MSHS) – providing Intensive Residential Treatment Services (IRTS) for adults in Brainerd, St. Paul, Wadena and Willmar

Services funded with other revenues:

- Community Addiction Recovery Enterprise (C.A.R.E.) – provides inpatient and outpatient treatment to persons with chemical dependency or substance abuse problems. C.A.R.E. programs operate in Anoka, Carlton, Fergus Falls, St. Peter, and Willmar. Inpatient treatment is provided at all five locations, while outpatient treatment is only provided at the Anoka site.

All services:

- are person-centered, focusing on the needs of the individual,
- are provided in a safe environment at the appropriate level of care and,

- allow individuals to move through treatment and back to the most integrated setting possible.

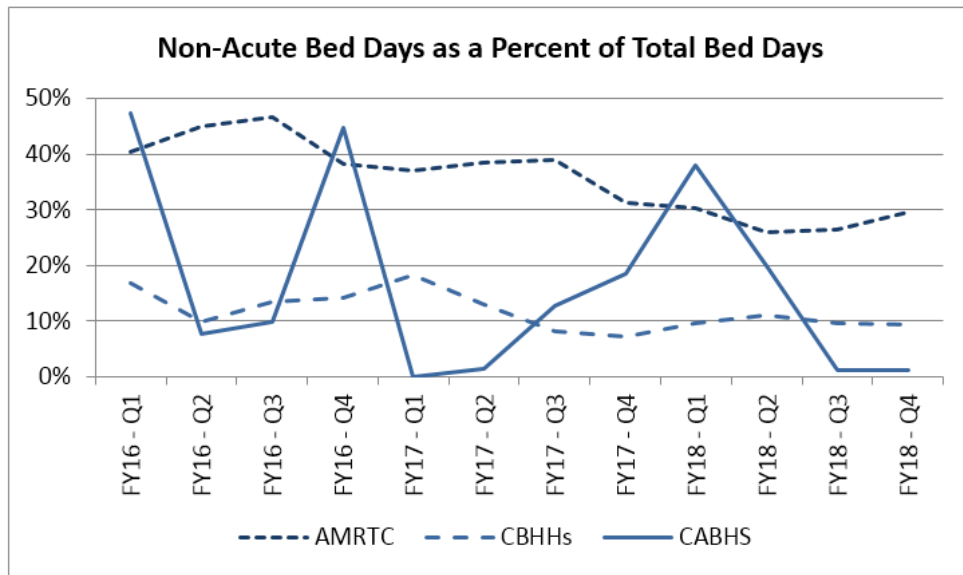
To assure a successful community transition, we use key strategies such as:

- Prompt psychiatric follow-up upon people’s return to a community setting and,
- Reducing the number of medications necessary to control the individual’s symptoms.

We also reach out to partner with community providers to remove the barriers that limit successful transitions back to the community.

RESULTS

We measure non-acute bed days. A non-acute bed day is a day spent in the hospital when the client no longer needs that level of care. When a client does not need hospital level of care but cannot be discharged, it is costly and causes other clients who need hospital level of care to remain on the waiting list. Our goal for inpatient services is that less than 10% of total bed days be classified as non-acute bed days.



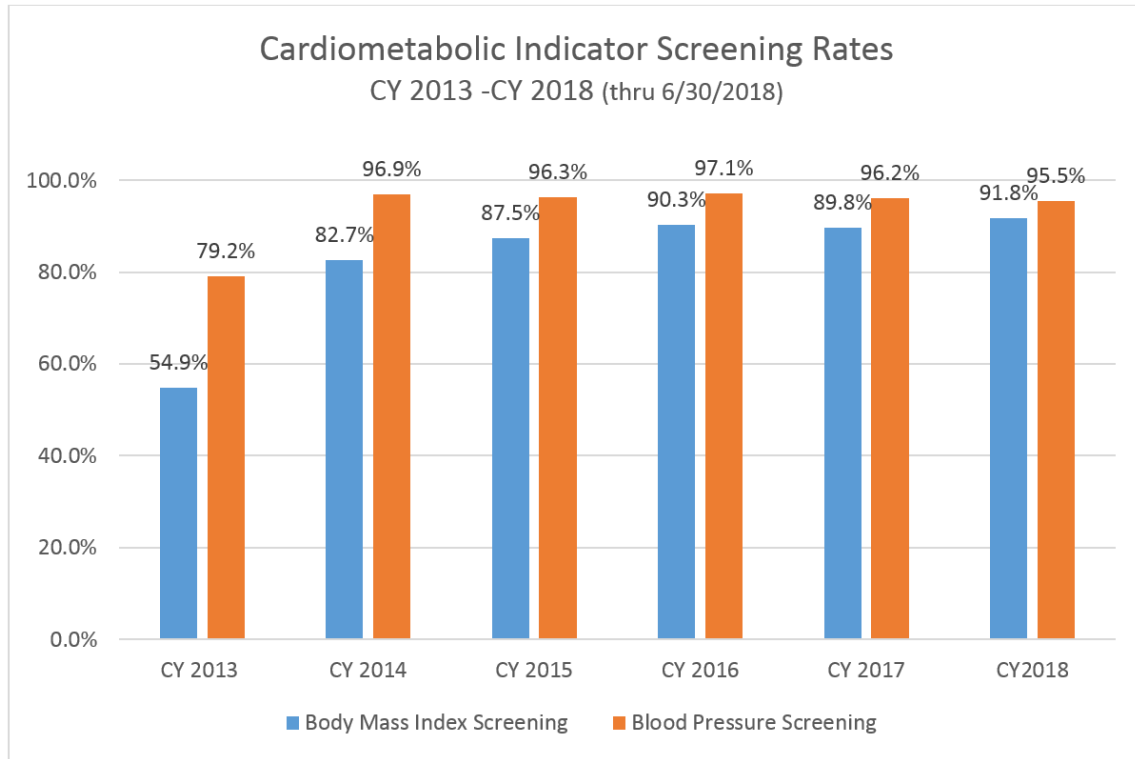
The graph above shows that the non-acute bed day percentage at AMRTC is decreasing, but there has been a slight increase in the last quarter of FY 2018. The slight increase is due in part to the number of admissions directly from jails. A number of these clients need competency restoration services. DCT is working with the counties and the courts to develop processes that would allow discharges of these clients to community providers.

The CBHH non-acute bed days percentage has increased slightly but remains close to the 10% goal. The CABHS program operates few beds, so having just one or two clients who do not meet hospital level of care has a great impact on the non-acute bed day measure.

Another measure of success is the screening for cardiometabolic syndrome indicators. Cardiometabolic syndrome prevention is a key component of improving the lives of those we support and mirrors national trends towards improving healthcare quality systems. Increasing the number of people who are at a healthy weight will help us reduce the incidence of metabolic syndrome and chronic diseases among our patients. These rates also help to determine appropriate interventions. Integrating Body Mass Index (BMI) education into existing programming can reduce the likelihood of the onset and progression of obesity and related chronic diseases, as well as increase healthy eating and physical lifestyle skills. We are collecting information via our Electronic Medical Record (EMR)

and monitoring it closely to help those served maintain an appropriate BMI, reduce incidences of chronic disease, and enable them to live healthier lives.

Managing and maintaining a healthy blood pressure reduces an individual's risk of cardiovascular disease and other chronic diseases. Increasing the number of people with a healthy blood pressure will help us assist our patients to lead healthier lives. Increased screening will also aid in the development of appropriate interventions, increase disease management and prevention, and assist with creating individualized treatment plans.



