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Direct Care and Treatment

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<https://mn.gov/dhs/people-we-serve/adults/services/direct-care-treatment/>

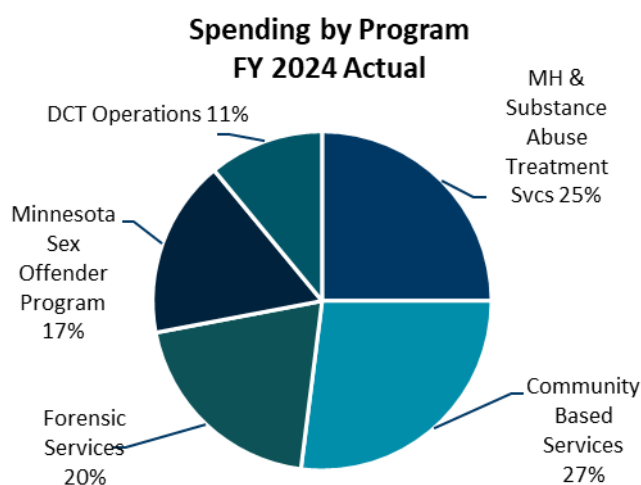
AT A GLANCE

- Direct Care and Treatment (DCT) is the state-operated behavioral health care system.
- The system serves more than 12,000 patients and clients each year that other health care systems cannot or will not serve.
- About 5,000 full- and part-time staff care for patients and clients.
- Services are delivered at about 150 sites statewide.

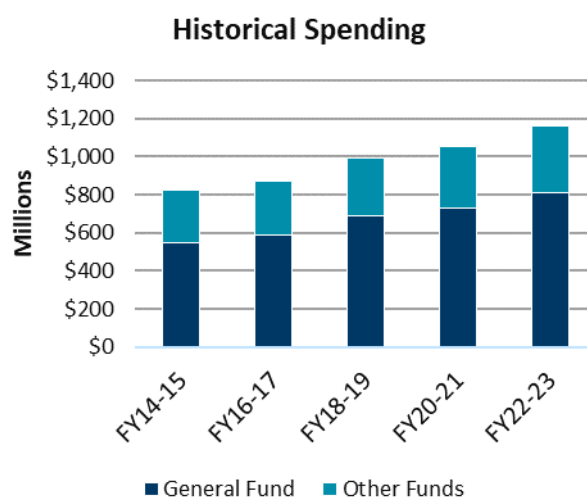
PURPOSE

Direct Care and Treatment (DCT) plays a unique role in Minnesota's continuum of mental health services. It is a highly specialized behavioral health care system that serves people with mental illnesses, substance use disorders, intellectual disabilities, and other serious and often co-occurring conditions. Because these individuals have conditions that are complex and behaviors that can be challenging, other health care systems cannot or will not serve them.

BUDGET



Source: Budget Planning & Analysis System (BPAS) ¹



Source: Consolidated Fund Statement ¹

STRATEGIES

- DCT provides expert behavioral health care in a variety of settings for adults, adolescents and children with serious and persistent mental illnesses, behavior disorders, and intellectual disabilities.
- DCT operates psychiatric hospitals and other inpatient mental health treatment facilities; inpatient substance abuse treatment facilities; special-care dental clinics; group homes and vocational programs; and the nation's largest treatment program for civilly committed sex offenders. The goal is to provide necessary treatment and ongoing support so that patients and clients can safely live, work, and participate in their communities in the least restrictive setting appropriate for their conditions.

¹ Historical financial information provided is DCT program spending at the Department of Human Services (DHS).

- People with mental illnesses, developmental disabilities, substance use disorder, and other behavior disorders have disproportionately poorer health outcomes. DCT has health equity teams embedded in each of its major service lines to monitor health outcomes for the patient population as a whole, as well as focusing on patients and clients who are Black, Indigenous, and People of Color (BIPOC), LGBTQIA+ and other disproportionately affected patients and clients.

Direct Care and Treatment's overall legal authority comes from M.S. 246

(<https://www.revisor.mn.gov/statutes/cite/246>). We list additional program-specific legal authority at the end of each program/budget activity narrative.

Direct Care and Treatment

Agency Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27

Expenditures by Fund

1000 - General					530,962	530,931
2000 - Restrict Misc Special Revenue					8,700	8,859
2001 - Other Misc Special Revenue					16,879	16,977
2403 - Gift					3	3
4350 - MN State Operated Comm Svcs					185,387	187,002
4503 - Minnesota State Industries					2,164	2,164
6000 - Miscellaneous Agency					5,582	5,582
Total					749,677	751,518
Biennial Change				0		1,501,195
Biennial % Change						

Expenditures by Program

Mental Health and Substance Abuse Treatment Svcs					185,022	185,022
Community Based Services					203,884	205,658
Forensic Services					157,784	157,784
Minnesota Sex Offender Program (MSOP)					125,450	125,450
DCT Administration					77,537	77,604
Total					749,677	751,518

Expenditures by Category

Compensation					634,767	636,541
Operating Expenses					108,546	108,613
Grants, Aids and Subsidies					6,364	6,364
Total					749,677	751,518

Full-Time Equivalents

					5,527.05	5,435.51
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Direct Care and Treatment

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
1000 - General						
Direct Appropriation					547,615	547,682
Transfers In					1,799	1,799
Transfers Out					18,452	18,550
Expenditures					530,962	530,931
Biennial Change in Expenditures				0		1,061,893
Biennial % Change in Expenditures						
Full-Time Equivalents					3,745.41	3,654.02

2000 - Restrict Misc Special Revenue

Balance Forward In						2,586
Receipts					8,632	8,966
Transfers In					2,654	
Balance Forward Out					2,586	2,693
Expenditures					8,700	8,859
Biennial Change in Expenditures				0		17,559
Biennial % Change in Expenditures						
Full-Time Equivalents					47.25	47.25

2001 - Other Misc Special Revenue

Balance Forward In						415
Receipts					400	400
Transfers In					16,894	16,698
Balance Forward Out					415	536
Expenditures					16,879	16,977
Biennial Change in Expenditures				0		33,856
Biennial % Change in Expenditures						

2400 - Endowment

Balance Forward In						73
Receipts					1	1
Transfers In					72	
Balance Forward Out					73	74

Direct Care and Treatment

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY22	FY23	FY24	FY25	FY26	FY27

2403 - Gift

Balance Forward In					200	
Receipts					2	2
Transfers In					201	
Balance Forward Out					200	199
Expenditures					3	3
Biennial Change in Expenditures				0		6
Biennial % Change in Expenditures						

4350 - MN State Operated Comm Svcs

Balance Forward In					27,513	
Receipts					183,943	185,783
Transfers In					28,957	
Balance Forward Out					27,513	26,294
Expenditures					185,387	187,002
Biennial Change in Expenditures				0		372,389
Biennial % Change in Expenditures						
Full-Time Equivalents					1,727.75	1,727.75