The graph above shows the work that has been done to improve screening for two key components of cardiometabolic syndrome, Body Mass Index (BMI) and blood pressure. Our goal is to have a 95% screening rate for both BMI and blood pressure. There has been a slight reduction in screening rates this calendar year and work is underway to better support sites in increasing screening rates and using the information for meaningful interventions.

Minnesota Statutes Chapter 246 (<https://www.revisor.mn.gov/statutes/?id=246>) provide the legal authority for Direct Care and Treatment State Operated Services.

NOTE: The budget structure for DHS Direct Care and Treatment programs was modified during the 2018-2019 Biennial Budget to better reflect the services provided and the administrative structures supporting them. This modification brought all DCT under a single Program containing five Budget Activities.

Mental Health & Substance Abuse Trtmt Svcs

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	111,854	134,925	106,694	119,374	118,669	118,661
2000 - Restrict Misc Special Revenue	2,662	2,672	2,652	2,713	2,713	2,713
4101 - DHS Chemical Dependency Servs	18,173	14,293	15,367	15,482	15,274	15,274
6000 - Miscellaneous Agency	120	96	108	110	110	110
Total	132,809	151,986	124,821	137,679	136,766	136,758
Biennial Change				(22,295)		11,024
Biennial % Change				(8)		4
<u>Expenditures by Category</u>						
Compensation	108,341	117,154	94,712	109,981	109,773	109,773
Operating Expenses	23,451	31,414	29,871	27,547	26,842	26,834
Grants, Aids and Subsidies	328	105	111	151	151	151
Capital Outlay-Real Property		42				
Other Financial Transaction	689	3,272	128			
Total	132,809	151,986	124,821	137,679	136,766	136,758
<u>Full-Time Equivalent</u>						
	1,154.83	1,230.91	1,053.64	1,271.14	1,212.66	1,190.62

Mental Health & Substance Abuse Trtmt Svcs

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In		12,619		5,987		
Direct Appropriation	145,326	151,625	118,545	118,631	125,107	125,099
Transfers In	4,108	18,885	405	694		
Transfers Out	26,910	39,616	6,269	5,938	6,438	6,438
Cancellations		8,588				
Balance Forward Out	10,670		5,987			
Expenditures	111,854	134,925	106,694	119,374	118,669	118,661
Biennial Change in Expenditures				(20,711)		11,262
Biennial % Change in Expenditures				(8)		5
Full-Time Equivalents	975.43	1,079.44	910.98	1,111.54	1,062.91	1,043.59

2000 - Restrict Misc Special Revenue

Balance Forward In		56		61	61	61
Direct Appropriation	2,713	2,713	2,713	2,713	2,713	2,713
Cancellations		97				
Balance Forward Out	51		61	61	61	61
Expenditures	2,662	2,672	2,652	2,713	2,713	2,713
Biennial Change in Expenditures				31		61
Biennial % Change in Expenditures				1		1
Full-Time Equivalents	21.30	21.40	21.58	21.05	20.13	19.76

4101 - DHS Chemical Dependency Servs

Balance Forward In	41	227	465	1,043		
Receipts	8,544	8,390	9,507	8,001	8,836	8,836
Transfers In	9,626	6,113	6,438	6,438	6,438	6,438
Balance Forward Out	38	437	1,043			
Expenditures	18,173	14,293	15,367	15,482	15,274	15,274
Biennial Change in Expenditures				(1,616)		(301)
Biennial % Change in Expenditures				(5)		(1)
Full-Time Equivalents	158.10	130.07	121.08	138.55	129.62	127.27

6000 - Miscellaneous Agency

Balance Forward In	3	1	8	4	4	4
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Mental Health & Substance Abuse Trtmt Svcs

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
Receipts	119	96	104	110	110	110
Balance Forward Out	1	0	4	4	4	4
Expenditures	120	96	108	110	110	110
Biennial Change in Expenditures				2		2
Biennial % Change in Expenditures				1		1

Program: Direct Care and Treatment

Activity: Community Based Services

mn.gov/dhs/people-we-serve/people-with-disabilities/services/direct-care-treatment/

AT A GLANCE

- 346 people were served by Community Support Services mobile teams during FY 2017.
- 20 children and adolescents with severe emotional disturbance were served in individual foster homes during FY 2017.
- 529 clients with developmental disabilities were served in community residential services during FY2017.
- 752 clients with developmental disabilities were served in day treatment and habilitation vocational services during FY 2017.
- All funds spending for this budget activity was \$118 million for FY2018. This represents approximately 27 percent of the total Direct Care and Treatment (DCT) all funds spending. Total DCT spending is less than 3 percent of the overall spending for DHS.

PURPOSE & CONTEXT

- As part of the Department of Human Services Direct Care and Treatment (DCT) Administration, Community Based Services (CBS) provides treatment and residential care to individuals with behavioral health issues and developmental disabilities. CBS programs specialize in the treatment of vulnerable people with complex needs for whom no other providers are available.
- The majority of CBS programs operate as an enterprise service. Enterprise services operate on the revenues generated from services provided to clients. Revenues are collected from third-party payment sources such as Medical Assistance, private insurance, and the clients themselves.

SERVICES PROVIDED

Service programs within this activity include:

- **Community Support Services (CSS)** – statewide specialized mobile teams providing crisis support services to individuals with mental illness and/or disabilities in their home community or transitioning back to their home community. Their overall goal is to support people in the most integrated setting by addressing behavior associated with mental illness or intellectual disabilities that would cause individuals to be admitted to institutional settings.
- **Crisis Residential Services and Minnesota Life Bridge (MLB)** – crisis and MLB have a total of eight short-term residential programs throughout the state. Their overall goal is to support people in the most integrated setting close to their home community or natural supports by addressing behavior associated with mental illness or intellectual disabilities that would cause individuals to lose their placements or be admitted to a less integrated setting.
- **Minnesota Intensive Therapeutic Homes (MITH)** – provides foster care to children and adolescents who have severe emotional disturbance and serious acting-out behaviors. Homes are located throughout the state. Each child's treatment structure is individualized and is based on a combination of multidimensional treatment, wrap-around services and specialized behavior therapy.
- **Minnesota State Operated Community Services (MSOCS) Residential Services** – provides residential services in small group homes (typically 4 beds) located throughout the state for individuals with mental illness and/or developmental disabilities. Staff members assist clients with activities of daily living and

help integrate them into the local communities. Individual service agreements are negotiated with counties through the Rate Management System (RMS) for each client based on their needs.

- **Minnesota State Operated Community Services (MSOCS) Vocational Services** – provides vocational support services for people with developmental disabilities. Staff provide evaluations, training, and client assistance at job sites. Individual services agreements are negotiated for each client based on historic rates established for the identified vocational site.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	The average number of individuals residing within MSOCS residential services on a daily basis ¹	411	388	FY 2016 vs. FY 2018
Quantity	The percent of individual workers within MSOCS vocational services who have community employment ²	74%	88%	June 2016 vs. June 2018

Minnesota Statutes Chapter 246 (<https://www.revisor.mn.gov/statutes/?id=246>) provide the legal authority for Direct Care and Treatment State Operated Services.

NOTE: The budget structure for DHS Direct Care and Treatment programs was modified during the 2018-2019 Biennial Budget to better reflect the services provided and the administrative structures supporting them. This modification brought all DCT under a single Program containing five Budget Activities.

¹We continue to reduce our footprint (the number of homes we operate), while transitioning clients into the community when appropriate. This allows us to fulfill our mission of specializing in serving only the most behaviorally complex individuals.

²Community Employment offers a more person-centered approach to employment by giving individuals the opportunity to secure a variety of employment options outside the traditional contracted services that are brought into a Day Treatment & Habilitation (DT&H) site based employment setting.

Community Based Services

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General			10,025	11,373	11,055	11,055
2000 - Restrict Misc Special Revenue	1,834	188	6	40	10	10
2403 - Gift	7	7	2	10	10	10
4100 - SOS TBI & Adol Ent Svcs	1,621	1,657	1,544	1,495	1,495	1,495
4350 - MN State Operated Comm Svcs	103,496	111,573	111,722	113,447	110,578	110,315
Total	106,959	113,425	123,300	126,365	123,148	122,885
Biennial Change				29,280		(3,632)
Biennial % Change				13		(1)

Expenditures by Category

Compensation	92,500	97,760	110,404	113,993	111,533	111,093
Operating Expenses	13,511	14,478	11,734	11,456	10,699	10,876
Grants, Aids and Subsidies	919	1,067	877	916	916	916
Other Financial Transaction	29	120	284			
Total	106,959	113,425	123,300	126,365	123,148	122,885

Full-Time Equivalent

	1,408.74	1,455.80	1,545.64	1,458.03	1,417.47	1,409.07
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Community Based Services

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In				691		
Direct Appropriation	9,626	20,113	25,652	20,543	15,036	13,448
Transfers In			155	111		
Transfers Out	9,626	20,113	15,091	9,972	3,981	2,393
Balance Forward Out			691			
Expenditures			10,025	11,373	11,055	11,055
Biennial Change in Expenditures				21,398		712
Biennial % Change in Expenditures						3
Full-Time Equivalents			82.46	98.25	93.95	92.24

2000 - Restrict Misc Special Revenue

Balance Forward In	713	276	92	93	63	63
Receipts	1,272	2	9	10	10	10
Balance Forward Out	151	90	94	63	63	63
Expenditures	1,834	188	6	40	10	10
Biennial Change in Expenditures				(1,976)		(26)
Biennial % Change in Expenditures				(98)		(57)
Full-Time Equivalents	15.78	0.80				

2403 - Gift

Balance Forward In	50	45	40	39	30	21
Receipts	2	2	2	1	1	1
Balance Forward Out	45	40	39	30	21	12
Expenditures	7	7	2	10	10	10
Biennial Change in Expenditures				(3)		8
Biennial % Change in Expenditures				(20)		69

4100 - SOS TBI & Adol Ent Svcs

Balance Forward In	425	248	260	221	354	487
Receipts	1,430	1,668	1,505	1,628	1,628	1,628
Balance Forward Out	234	259	221	354	487	620
Expenditures	1,621	1,657	1,544	1,495	1,495	1,495
Biennial Change in Expenditures				(239)		(49)

Community Based Services

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
Biennial % Change in Expenditures				(7)		(2)
Full-Time Equivalents	23.96	24.70	23.93	21.68	20.73	20.35

4350 - MN State Operated Comm Svcs

Balance Forward In	173	3,124	1,208	2,640		
Receipts	93,061	95,747	104,064	106,826	106,597	107,922
Transfers In	14,000	14,000	9,090	3,981	3,981	2,393
Transfers Out	830	181				
Balance Forward Out	2,909	1,116	2,640			
Expenditures	103,496	111,573	111,722	113,447	110,578	110,315
Biennial Change in Expenditures				10,101		(4,276)
Biennial % Change in Expenditures				5		(2)
Full-Time Equivalents	1,369.00	1,430.30	1,439.25	1,338.10	1,302.79	1,296.48

Program: Direct Care and Treatment

Activity: Forensic Services

mn.gov/dhs/people-we-serve/people-with-disabilities/services/direct-care-treatment/

AT A GLANCE

- Minnesota Security Hospital (MSH) served 271 individuals during FY 2017; 65 were discharged with an average length of stay of 5.8 years.
- Transition Services served 102 individuals during FY 2017; 41 were discharged with an average length of stay of 6.9 years.
- Forensic Nursing Home served 45 individuals during FY 2017; 15 were discharged with an average length of stay of 1.2 years.
- 135 individuals received Competency Restoration Services during FY 2017.
- Overall, the Forensic Services census is currently forecast to increase by 2-3 individuals per year.
- All funds spending for this budget activity was \$94 million for FY 2018. This represents approximately 21 percent of the total Direct Care and Treatment (DCT) all funds spending. Total DCT spending is less than 3 percent of the overall spending for DHS.

PURPOSE & CONTEXT

- As part of the Department of Human Services Direct Care & Treatment (DCT) Administration, Forensic Services in St. Peter provides multidisciplinary treatment services to adults with severe and persistent mental illness who usually have also come to the attention of the criminal justice system because they are at risk of endangering others and/or they present a serious risk to the public.
- Clients are admitted as a result of judicial or other lawful orders. Clients come from throughout the state. Most are under a civil commitment as mentally ill and dangerous.
- The 2017 Legislature appropriated \$25 million for FY 2018-19 biennium to increase staffing to improve client care and increase staff safety.
- The 2017 Legislature appropriated \$70 million in general obligation bonds for Phase 2 construction of residential and program areas to help create a safer and more therapeutic environment at MSH.
- The 2018 Legislature appropriated \$2.2 million in general obligation bonds to remodel the dietary building on the St. Peter campus.

SERVICES PROVIDED

Forensics Services programs provide a continuum of services:

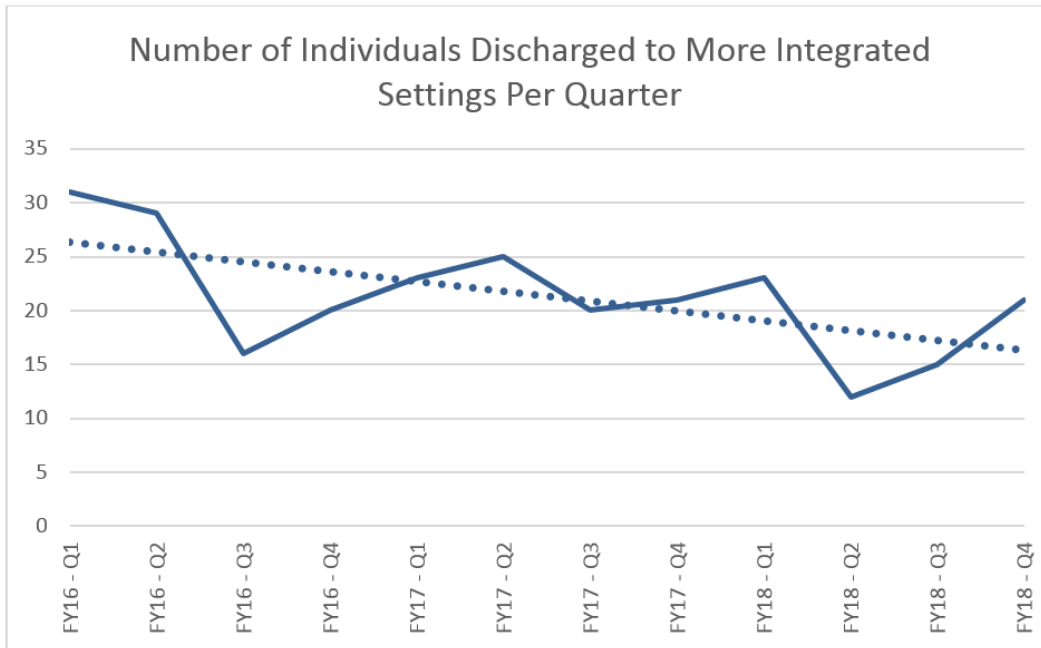
- **Minnesota Security Hospital** – provides a secure inpatient setting for treatment of severe mental illness for individuals committed as mentally ill and dangerous (MI&D).
- **Transition Services** - provide a supervised residential setting for individuals committed as MI&D and offers social rehabilitation treatment to increase self-sufficiency and build skills necessary for a safe return to the community.
- **Forensic Nursing Home** - provides nursing home level of care to individuals committed as mentally ill and dangerous, a sexual psychopathic personality, sexually dangerous person or on medical release from the Department of Corrections.
- **Competency Restoration Services** – evaluates and treats individuals who have been committed as mentally ill and determined to not be competent under Minnesota Court Rules of Criminal Procedure [Rule 20.01 Subd. 7](#). This service is provided in conjunction with mental health treatment in DCT programs.