4503 - Minnesota State Industries

Balance Forward In					1,998	
Receipts					1,510	1,510
Transfers In					2,652	
Balance Forward Out					1,998	1,344
Expenditures					2,164	2,164
Biennial Change in Expenditures				0		4,328
Biennial % Change in Expenditures						
Full-Time Equivalents					6.64	6.49

6000 - Miscellaneous Agency

Balance Forward In					903	
Receipts					5,415	5,415

Direct Care and Treatment

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
Transfers In					1,070	
Balance Forward Out					903	736
Expenditures					5,582	5,582
Biennial Change in Expenditures				0		11,164
Biennial % Change in Expenditures						

Direct Care and Treatment

Agency Change Summary

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Direct				
Fund: 1000 - General				
Base Adjustments				
Allocated Reduction		(46)	(46)	(92)
Minnesota Paid Leave Allocation		749	749	1,498
Programs Moving to New Agencies		546,912	546,979	1,093,891
Forecast Base		547,615	547,682	1,095,297
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending		8,700	8,859	17,559
Forecast Base		8,700	8,859	17,559
Fund: 2001 - Other Misc Special Revenue				
Planned Spending		16,879	16,977	33,856
Forecast Base		16,879	16,977	33,856
Fund: 2403 - Gift				
Planned Spending		3	3	6
Forecast Base		3	3	6
Fund: 4350 - MN State Operated Comm Svcs				
Planned Spending		185,387	187,002	372,389
Forecast Base		185,387	187,002	372,389
Fund: 4503 - Minnesota State Industries				
Planned Spending		2,164	2,164	4,328
Forecast Base		2,164	2,164	4,328
Fund: 6000 - Miscellaneous Agency				
Planned Spending		5,582	5,582	11,164
Forecast Base		5,582	5,582	11,164
Revenue Change Summary				
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues		8,632	8,966	17,598

Direct Care and Treatment

Agency Change Summary

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Fund: 2001 - Other Misc Special Revenue				
Forecast Revenues		400	400	800
Fund: 2400 - Endowment				
Forecast Revenues		1	1	2
Fund: 2403 - Gift				
Forecast Revenues		2	2	4
Fund: 4350 - MN State Operated Comm Svcs				
Forecast Revenues		183,943	185,783	369,726
Fund: 4503 - Minnesota State Industries				
Forecast Revenues		1,510	1,510	3,020
Fund: 6000 - Miscellaneous Agency				
Forecast Revenues		5,415	5,415	10,830
<i>Non-Dedicated</i>				
Fund: 1000 - General				
Forecast Revenues		133,400	133,400	266,800

Program: Mental Health & Substance Abuse Treatment Services

<https://mn.gov/dhs/people-we-serve/people-with-disabilities/services/direct-care-treatment/>

AT A GLANCE

- Mental Health and Substance Abuse Treatment Services (MHSATS) provides inpatient and residential services to approximately 300 patients each day.
- The Anoka-Metro Regional Treatment Center (AMRTC) is the state's largest psychiatric hospital. It operates 96 beds.
- The six Community Behavioral Health Hospitals (CBHHs) are 16-bed psychiatric hospitals located across the state.
- Community Addiction Recovery Enterprise (CARE) program operates 16-bed residential treatment facilities located in Anoka, Carlton, Fergus Falls and St. Peter.
- All-funds spending for this budget activity was approximately \$168 million for FY 2024, which represents 25 percent of total DCT all-funds spending.

PURPOSE AND CONTEXT

Direct Care and Treatment (DCT) is a highly specialized behavioral health care system that serves people with mental illness, substance use disorders, intellectual disabilities, and other serious and often co-occurring conditions. DCT operates psychiatric hospitals and other inpatient mental health treatment facilities; inpatient substance abuse treatment facilities; special-care dental clinics; group homes and vocational sites; and the nation's largest treatment program for civilly committed sex offenders. The system cares for more than 12,000 patients and clients each year. Because these individuals have conditions that are complex and behaviors that can be challenging, other health care systems cannot or will not serve them. Some providers do not have the capacity; others do not have the expertise.

Mental Health and Substance Abuse Treatment Services (MHSATS) is one of DCT's five main service lines. MHSATS provides inpatient services in eight psychiatric hospitals, four locked substance-use-disorder treatment facilities, and three short-term residential facilities. Nearly all patients have been civilly committed as mentally ill, chemically dependent or both. The goal is to treat patients as close as possible to their home communities, families, friends, jobs and other supports so that they can make a smooth transition back to life in the community once they are stabilized and ready for discharge.

SERVICES PROVIDED

The following services are funded with general fund appropriations:

- **Anoka-Metro Regional Treatment Center (AMRTC):** Inpatient psychiatric services for adults in a secure hospital setting.
- **Community Behavioral Health Hospitals (CBHHs):** Inpatient psychiatric services in a secure hospital setting for adults. Locations are in Alexandria, Annandale, Baxter, Bemidji, Fergus Falls, and Rochester.
- **Child & Adolescent Behavioral Health Hospital (CABHH):** Inpatient psychiatric services in a secure hospital setting in Willmar for children and teens.
- **Minnesota Specialty Health System (MSHS):** Inpatient Intensive Residential Treatment Services (IRTS) for adults, located in Brainerd, Wadena and Willmar.
- **Community Addiction Recovery Enterprise (CARE):** Locked inpatient residential treatment for clients with substance use disorders. Programs operate in Anoka, Carlton, Fergus Falls, and St. Peter. However, CARE St. Peter will close in January of 2025 so the facility can be repurposed to offer long-term mental health

treatment services for people civilly committed as mentally ill and dangerous. The Legislature has instructed DCT to study the possibility of opening an additional CARE facility within 35 miles of St. Peter.