- **Court-ordered evaluations** – include evaluations of a person’s competency to stand trial and pre-sentencing mental health evaluations. These can be done on either an inpatient basis at the Minnesota Security Hospital or in a community setting, including a community corrections facility.

All of these services are provided through a direct general fund appropriation except court-ordered evaluations, which is funded with other revenues.

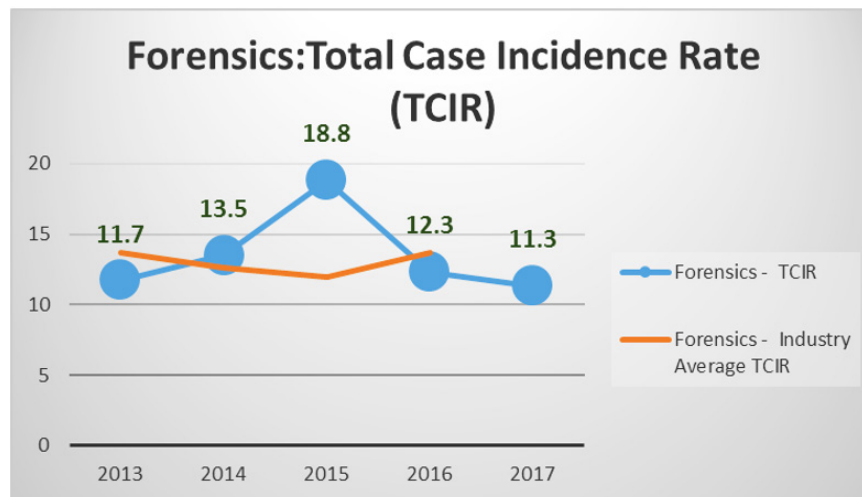
RESULTS

We measure success by the number of individuals discharged from Forensics Services programs to more integrated settings, reflective of the Minnesota Olmstead Plan. In the chart below, the solid line is the average number of discharges. The dotted line is the trend line over the past three years.



It should be noted that in January 1, 2016, the definition of more integrated settings was converted from data on discharges to any non-forensic/correctional setting, to data on discharges to non-segregated settings. During the second half of FY18, there was an increase in the number of individuals discharged to more integrated settings.

We care about the safety of our clients and staff. One measure of safety is the Occupational Safety and Health Administration (OSHA) Total Case Incidence Rate (TCIR). The OSHA Total Case Incident Rate is the total number of workplace injuries or illnesses per 100 full time employees (FTE) working in a year. This is a metric used nationally to compare rates of workplace injuries with national averages of similar industries, which in our case is state healthcare nursing and residential facilities. In the chart below, the blue line is the annual data for Forensic Treatment Services (FTS). The orange line denotes the industry code average rate for state government nursing and residential facilities. For 2016, the national average among state government nursing and residential care facilities was 13.7 incidents per 100 FTE. The average for 2017 is not yet available.



There have been many efforts taken within Forensic Services that contributed to the reduction in TCIR over the past few calendar years:

- Designing the new facility to focus on creating an environment that would be safe for the patients and the staff who care for them.
- Recognizing inconsistency in our trainings, rewriting curriculum, training and/or retraining staff, as well as continuing to monitor for integrity of the training.
- Initiating quarterly safety skills fairs, where the focus of training is on noted incidents that occurred during the last quarter where staff and/or patient injuries occurred.
- Continuously evaluating equipment used during needed containment of patients to minimize risk.
- Establishing a behavioral support team of professionals that review incidents and can then wrap some additional clinical services around those patients by working with their treatment teams.

Minnesota Statutes Chapter 246 (<https://www.revisor.mn.gov/statutes/?id=246>) provide the legal authority for State Operated Services. See also, Minnesota Statutes Chapter 253 (<https://www.revisor.mn.gov/statutes/?id=253>) for additional authority that is specific to Forensic Services.

NOTE: The budget structure for DHS Direct Care and Treatment programs was modified during the 2018-2019 Biennial Budget to better reflect the services provided and the administrative structures supporting them. This modification brought all DCT under a single Program containing five Budget Activities.

Forensic Services

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	83,799	93,160	98,623	108,696	112,126	115,342
2000 - Restrict Misc Special Revenue	842	784	920	917	917	917
6000 - Miscellaneous Agency	1,665	1,504	1,694	1,809	1,725	1,725
Total	86,306	95,448	101,238	111,422	114,768	117,984
Biennial Change				30,906		20,092
Biennial % Change				17		9
<u>Expenditures by Category</u>						
Compensation	72,084	77,915	85,584	95,579	99,009	102,225
Operating Expenses	11,694	12,910	11,989	13,581	13,497	13,497
Grants, Aids and Subsidies	2,302	2,160	2,381	2,262	2,262	2,262
Capital Outlay-Real Property		374	281			
Other Financial Transaction	226	2,090	1,003			
Total	86,306	95,448	101,238	111,422	114,768	117,984
<u>Full-Time Equivalents</u>	817.24	853.51	922.40	988.77	983.02	999.70

Forensic Services

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In		784		1,078		
Direct Appropriation	84,021	93,289	102,806	106,958	112,126	115,342
Transfers In		3,500	343	660		
Transfers Out		3,500	3,448			
Cancellations		913				
Balance Forward Out	222		1,078			
Expenditures	83,799	93,160	98,623	108,696	112,126	115,342
Biennial Change in Expenditures				30,360		20,149
Biennial % Change in Expenditures				17		10
Full-Time Equivalents	814.27	851.25	919.27	985.67	980.06	996.79

2000 - Restrict Misc Special Revenue

Balance Forward In	224	263	437	469	468	468
Receipts	826	910	952	916	917	917
Balance Forward Out	208	389	469	468	468	468
Expenditures	842	784	920	917	917	917
Biennial Change in Expenditures				212		(3)
Biennial % Change in Expenditures				13		(0)
Full-Time Equivalents	2.97	2.26	3.13	3.10	2.96	2.91

6000 - Miscellaneous Agency

Balance Forward In	410	324	292	293	159	134
Receipts	1,580	1,472	1,695	1,675	1,700	1,725
Transfers In			107			
Transfers Out			107			
Balance Forward Out	324	292	293	159	134	134
Expenditures	1,665	1,504	1,694	1,809	1,725	1,725
Biennial Change in Expenditures				334		(53)
Biennial % Change in Expenditures				11		(2)

Program: Direct Care and Treatment
Activity: Minnesota Sex Offender Program

mn.gov/dhs/people-we-serve/adults/services/sex-offender-treatment/

AT A GLANCE

- Minnesota Sex Offender Program (MSOP) population as of June 30, 2018 was 736.
- Clients progress across three phases of treatment through active participation in group therapy and opportunities to demonstrate meaningful change.
- As of June 30, 2018, approximately 85 percent of MSOP treatment-eligible clients voluntarily participated in treatment.
- As of June 30, 2018, 15 MSOP clients are provisionally discharged in the community.
- All funds spending for this budget activity was \$87 million for FY 2018. This represents approximately 20% of the total Direct Care and Treatment (DCT) all funds spending. Total DCT spending is less than 3 percent of the overall spending for DHS.