All services are:

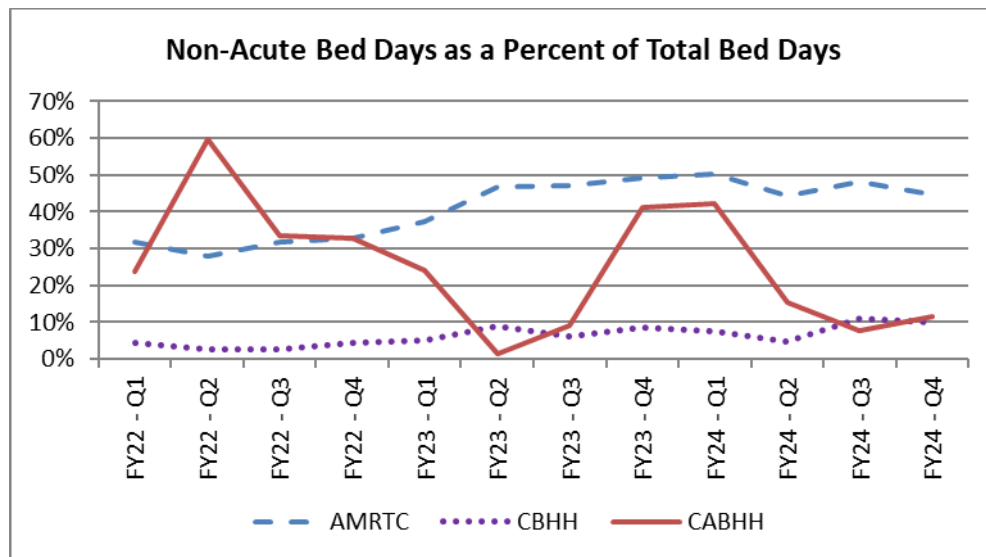
- Patient-centered, focusing on the needs of the individual.
- Provided in a safe environment at the appropriate level of care.
- Designed to allow individuals to move through treatment and into the most integrated setting possible.

To assure a successful transition back to life in the community, MHSATS:

- Collaborates closely with county case managers and community partners to ensure continuity of services and prompt psychiatric follow-up upon an individual's return to a community setting.
- Focuses on reducing the number of medications necessary to control patients' symptoms.

RESULTS

MHSATS measures non-acute bed days. These are days when patients who no longer need a hospital level of care are not discharged in a timely way but remain in the hospital, most often due to a lack of community placement options for continued care. These delays in discharge are costly and they prevent the hospitals from admitting new patients because of a lack of available beds. The industry goal for hospitals is to have less than 10 percent of total bed days be classified as non-acute bed days.



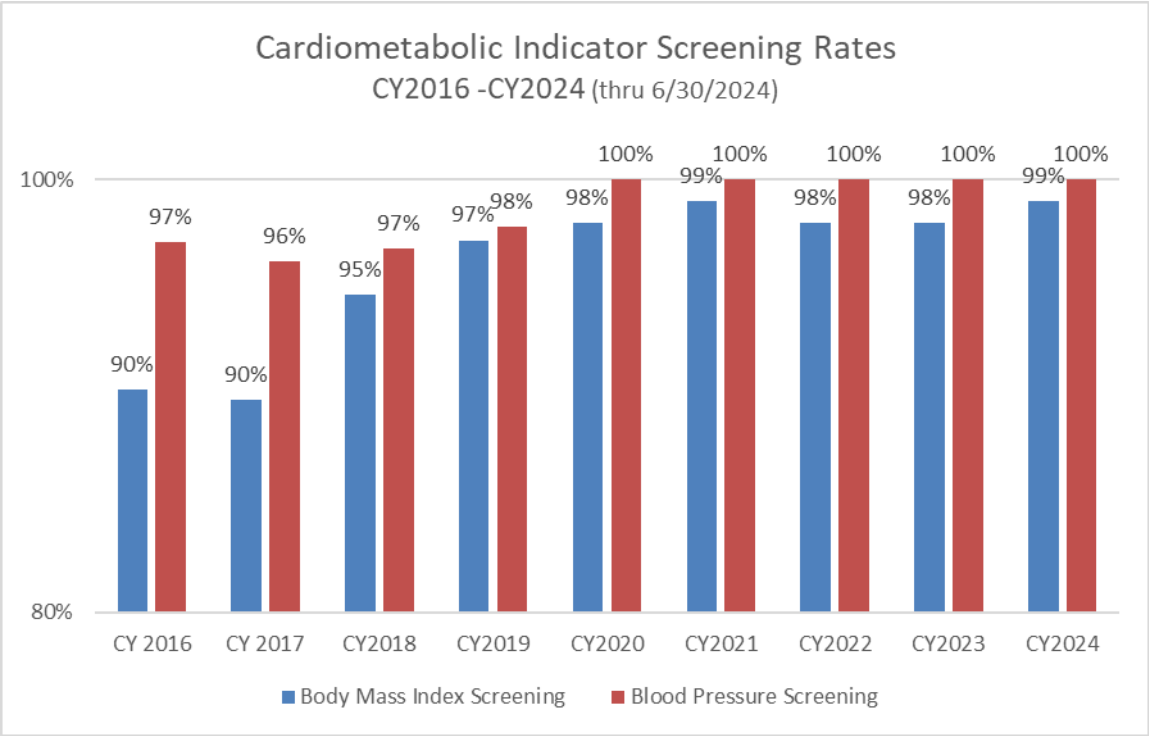
The graph illustrates little change in the trend of non-acute bed days at AMRTC, which is the state's largest psychiatric hospital. On average about 40 percent of bed days at the facility are non-acute bed days.

Non-acute bed days at the CBHHs remain around the 10 percent goal. Because of the lower daily census, non-acute bed days at the CABHH vary widely – or, more directly, one or two clients who do not meet the criteria for hospital level of care greatly impact 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 patients and mirrors national trends towards improving health care 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 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 and monitoring data closely to help patients maintain an appropriate BMI, reduce incidences of chronic disease, and enable them to live healthier lives.

Managing and maintaining a healthy blood pressure reduces risk of cardiovascular disease and other chronic diseases. Increasing the number of people with a healthy blood pressure will help aid patients in leading 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 illustrates the sustained progress that has been made to improve screening for two key components of cardiometabolic syndrome: body mass index (BMI) and blood pressure. MHSATS’ goal is to have a 95 percent screening rate for both BMI and blood pressure.

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

Mental Health and Substance Abuse Treatment Svcs

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27

Expenditures by Fund

1000 - General					184,833	184,833
6000 - Miscellaneous Agency					189	189
Total					185,022	185,022
Biennial Change				0		370,044
Biennial % Change						

Expenditures by Activity

Mental Health & Substance Abuse Treatment Svcs					185,022	185,022
Total					185,022	185,022

Expenditures by Category

Compensation					158,730	158,730
Operating Expenses					26,074	26,074
Grants, Aids and Subsidies					218	218
Total					185,022	185,022

Full-Time Equivalents

					1,300.32	1,266.43
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Mental Health and Substance Abuse Treatment Svcs

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
1000 - General						
Direct Appropriation					184,833	184,833
Expenditures					184,833	184,833
Biennial Change in Expenditures				0		369,666
Biennial % Change in Expenditures						
Full-Time Equivalents					1,300.32	1,266.43

6000 - Miscellaneous Agency

Balance Forward In						42
Receipts					191	191
Transfers In					40	
Balance Forward Out					42	44
Expenditures					189	189
Biennial Change in Expenditures				0		378
Biennial % Change in Expenditures						

Program: Community Based Services

<https://mn.gov/dhs/people-we-serve/people-with-disabilities/services/direct-care-treatment/>

AT A GLANCE

- Community Based Services (CBS) provided residential, vocational, and other support services for 1,200 people with developmental disabilities and other complex behavioral needs in FY 2024.
- Community Support Services mobile teams provided support to 353 people in FY 2024.
- CBS residential programs served 285 clients in FY 2024.
- CBS vocational program served 473 clients in FY 2024.
- All-funds spending for this budget activity was approximately \$177 million for FY2024. This represents 27 percent of total Direct Care and Treatment (DCT) all-funds spending.

PURPOSE AND CONTEXT

Direct Care and Treatment (DCT) is a highly specialized behavioral health care system that serves people with mental illness, substance use disorders, intellectual disabilities, and other serious and often co-occurring conditions. DCT operates psychiatric hospitals and other inpatient mental health treatment facilities; inpatient substance abuse treatment facilities; special-care dental clinics; group homes and vocational sites; and the nation's largest treatment program for civilly committed sex offenders. The system cares for more than 12,000 patients and clients each year. Because these individuals have conditions that are complex and behaviors that can be challenging, other health care systems cannot or will not serve them. Some providers do not have the capacity; others do not have the expertise.

Community Based Services (CBS) is one of DCT's five main service lines. CBS provides treatment and residential supports to individuals with developmental disabilities and complex behavioral health needs for whom no other providers are available. The majority of CBS programs operate as enterprise services, which means funding relies 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):** Specialized mobile teams provide crisis support services statewide to individuals with mental illness and/or disabilities who are living in their home community or transitioning back to their home community. The 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 inpatient treatment settings.
- **Crisis Residential Services and Minnesota Life Bridge (CRS and MLB):** CRS and MLB operate short-term residential programs throughout the state. The goal is to support clients in the most integrated setting close to their home communities or near families, friends, and other supportive people while addressing behavior associated with mental illness or intellectual disabilities that could cause individuals to lose their residential placements or be admitted to a less integrated setting.
- **Child and Adolescent Services (CAS):** These services for youth range from short-term crisis residential placements to foster care. Short-term crisis residential programs provide support to youth exhibiting behaviors related to intellectual disabilities and/or mental illness with a goal of finding long-term placement. The Minnesota Intensive Therapeutic Homes (MITH) program provides foster care to children and adolescents who have severe emotional disturbances and challenging behaviors. Homes are located

throughout the state. Treatment is tailored to the needs of each child and is based on a combination of multidimensional treatment, wrap-around services and specialized behavior therapy.

- **CBS Residential Services:** Operates about 100 small group homes (typically four beds) located throughout Minnesota for individuals with mental illness and/or developmental disabilities. Staff assist clients with activities of daily living, provide therapeutic support and help them live, work and be involved in their local communities. Service rates are set through the Rate Management System (RMS) for each client based on individual needs. The program is a transitional service that keeps clients from being placed in less integrated settings such as jails, hospitals, and institutions. It also helps transition clients out of segregated or secure settings and into community life. As clients improve and no longer require the level of care they receive in a CBS-operated home, they move to homes operated by private entities. Many clients (and entire CBS-operated homes) have been successfully transitioned to private care providers. This allows CBS to continue serving the most behaviorally complex individuals.
- **CBS Vocational Services:** Provides vocational support services to help people with developmental disabilities prepare for, find and keep employment. Services include evaluations, training, and onsite coaching and assistance for clients working jobs in the community. Service rates are generated for each client based on individual needs.
- **Ambulatory Services:** Operates five special care dental clinics that provide a full range of services for people with developmental disabilities and mental illnesses. The Southern Cities Clinic in Faribault also provides outpatient psychiatric care, primary care and telehealth services.

RESULTS

Measure name	Measure type	Measure data source	Historical trend	Most recent data
The percentage of survey respondents who said support from CSS mobile teams prevented placement in a less integrated setting (jails, hospitals, institutional settings, etc).	Quality	DCT - CBS Satisfaction Survey	91% - 2022	81% - 2023
The percentage of vocational services clients employed in their communities.	Result	DCT- CBS Satisfaction Survey	88% - June 2023	92% - June 2024
Clients who no longer required CBS services and were transitioned to other providers.	Quantity	DCT Electronic Health Records	FY23 – 32	FY24 – 38
Clients admitted who have complex behavioral needs that cannot be supported by other providers.	Quantity	DCT Electronic Health Records	FY23 – 16	FY24 - 39
Crisis Residential Services and Minnesota Life Bridge admissions and discharges	Quantity	DCT Electronic Health Records	Transitions/ Discharges FY23 - 12 Admissions FY23 – 13	Transitions/ Discharges FY24 - 16 Admissions FY24 - 13

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

Community Based Services

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27

Expenditures by Fund

1000 - General					11,613	11,613
2000 - Restrict Misc Special Revenue					6,881	7,040
2403 - Gift					3	3
4350 - MN State Operated Comm Svcs					185,387	187,002
Total					203,884	205,658
Biennial Change				0		409,542
Biennial % Change						

Expenditures by Activity

Community Based Services					203,884	205,658
Total					203,884	205,658

Expenditures by Category

Compensation					178,421	180,195
Operating Expenses					25,147	25,147
Grants, Aids and Subsidies					316	316
Total					203,884	205,658

Full-Time Equivalents

					1,864.14	1,862.22
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Community Based Services

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
1000 - General						
Direct Appropriation					13,412	13,412
Transfers Out					1,799	1,799
Expenditures					11,613	11,613
Biennial Change in Expenditures				0		23,226
Biennial % Change in Expenditures						
Full-Time Equivalents					97.49	95.57

2000 - Restrict Misc Special Revenue

Balance Forward In						29
Receipts					6,706	7,040
Transfers In					204	
Balance Forward Out					29	29
Expenditures					6,881	7,040
Biennial Change in Expenditures				0		13,921
Biennial % Change in Expenditures						
Full-Time Equivalents					38.90	38.90

2403 - Gift

Balance Forward In						118
Receipts					1	1
Transfers In					120	
Balance Forward Out					118	116
Expenditures					3	3
Biennial Change in Expenditures				0		6
Biennial % Change in Expenditures						

4350 - MN State Operated Comm Svcs

Balance Forward In						27,513
Receipts					183,943	185,783
Transfers In					28,957	
Balance Forward Out					27,513	26,294
Expenditures					185,387	187,002
Biennial Change in Expenditures				0		372,389

Community Based Services

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
Biennial % Change in Expenditures						
Full-Time Equivalents					1,727.75	1,727.75

Program: Forensic Services

<https://mn.gov/dhs/people-we-serve/people-with-disabilities/services/direct-care-treatment/>

AT A GLANCE

- Forensic Services provided mental health treatment, evaluation or support services to nearly 2,300 people during FY 2024.
- The Forensic Mental Health Program (FMHP) served 402 patients.
- The Forensic Nursing Home cared for 45 patients during FY 2024.
- Forensic examiners completed more than 1,185 court-ordered competency and pre-sentencing evaluations and 409 outpatient evaluations during FY 2024.
- Currently, 245 individuals civilly committed as mentally ill and dangerous (MI&D) are on provisional discharge from Forensic Services and living successfully in Minnesota communities with support from the Community Integrated Services team.
- As of June 30, 2024, 49 patients civilly committed by the court as MI&D were on a waiting list for admission to the FMHP.
- All-funds spending for this budget activity was approximately \$133 million for FY 2024. This represents 20 percent of the total Direct Care and Treatment (DCT) all-funds spending.