PURPOSE & CONTEXT

- As part of the Department of Human Services Direct Care and Treatment (DCT) Administration, the Minnesota Sex Offender Program (MSOP) provides services to individuals who have been civilly committed to receive sex offender treatment.
- MSOP's mission is to promote public safety by providing sex offender treatment.
- Minnesota is one of 20 states with civil commitment laws for sex offenders.
- Most MSOP clients come from the Department of Corrections through the civil commitment process after they have finished their period of incarceration.
- Transfer to Community Preparation Services, provisional discharge or discharge from MSOP must be ordered by the court.

SERVICES PROVIDED

We accomplish our mission by:

- Creating a therapeutic environment that is safe for clients and staff. The treatment model is client-centered and has a clear progression for each phase of treatment.
- Providing core group therapy, psycho-educational groups, and other programming opportunities in a three phase sex offender treatment program. Clients also participate in rehabilitative services including: education, therapeutic recreational activities and vocational work program assignments.
- Providing risk assessment and professional treatment reports to courts to assist in their decisions.
- Working together with community, policy makers, and other governmental agencies.
- Developing resources for provisionally discharged clients to succeed in the community.

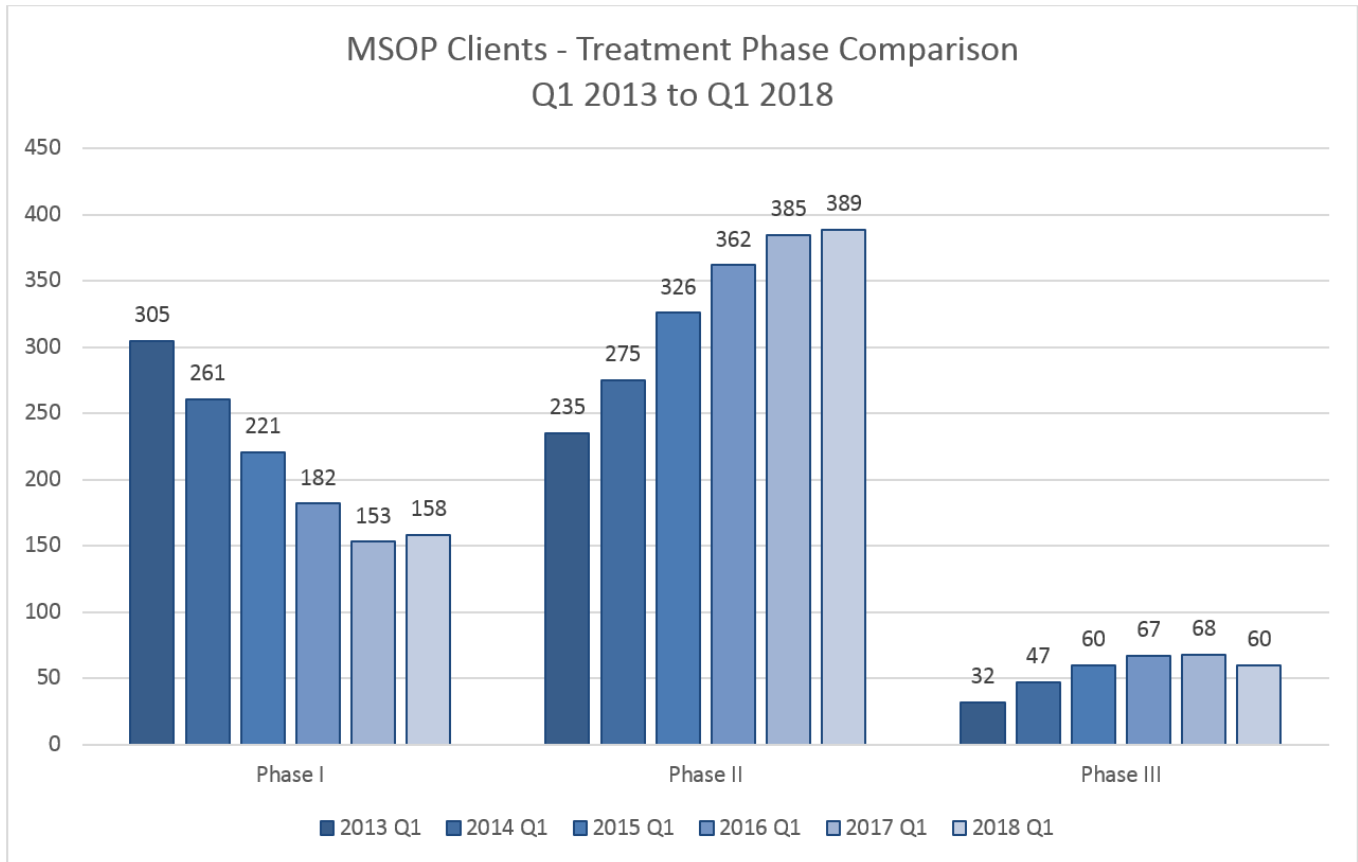
MSOP uses a three-phase treatment process. Clients initially address treatment-interfering behaviors and attitudes (Phase I) in preparation for focusing on their patterns of abuse and identifying and resolving the underlying issues in their offenses (Phase II). Clients in the later stages of treatment focus on deinstitutionalization and reintegration, applying the skills they acquired in treatment across settings and maintaining the changes they have made while managing their risk for re-offense (Phase III).

MSOP is funded by general fund appropriations. When a county commits someone to the program, the county is responsible for part of the cost of care. For commitments initiated before August 2011, the county share is ten

percent. For commitments after that date, the county share is 25 percent. When a client is court ordered to provisional discharge (continued community supervision by MSOP), there is no county share.

RESULTS

As more clients move through the program, we expect to see increases in the number of clients participating in the latter stages of treatment. The chart below shows the treatment progression of clients since 2013.



The legislature requires an annual performance report on the Minnesota Sex Offender Program. Two important measures in the performance report are the program wide per diem and client counts. For MSOP the program wide per diem is the calculated daily comprehensive cost of the program for each client.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Per diem	\$344	\$373	FY16 to FY18
Quantity	Increase in client population	723	736	FY16 to FY18
Quality	Increase in client population on Provisional Discharge	5	15	FY16 to FY18

Results Notes

- Treatment progression graph is produced by the MSOP Research Department.
- The reported measure is the published per diem rate. It is the rate charged to counties when figuring a county’s share of the cost of a client’s care.
- Client population counts in the table below are as of June 30th (the end of each fiscal year).

Minnesota Statutes, chapter 246B (<https://www.revisor.mn.gov/statutes/cite/246B>) governs the operation of the Sex Offender Program and chapter <https://www.revisor.mn.gov/statutes/cite/253D> governs the civil commitment and treatment of sex offenders.