PURPOSE AND CONTEXT

Direct Care and Treatment (DCT) is a highly specialized behavioral health care system that serves people with mental illness, substance use disorders, intellectual disabilities, and other serious and often co-occurring conditions. DCT operates psychiatric hospitals and other inpatient mental health treatment facilities; inpatient substance abuse treatment facilities; special-care dental clinics; group homes and vocational sites; and the nation's largest treatment program for civilly committed sex offenders. The system cares for more than 12,000 patients and clients each year. Because these individuals have conditions that are complex and behaviors that can be challenging, other health care systems cannot or will not serve them. Some providers do not have the capacity; others do not have the expertise.

Forensic Services (FS) is one of DCT's five main service lines. At secure and non-secure facilities in St. Peter, MN, Forensic Services provides evaluation and specialized mental health treatment services to adults with severe and persistent mental illness whom the courts have civilly committed as mentally ill and dangerous, often because they have committed a serious crime. It is the only state-operated facility in specifically designated to care for MI&D patients.

SERVICES PROVIDED

Forensics Services provides a continuum of care:

- **Forensic Mental Health Program (FMHP):** Provides psychiatric treatment that focuses on long-term stabilization and prepares patients for eventual provisional discharge and re-entry into the community. The FMHP also includes a 34-bed facility off the main campus in St. Peter which houses patients who have received permission from the Special Review Board to reside in a non-secure treatment facility. In 2025, the FMHP will begin repurposing another facility in St. Peter to add another 16 beds to the program.
- **Forensic Nursing Home (FNH):** Minnesota's only state-operated nursing home, the FNH provides a secure licensed nursing home setting for individuals who are committed as MI&D, sexual psychopathic personality (SPP), and sexually dangerous person (SDP), and prison inmates on a medical release from the

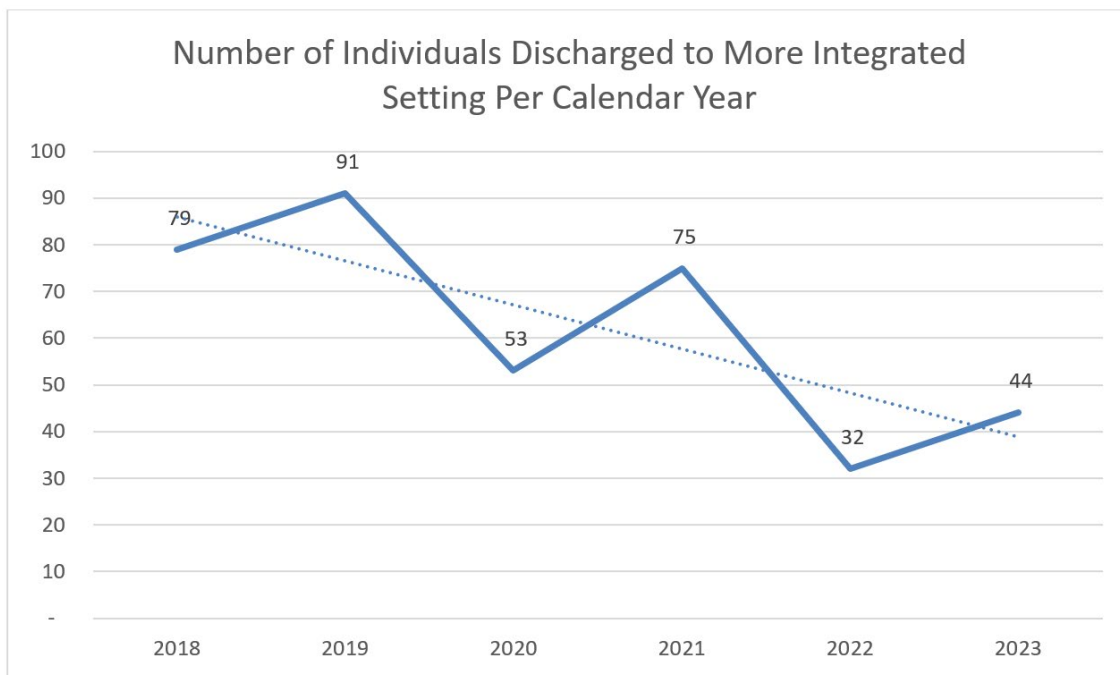
Department of Corrections. Treatment focus is similar to all nursing homes with provision activities of daily living care, rehabilitation services, and end of life care.

- **Community Integrated Services:** A specialized team provides support services for patients who have been provisionally discharged to live in a variety of community settings. The services are designed to help patients live happy, stable, successful lives and avoid the need for return stays at the FMHP.
- **Court-ordered Evaluations:** A team of forensic examiners provides competency and pre-sentencing mental health evaluations. These can be done on either an inpatient basis within Forensic Services or in a community setting, including jails.

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

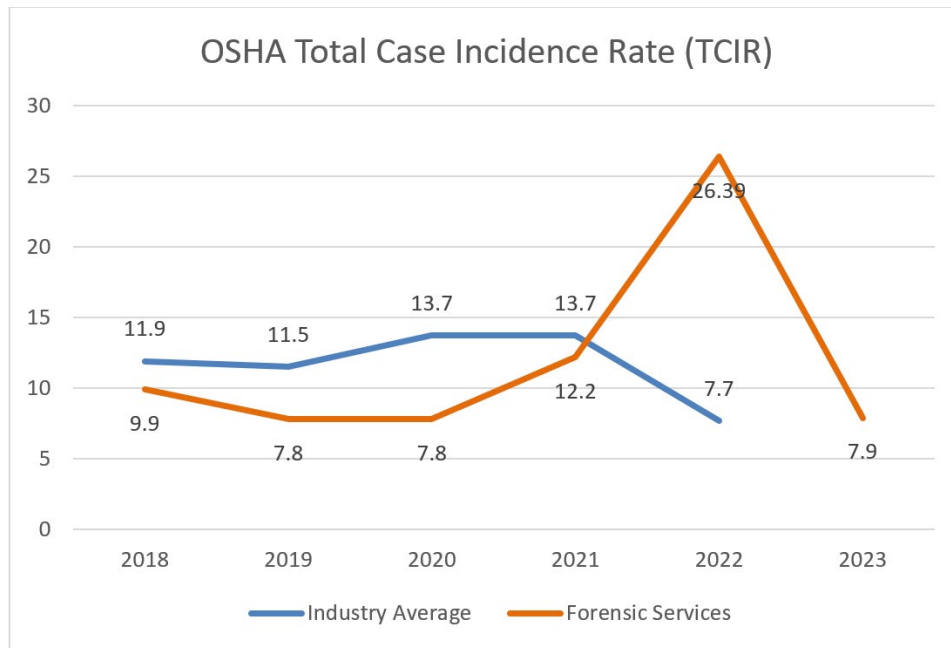
RESULTS

One measure of success is the number of individuals discharged from Forensic Services programs to more integrated settings in the community, consistent with Minnesota's Olmstead Plan. This plan refers to the state's overarching initiative to transform service delivery systems by reducing reliance on institutional care and offering people with disabilities greater independence and choice of community-based services. In the chart below, the solid line is the average number of discharges. The dotted line is the trend line over time.



The reduction in the number of individuals discharged to more integrated settings is driven by clinical factors for individual patients and a significant reduction in community provider capacity due to staffing shortages and the lingering effects of COVID.

The safety of our clients and staff is our top priority. 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 the case of Forensic Services is state health care nursing and residential facilities. In the chart below, the orange line is the annual data for Forensic Treatment Services (FTS). The blue line denotes the industry code average rate for state government nursing and residential facilities.



Since 2016, the TCIR at Forensic Services has been below – often, well below – the industry average. However, significant spikes in 2021 and 2022 are outliers, largely due to an increase in workplace illness during the COVID pandemic, during which a high proportion of staff came down with the virus. If the COVID outliers are removed, the TCIR falls back to levels recorded in 2019 and 2020. In 2023, TCIR numbers returned to the more normal range of 7.9 illnesses or injuries per 100 staff. The industry average for 2023 has not yet been released.

Several factors have contributed to the general trend toward lower TCIRs since 2016, including:

- Facilities have a more therapeutic environment that is safer for patients and the staff who care for them.
- Clinical, nursing and support staff provide person-centered clinical direction that takes the unique needs of individual patients into account and guides more effective treatment.
- Strong and consistent medical leadership.
- Increase in programming such as group therapy, social skill development through recreational and occupational therapies, music and art therapy, medication education, spiritual services, reintegration activities and vocational skills development.
- Support staff work with patients and reinforce skills practiced in groups and strategies for managing stressors, mental health crisis, free time, completion of normal day activities.
- Training and retraining staff and ongoing monitoring how staff follow and implement training.
- Monthly Safety Committee meetings with staff who work on all shifts to review all staff and patient injuries from the previous month. The committee focuses on what went well, what didn't go well, training needs and opportunities for improvement.

Minnesota Statutes Chapter 246 (<https://www.revisor.mn.gov/statutes/?id=246>) provides 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.

Forensic Services

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27

Expenditures by Fund

1000 - General					155,125	155,125
2000 - Restrict Misc Special Revenue					858	858
6000 - Miscellaneous Agency					1,801	1,801
Total					157,784	157,784
Biennial Change				0		315,568
Biennial % Change						

Expenditures by Activity

Forensic Services					157,784	157,784
Total					157,784	157,784

Expenditures by Category

Compensation					145,592	145,592
Operating Expenses					10,171	10,171
Grants, Aids and Subsidies					2,021	2,021
Total					157,784	157,784

Full-Time Equivalents

					1,160.85	1,133.65
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Forensic Services

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
1000 - General						
Direct Appropriation					155,125	155,125
Expenditures					155,125	155,125
Biennial Change in Expenditures				0		310,250
Biennial % Change in Expenditures						
Full-Time Equivalents					1,157.95	1,130.75

2000 - Restrict Misc Special Revenue

Balance Forward In						892
Receipts					900	900
Transfers In					850	
Balance Forward Out					892	934
Expenditures					858	858
Biennial Change in Expenditures				0		1,716
Biennial % Change in Expenditures						
Full-Time Equivalents					2.90	2.90

6000 - Miscellaneous Agency

Balance Forward In						536
Receipts					1,729	1,729
Transfers In					608	
Balance Forward Out					536	464
Expenditures					1,801	1,801
Biennial Change in Expenditures				0		3,602
Biennial % Change in Expenditures						

Program: Minnesota Sex Offender Program

<https://mn.gov/dhs/people-we-serve/adults/services/sex-offender-treatment/>

AT A GLANCE

- Clients progress through three phases of sex-offender-specific treatment.
- As of July 1, 2024:
 - Minnesota Sex Offender Program (MSOP) client population was 734.
 - 63 MSOP clients were on provisional discharge and living in the communities under MSOP supervision. Another 10 had been granted provisional discharge and were waiting for community placement.
 - 109 MSOP clients have received a provisional discharge order in the history of the program.
 - 25 MSOP clients have been fully discharged from their commitment.
 - About 85 percent of MSOP clients voluntarily participated in treatment.
- All-funds spending for this budget activity was approximately \$114 million for FY 2024. This represents 17 percent of the total Direct Care and Treatment all-funds spending.

PURPOSE AND CONTEXT

Direct Care and Treatment (DCT) is a highly specialized behavioral health care system that serves people with mental illness, substance use disorders, intellectual disabilities, and other serious and often co-occurring conditions. DCT operates psychiatric hospitals and other inpatient mental health treatment facilities; inpatient substance abuse treatment facilities; special-care dental clinics; group homes and vocational sites; and the nation's largest treatment program for civilly committed sex offenders. The system cares for more than 12,000 patients and clients each year. Because these individuals have conditions that are complex and behaviors that can be challenging, other healthcare systems cannot or will not serve them. Some providers do not have the capacity; others do not have the expertise.

The Minnesota Sex Offender Program (MSOP) is one of DCT's five main service lines. MSOP operates secure treatment facilities in Moose Lake and St. Peter for civilly committed sex offenders. It also operates Community Preparation Services, a less restrictive treatment setting on the St. Peter campus, and Reintegration Services, which monitors and supervises clients who have been provisionally discharged by the court.

- Only a court has the authority to commit or discharge someone from MSOP.
- MSOP's mission is to promote public safety by providing comprehensive sex offender treatment and reintegration opportunities for sexual abusers.
- Minnesota is one of 20 states with civil commitment laws for sex offenders and is the largest program of its kind in the country.
- There are about 23 new commitments annually.
- Most MSOP clients have served prison sentences prior to their civil commitment.
- Transfer to less restrictive settings, such as Community Preparation Services, provisional discharge, or full discharge, may only occur by court order from a three-judge panel.