NOTE: The budget structure for DHS Direct Care and Treatment programs was modified during the 2018-2019 Biennial Budget to better reflect the services provided and the administrative structures supporting them. This modification brought all DCT under a single Program containing five Budget Activities.

MN Sex Offender Program

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General	81,924	85,301	86,125	92,777	87,338	87,887
2000 - Restrict Misc Special Revenue			1,071	3		
4503 - Minnesota State Industries	1,170	1,232	1,562	1,607	1,607	1,607
6000 - Miscellaneous Agency	3,449	3,732	3,662	3,492	3,492	3,492
Total	86,543	90,264	92,420	97,879	92,437	92,986
Biennial Change				13,492		(4,876)
Biennial % Change				8		(3)
<u>Expenditures by Category</u>						
Compensation	68,291	71,116	74,628	76,833	72,721	73,270
Operating Expenses	15,308	14,741	14,145	17,939	16,609	16,609
Grants, Aids and Subsidies	2,823	3,485	3,371	3,107	3,107	3,107
Capital Outlay-Real Property		102				
Other Financial Transaction	120	821	276			
Total	86,543	90,264	92,420	97,879	92,437	92,986
<u>Full-Time Equivalent</u>						
	831.37	846.36	861.79	865.20	780.23	722.23

MN Sex Offender Program

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In	0	2,795		1,056		
Direct Appropriation	87,081	89,596	89,217	89,225	87,338	87,887
Transfers In			3,500	5,582		
Transfers Out	3,086	6,739	5,536	3,086		
Cancellations		351				
Balance Forward Out	2,071		1,056			
Expenditures	81,924	85,301	86,125	92,777	87,338	87,887
Biennial Change in Expenditures				11,677		(3,677)
Biennial % Change in Expenditures				7		(2)
Full-Time Equivalents	829.61	845.74	861.79	865.20	780.23	722.23

2000 - Restrict Misc Special Revenue

Balance Forward In				3		
Receipts			1,074			
Balance Forward Out			3			
Expenditures			1,071	3		
Biennial Change in Expenditures				1,074		(1,074)
Biennial % Change in Expenditures						(100)

4503 - Minnesota State Industries

Balance Forward In	971	1,222	1,507	1,864	1,864	1,864
Receipts	1,164	1,363	1,920	1,607	1,607	1,607
Balance Forward Out	965	1,352	1,864	1,864	1,864	1,864
Expenditures	1,170	1,232	1,562	1,607	1,607	1,607
Biennial Change in Expenditures				768		45
Biennial % Change in Expenditures				32		1
Full-Time Equivalents	1.76	0.62				

6000 - Miscellaneous Agency

Balance Forward In	387	330	276	314	314	314
Receipts	3,242	3,616	3,700	3,492	3,492	3,492
Balance Forward Out	180	215	314	314	314	314
Expenditures	3,449	3,732	3,662	3,492	3,492	3,492

MN Sex Offender Program

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY16	FY17	FY18	FY19	FY20	FY21
Biennial Change in Expenditures				(27)		(170)
Biennial % Change in Expenditures				(0)		(2)

Program: Direct Care and Treatment

Activity: DCT Administration

mn.gov/dhs/people-we-serve/people-with-disabilities/services/direct-care-treatment/

AT A GLANCE

- Direct Care and Treatment (DCT) offers programs in more than 200 sites throughout Minnesota.
- We provide services to over 12,000 individuals annually.
- There are over 4,500 employees in Direct Care and Treatment (DCT) with an annual budget of over \$450 million.
- All funds spending for this budget activity was \$31 million for FY 2018. This represents approximately 7 percent of the total DCT all funds spending. Total DCT spending is less than 3 percent of the overall spending for DHS.

PURPOSE & CONTEXT

Direct Care and Treatment (DCT) operates as a health care system providing a wide range of services to individuals with behavioral health needs. These services are provided throughout the state with 24/7 operations of sites that include psychiatric hospitals, residential treatment sites, vocational services, secure facilities and community clinics. DCT Administration oversees and manages the business operations of this health care system. The administration also provides strategic plan development and implementation as well as oversight to integrate DCT's 7 pillars of excellence (Quality, Services, People, Growth, Financial, Technology, Legislative) into all programs, divisions and staff.

SERVICES PROVIDED

Our **Compliance Office** is responsible for managing the relationships with several regulating entities that provide oversight to DCT programs. The staff in this area work with program staff to assure that the programs understand the regulatory, court and legislative requirements and that all standards are being followed.

Our **Health Information Management Services (HIMS) unit** manages all patient and client records to assure that information is properly documented and protected. HIMS provides support to the direct care staff to assure medical records are accurate, timely, and up-to-date, laws are followed related to civil commitment, records are properly stored and access to private information is appropriate and documented. HIMS will also be developing, implementing, and auditing the business processes incorporated into the Behavioral Health Medical Records to ensure the system meets regulatory requirements and business needs.

Our **Utilization Management unit** is responsible for assuring that all patient care is appropriate and is being provided within the right level of care. When individuals are being served in the proper level of care they are able to receive the most appropriate services to meet their needs. Services can then be billed which allows the state to recapture the cost of serving the individual.

On-going training is essential to providing quality care within a health care organization. Our **Learning and Development** office ensures that staff have the necessary training needed to meet regulatory requirements/standards and to best serve the individuals in our care. Each division within DCT has a Learning Advisory Committee and a team of individuals that help develop and manage training to ensure DCT meets regulatory requirements and that training is completed in a timely manner. These groups also ensure ongoing employee training is managed and documented appropriately.

Performance Improvement is a regulatory compliance requirement. This office ensures our programs meet quality assurance and performance improvement standards. Performance improvement projects are done with a

goal of improving the processes and systems that support our healthcare services. Projects allow us to be proactive in identifying areas of risks and potential problems but also to respond to a problem that has been identified by an oversight entity so measures can be put in place to eliminate future risks.

Our **Safety and Infection Control** staff ensure that standards set by various licensing agencies are in place to protect the people we serve and our staff. On-going identification of hazards assures that practices are put in place to maintain safety and supports the business continuity planning and emergency response by the organization. This includes the ongoing monitoring of things such as tuberculosis, influenza, safe patient handling, falls prevention, and safe operation of equipment.

Our **Financial Management** office provides fiscal services and controls the financial transactions and reporting to assure prudent use of public resources. Core functions in this area include preparing operating and legislative budget requests, patient services billing and accounts receivable, contract management support, accounts payable, Medicare and/or Medicaid Cost reporting for our hospitals and clinics, financial reporting, and resident trust services for our institutional patients and clients.

Our **Facilities Management** unit is responsible for buildings occupied by DCT programs including the strategic planning necessary to complete capital budget requests. Core functions include leasing of space for DCT, project management of design and construction projects, asset management, conditional facility assessment, department sustainability activities and strategic planning to meet the on-going needs of our programs.

Our **Business Process Services** unit provides support to direct care staff on consistent and standardized processes for doing business. These business processes cross all programs/divisions to develop core ways of providing electronic documentation of admissions, assessments, treatment progress, discharge, etc. Another core function is to ensure these standardized business processes are incorporated into the DCT Behavioral Health Medical Record, which is the backbone of our health care system.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	The number of background checks completed for hand gun permits ¹	10,118	11,761	FY16 & FY18
Quantity	The number of requests for releasing client specific information	2,085	6,031	FY16 & FY18
Quantity	The number of unique claims processed for client billings	140,203	162,797	FY16 & FY18

¹ DCT HIMS staff complete the process as required under Minnesota Statute 245.041 to provide commitment information to local law enforcement agencies for the sole purpose of facilitating a firearms background check.