SERVICES PROVIDED

The program accomplishes its mission by:

- Providing core group therapy, psycho-educational modules, and other treatment. Clients also participate in rehabilitative services that include education, therapeutic recreation, and vocational program work assignments.

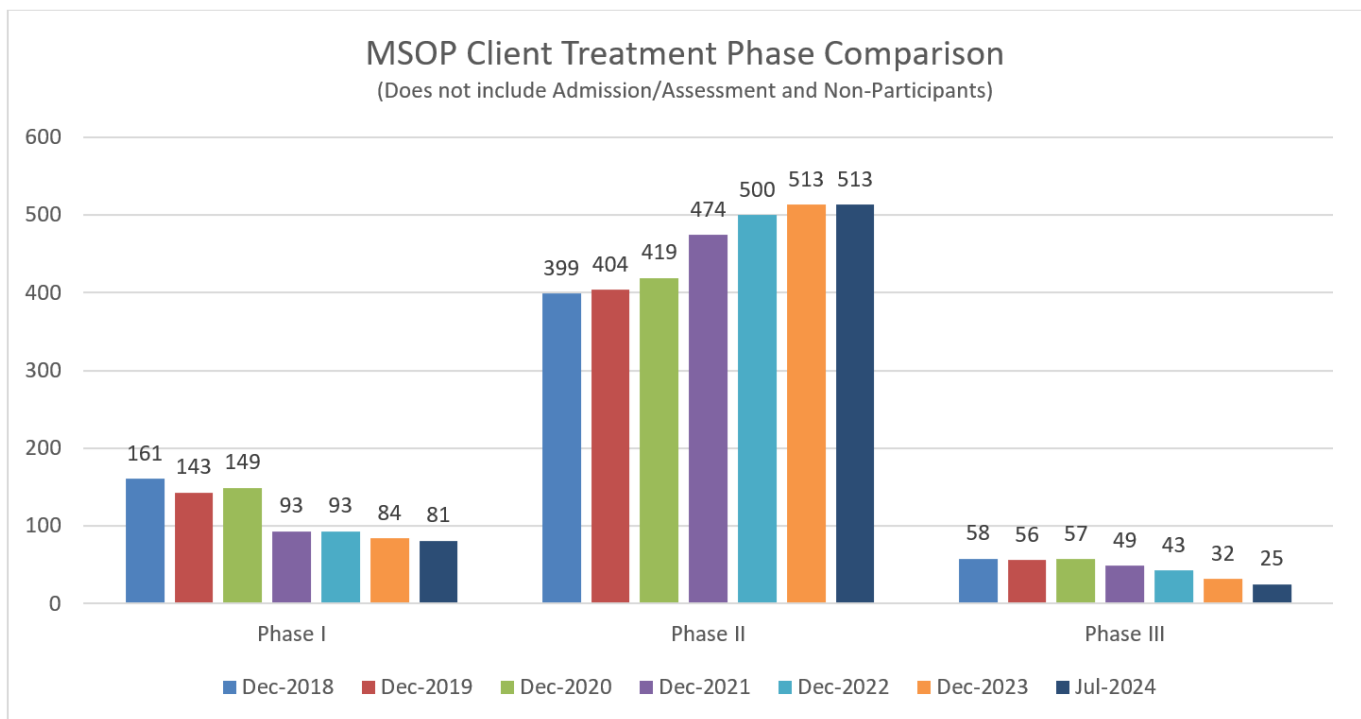
- Providing risk assessments, treatment reports, and testimony that inform the courts.
- Maintaining a therapeutic treatment environment that is safe and conducive to making positive behavioral change.
- Providing supervision and resources to help provisionally discharged clients succeed in the community.
- Working together with communities, policymakers, and other governmental agencies.

MSOP is a three-phase treatment program. In Phase I, clients initially address treatment-interfering behaviors and attitudes. Phase II focuses on clients' patterns of abuse and identifying and resolving the underlying issues in their offenses. Clients in Phase III focus on deinstitutionalization and reintegration, applying the skills they acquired in treatment and maintaining the changes they have made while managing their risk for re-offense.

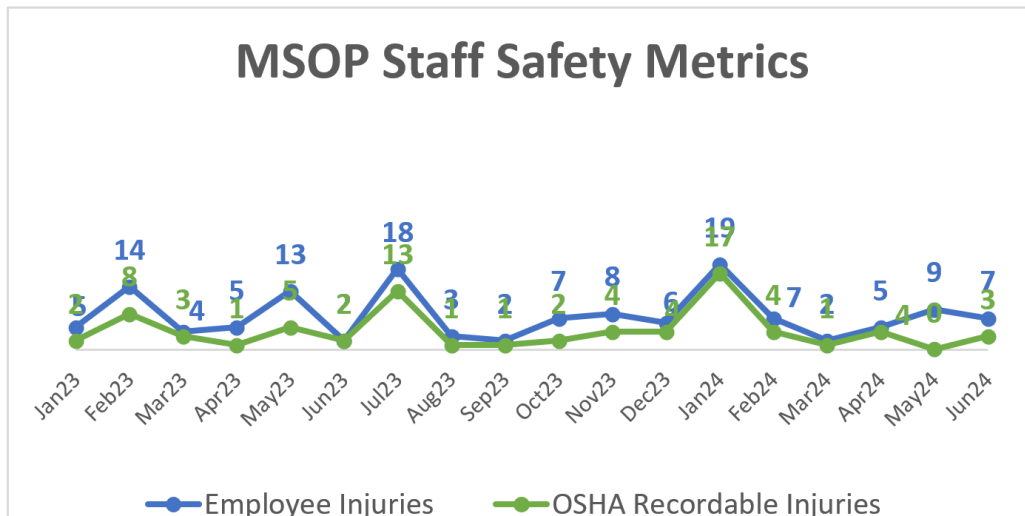
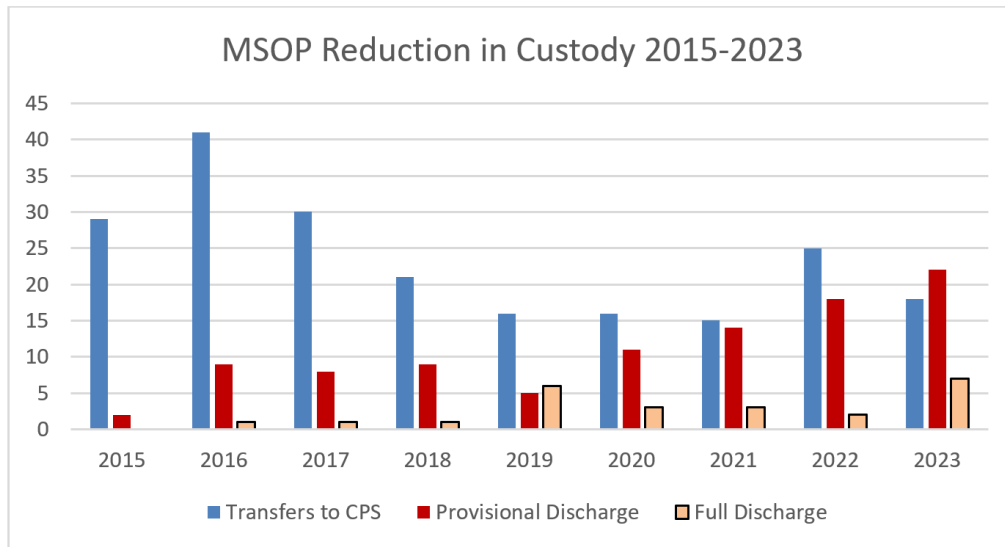
MSOP is funded by general fund appropriations. When a court commits someone to the program, the county in which they are committed is responsible for part of the cost of care. For commitments initiated before August 2011, the county share is 10 percent. For commitments after that date, the county share is 25 percent. When a client is court-ordered to provisional discharge (during which there is continued monitoring and community supervision by MSOP), there is a 25-percent 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 2014.