Minnesota Statutes Chapter 246 (<https://www.revisor.mn.gov/statutes/cite/246>) provide the legal authority for Direct Care and Treatment State Operated Services.

NOTE: The budget structure for DHS Direct Care and Treatment programs was modified during the 2018-2019 Biennial Budget to better reflect the services provided and the administrative structures supporting them. This modification brought all DCT under a single Program containing five Budget Activities.

DCT Administration

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1000 - General			31,711	37,192	29,031	29,290
2000 - Restrict Misc Special Revenue	2,747	1,854	3,862	6,266	3,662	3,662
2001 - Other Misc Special Revenue	720	333	8,556	8,540	8,540	8,540
2403 - Gift	0					
Total	3,467	2,187	44,130	51,998	41,233	41,492
Biennial Change				90,475		(13,403)
Biennial % Change				1,600		(14)
<u>Expenditures by Category</u>						
Compensation	1,293	412	26,675	33,102	31,977	31,977
Operating Expenses	2,160	1,764	17,140	18,896	9,256	9,515
Grants, Aids and Subsidies	4	3	1			
Other Financial Transaction	10	7	314			
Total	3,467	2,187	44,130	51,998	41,233	41,492
<u>Full-Time Equivalents</u>	11.70	18.14	224.42	284.85	258.14	253.45

DCT Administration

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1000 - General						
Balance Forward In				6,512		
Direct Appropriation			45,151	45,708	47,124	47,383
Transfers In			13,914	8,139		
Transfers Out			20,841	23,167	18,093	18,093
Balance Forward Out			6,512			
Expenditures			31,711	37,192	29,031	29,290
Biennial Change in Expenditures				68,903		(10,582)
Biennial % Change in Expenditures						(15)
Full-Time Equivalents			190.80	244.80	234.09	229.84

2000 - Restrict Misc Special Revenue

Balance Forward In	628	1,263	1,724	3,256	502	502
Direct Appropriation	250		200	100	100	100
Receipts	3,123	2,516	5,194	3,412	3,412	3,412
Transfers In					150	150
Transfers Out	23	106				
Cancellations		109				
Balance Forward Out	1,231	1,710	3,256	502	502	502
Expenditures	2,747	1,854	3,862	6,266	3,662	3,662
Biennial Change in Expenditures				5,527		(2,804)
Biennial % Change in Expenditures				120		(28)
Full-Time Equivalents	11.70	18.14	33.62	40.05	24.05	23.61

2001 - Other Misc Special Revenue

Balance Forward In	285	188	293	485	485	485
Receipts	623	437	679	470	470	470
Transfers In			8,069	8,070	8,070	8,070
Balance Forward Out	188	293	485	485	485	485
Expenditures	720	333	8,556	8,540	8,540	8,540
Biennial Change in Expenditures				16,044		(16)
Biennial % Change in Expenditures				1,525		(0)

2400 - Endowment

DCT Administration

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
Balance Forward In	60	61	61	62	63	63
Receipts	0	1	1	1		
Balance Forward Out	61	61	62	63	63	63

2403 - Gift

Balance Forward In	8	8	8	7	7	7
Receipts	0	0	0			
Balance Forward Out	8	8	8	7	7	7
Expenditures	0					
Biennial Change in Expenditures				0		0
Biennial % Change in Expenditures						

4100 - SOS TBI & Adol Ent Svcs

Balance Forward In	107	108	109	111	111	111
Receipts	1	1	2			
Balance Forward Out	108	109	111	111	111	111

6000 - Miscellaneous Agency

Balance Forward In	168	169	171	173	173	173
Receipts	1	2	3			
Balance Forward Out	169	171	173	173	173	173

Program: Fiduciary Activities

Activity: Fiduciary Activities

mn.gov/dhs/people-we-serve/children-and-families/services/child-support/

AT A GLANCE

- Child Support program payments are the bulk of this activity, amounting to \$602.7 million in the same year.
- All funds spending for the Fiduciary Activities activity for FY 2017 was \$636.5 million.

PURPOSE & CONTEXT

The Fiduciary Activities budget program:

- Collects money from individuals and organizations (for example people who owe child support)
- Distributes the collected funds to people owed the money (such as children receiving child support)

Because these are not state funds and belong to others, they are not included in the state's budget or consolidated fund statement.

SERVICES PROVIDED

The following services make up most of the transactions of this budget activity:

- Child Support Payments: Payments made to custodial parents, collected from non-custodial parents
- Recoveries: Money recovered from clients that cannot be processed in the state computer systems. Funds are held here until they can be credited to the correct area, such as:
 - US Treasury
 - Supplemental Security Income (SSI)
 - Counties
 - Clients
- Long-Term Care Penalties: These are funds collected by the federal government (Centers for Medicare and Medicaid Services) related to penalties for nursing home violations. We use these to fund approved projects to improve nursing homes.

RESULTS

The Child Support Program makes timely distribution of collected child support payments to custodial parents and ranks in the top tier of states in terms of percent collections and payments on both current obligations and arrears.

State Performance on Current Obligations

<i>State</i>	<i>FFY 2016 (%)</i>	<i>Due 2016 in Millions (\$)</i>	<i>Paid 2016 in Millions (\$)</i>	<i>FFY 2015 (%)</i>	<i>FFY 2014 (%)</i>
Pennsylvania	84.3	1,264	1,066	84.0	83.5
Wisconsin	74.4	696	518	74.1	73.0
Minnesota	74.2	604	449	73.4	72.4
Vermont	74.2	48	35	72.7	70.8
Iowa	73.5	333	245	74.2	73.9

State Performance on Obligations in Arrears

<i>State</i>	<i>FFY 2016 (%)</i>	<i>Cases with Arrears (2016)</i>	<i>Cases with Payment Towards Arrears (2016)</i>	<i>FFY 2015 (%)</i>	<i>FFY 2014 (%)</i>
Pennsylvania	84.5	274,727	232,184	83.9	83.5
Vermont	75.5	14,038	10,607	73.4	71.6
Indiana	73.2	233,432	171,016	71.8	70.3
Minnesota	72.3	179,267	129,721	72.1	70.9
Wyoming	70.5	27,011	19,065	71.8	70.7

Source: 2017 Minnesota Child Support Performance Report
<https://www.leg.state.mn.us/docs/2018/other/180484.pdf>

Several state statutes underlie the activities in the Fiduciary Activities budget program. These statutes are M.S. sections 256.741 (<https://www.revisor.mn.gov/statutes/?id=256.741>), 256.019 (<https://www.revisor.mn.gov/statutes/?id=256.019>), 256.01 (<https://www.revisor.mn.gov/statutes/?id=256.01>), and 256B.431 (<https://www.revisor.mn.gov/statutes/?id=256B.431>).

Fiduciary Activities

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<i>Expenditures by Fund</i>						
2000 - Restrict Misc Special Revenue	2,114	1,780	2,213	2,456	2,553	3,052
6000 - Miscellaneous Agency	29,678	31,968	28,499	212,818	209,775	209,775
6003 - Child Support Enforcement	615,740	602,763	591,132	658,280	647,962	647,962
Total	647,531	636,510	621,844	873,554	860,290	860,789
Biennial Change				211,356		225,681
Biennial % Change				16		15

Expenditures by Category

Compensation				103	103	103
Operating Expenses	4,866	4,360	4,958	7,503	5,298	5,797
Grants, Aids and Subsidies	14,997	15,961	17,252	195,063	194,322	194,322
Other Financial Transaction	627,668	616,189	599,633	670,885	660,567	660,567
Total	647,531	636,510	621,844	873,554	860,290	860,789

Fiduciary Activities

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
2000 - Restrict Misc Special Revenue						
Balance Forward In	5,699	4,714	4,538	3,951	4,286	4,210
Receipts	2,752	2,580	2,767	4,269	4,269	4,269
Transfers In	173	115	85			
Transfers Out	1,820	1,099	1,225	1,478	1,792	1,520
Balance Forward Out	4,691	4,531	3,951	4,286	4,210	3,907
Expenditures	2,114	1,780	2,213	2,456	2,553	3,052
Biennial Change in Expenditures				776		936
Biennial % Change in Expenditures				20		20
6000 - Miscellaneous Agency						
Balance Forward In	4,618	4,611	2,541	3,043		
Receipts	28,780	29,777	29,001	209,775	209,775	209,775
Balance Forward Out	3,720	2,421	3,043			
Expenditures	29,678	31,968	28,499	212,818	209,775	209,775
Biennial Change in Expenditures				179,671		178,233
Biennial % Change in Expenditures				291		74
6003 - Child Support Enforcement						
Balance Forward In	9,904	9,380	10,624	10,318		
Receipts	615,216	604,026	590,826	647,962	647,962	647,962
Balance Forward Out	9,380	10,643	10,318			
Expenditures	615,740	602,763	591,132	658,280	647,962	647,962
Biennial Change in Expenditures				30,909		46,512
Biennial % Change in Expenditures				3		4

Program: Technical Activities

Activity: Technical Activities

AT A GLANCE

- Accounts for approximately \$600 million in annually federal administrative reimbursement to counties, tribes and other local agencies.
- Processes and returns roughly \$40 million each year in administrative reimbursements to the state Treasury.
- All funds spending for the Technical Activities activity for FY 2017 was approximately \$700 million.

PURPOSE & CONTEXT

The Technical Activities budget program includes transfers and expenditures between federal grants, programs and other agencies that would result in misleading distortions of the state’s budget if the Department of Human Services did not account for them in a separate budget activity. This arrangement helps us to make sure that these transfers and expenditures are still properly processed in the state’s accounting system and helps us comply with federal accounting requirements

SERVICES PROVIDED

We include several different types of inter-fund and pass through expenditures in the Technical Activities budget program:

- Federal administrative reimbursement earned by and paid to counties, tribes and other local agencies.
- Federal administrative reimbursement earned by and paid to other state agencies.
- Administrative reimbursement (primarily federal funds) earned on statewide indirect costs and paid to the general fund.
- Administrative reimbursement (primarily federal funds) earned on DHS Central Office administrative costs and paid to the general fund, health care access fund or special revenue fund under state law and policy.
- Transfers between federal grants, programs and state agencies that are accounted for as expenditures in the state’s SWIFT accounting system.
- Other technical accounting transactions.

Staff members in our Operations Administration, which is part of our Central Office, are responsible for the accounting processes we use to manage the Technical Activities budget program.

RESULTS

We maintain necessary staff and information technology resources to adequately support accurate, efficient, and timely federal fund cash management. We measure the percentage of federal funds deposited within two working days.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quality	Percent of federal fund deposit transactions completed (deposited in State treasury) within two working days of the amount being identified by the SWIFT accounting system.	94%	98.5%	FY2013 to FY2015

M.S. sections 256.01 (<https://www.revisor.mn.gov/statutes/?id=256.01>) to 256.011 (<https://www.revisor.mn.gov/statutes/?id=256.011>) and Laws 1987, chapter 404, section 18, provide the overall state legal authority for DHS’s Technical Activities budget program.

Technical Activities

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
<u>Expenditures by Fund</u>						
1200 - State Government Special Rev		59	18	18	18	18
2000 - Restrict Misc Special Revenue	3,510	3,413	3,815	4,169	3,993	3,993
2001 - Other Misc Special Revenue	4,389	(73,892)	41,449	46,094	4,316	4,316
2360 - Health Care Access		413	158	158	158	158
3000 - Federal	599,321	664,652	712,648	782,737	776,553	777,168
3001 - Federal TANF	81,707	83,017	84,042	85,356	85,668	85,996
4800 - Lottery		2	1			
Total	688,927	677,664	842,130	918,532	870,706	871,649
Biennial Change				394,071		(18,307)
Biennial % Change				29		(1)

Expenditures by Category

Operating Expenses	229,681	183,458	363,460	388,173	345,181	345,141
Grants, Aids and Subsidies	452,939	485,936	471,807	524,789	519,885	520,858
Other Financial Transaction	6,306	8,270	6,863	5,570	5,640	5,650
Total	688,927	677,664	842,130	918,532	870,706	871,649

Technical Activities

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
1200 - State Government Special Rev						
Open Appropriation		59	18	18	18	18
Expenditures		59	18	18	18	18
Biennial Change in Expenditures				(23)		0
Biennial % Change in Expenditures						1

2000 - Restrict Misc Special Revenue

Balance Forward In	95	40	34	143		
Receipts	41	115	68	460	460	460
Transfers In	3,415	3,293	3,856	3,575	3,533	3,533
Transfers Out		2		9		
Balance Forward Out	40	34	143			
Expenditures	3,510	3,413	3,815	4,169	3,993	3,993
Biennial Change in Expenditures				1,060		2
Biennial % Change in Expenditures				15		0

2001 - Other Misc Special Revenue

Balance Forward In	478	795	79,532	42,418		
Receipts	1,799	1,543	989		10	10
Transfers In	2,740	3,303	3,455	3,706	4,306	4,306
Transfers Out		2	110	30		
Balance Forward Out	628	79,532	42,418			
Expenditures	4,389	(73,892)	41,449	46,094	4,316	4,316
Biennial Change in Expenditures				157,045		(78,911)
Biennial % Change in Expenditures				(226)		(90)

2360 - Health Care Access

Open Appropriation		413	158	158	158	158
Expenditures		413	158	158	158	158
Biennial Change in Expenditures				(97)		0
Biennial % Change in Expenditures						(0)

3000 - Federal

Technical Activities

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base	
					FY20	FY21
Balance Forward In	344	481	301			
Receipts	599,223	664,559	712,547	782,737	776,553	777,168
Transfers Out			200			
Balance Forward Out	245	388				
Expenditures	599,321	664,652	712,648	782,737	776,553	777,168
Biennial Change in Expenditures				231,412		58,336
Biennial % Change in Expenditures				18		4

3001 - Federal TANF

Balance Forward In	44,875	63,858	60,030	56,014	44,219	31,396
Receipts	100,690	79,189	80,026	73,561	72,845	71,576
Balance Forward Out	63,858	60,030	56,014	44,219	31,396	16,976
Expenditures	81,707	83,017	84,042	85,356	85,668	85,996
Biennial Change in Expenditures				4,675		2,266
Biennial % Change in Expenditures				3		1

4800 - Lottery

Open Appropriation		2	1			
Expenditures		2	1			
Biennial Change in Expenditures				(1)		(1)
Biennial % Change in Expenditures						