MSOP Reduction in Custody 2015-2023



Results Notes

- Treatment progression graph is produced by the MSOP Research Department.
- Employee injury data is maintained by MSOP Operations department

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.

Minnesota Sex Offender Program (MSOP)

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27

Expenditures by Fund

1000 - General					119,694	119,694
4503 - Minnesota State Industries					2,164	2,164
6000 - Miscellaneous Agency					3,592	3,592
Total					125,450	125,450
Biennial Change				0		250,900
Biennial % Change						

Expenditures by Activity

Minnesota Sex Offender Program (MSOP)					125,450	125,450
Total					125,450	125,450

Expenditures by Category

Compensation					99,588	99,588
Operating Expenses					22,053	22,053
Grants, Aids and Subsidies					3,809	3,809
Total					125,450	125,450

Full-Time Equivalents

					844.69	823.48
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Minnesota Sex Offender Program (MSOP)

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
1000 - General						
Direct Appropriation					119,694	119,694
Expenditures					119,694	119,694
Biennial Change in Expenditures				0		239,388
Biennial % Change in Expenditures						
Full-Time Equivalents					838.05	816.99
4503 - Minnesota State Industries						
Balance Forward In						1,998
Receipts					1,510	1,510
Transfers In					2,652	
Balance Forward Out					1,998	1,344
Expenditures					2,164	2,164
Biennial Change in Expenditures				0		4,328
Biennial % Change in Expenditures						
Full-Time Equivalents					6.64	6.49
6000 - Miscellaneous Agency						
Balance Forward In						325
Receipts					3,495	3,495
Transfers In					422	
Balance Forward Out					325	228
Expenditures					3,592	3,592
Biennial Change in Expenditures				0		7,184
Biennial % Change in Expenditures						

Program: DCT Administration

<https://mn.gov/dhs/people-we-serve/people-with-disabilities/services/direct-care-treatment/>

AT A GLANCE

- Direct Care and Treatment (DCT) cares for more than 12,000 people annually at about 150 sites throughout Minnesota.
- DCT has nearly 5,000 employees and an annual budget of more than \$650 million.
- All-funds spending for DCT Administration was approximately \$70 million for FY 2024. This represents 11 percent of the total DCT all-funds spending.

PURPOSE AND CONTEXT

Direct Care and Treatment (DCT) is a highly specialized behavioral health care system that serves people with mental illnesses, substance use disorders, intellectual disabilities, and other serious and often co-occurring conditions. DCT operates psychiatric hospitals and other inpatient mental health treatment facilities; inpatient substance abuse treatment facilities; special-care dental clinics; group homes and vocational sites; and the nation's largest treatment program for civilly committed sex offenders. The system cares for more than 12,000 patients and clients each year. Because these individuals have conditions that are complex and behaviors that can be challenging, other health care systems cannot or will not serve them. Some providers do not have the capacity; others do not have the expertise. DCT programs and services are provided statewide, with most operating 24 hours a day, seven days a week. DCT Administration provides basic support for all service lines, including:

- Oversight of all fiscal and business processes
- Management all operational functions
- Strategic direction, planning and implementation

ADMINISTRATIVE SUPPORT SERVICES PROVIDED

DCT Administration provides leadership and direction across the entire behavioral health system. It also works in collaboration with MNIT and DHS central office and has service-level agreements in place for additional support services such as IT, HR, Legislative, Communications, Legal, and other DHS-wide services. The costs for these additional support services are included in the overall \$70 million budget for DCT Administration. DCT Administration support services include, but are not limited to:

- **Chief Quality Officer (CQO):** Responsible for managing relationships with several state and federal regulatory bodies that oversee DCT programs. The CQO works to ensure that staff understand regulatory requirements and that all standards are being followed. This department also aligns quality, safety, and security across each service line to ensure compliance.
- **Chief Compliance Officer (CCO):** Oversees risk assessment and contract management services that directly impact DCT operations. Through internal auditing and monitoring, the CCO ensures proper processes are in place and are followed.
- **Health Information Management Services (HIMS):** 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; records are properly stored; and staff access to a patient's private health information is appropriate and documented.
- **Learning and Development (L&D):** Provides ongoing training essential to the delivery of high-quality care. L&D ensures that DCT staff have the training they need to meet regulatory requirements and standards and to best serve patients and clients. Currently, 5 percent of all DCT staff time (a total of 450,000 hours) in any year is devoted to training to ensure compliance with regulatory standards and skill development.

- **Financial Management Office:** Provides DCT-specific fiscal services and manages the financial transactions and reporting to assure prudent use of public resources. Core functions 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 DCT's hospitals and clinics, financial reporting, and resident trust services for our institutional patients and clients.
- **DCT IT/MNIT Administrative Services:** Works in collaboration with MNIT to understand DCT's unique technological needs and to develop and implement an electronic health record system that provides access to each patient chart and gives clinical staff the ability to document every aspect of patient care to ensure compliance to care delivery, financial/billing, and expected clinical outcomes.
- **Health Equity Department:** Provides an integrated approach to ensure that all DCT staff have the education, skills, and tools they need to work effectively across DCT, nurture a culture of inclusion, and have a positive impact on equity, diversity, and anti-racism efforts.
- **Facilities Management (FM):** Responsible for overseeing the care and maintenance of all DCT-owned and leased buildings, including maintaining a 10-year facility plan. FM also does all of the planning necessary to prepare DCT's capital budget requests. Core functions include leasing, design and management of construction projects, asset management, procurement, conditional facility assessment, department sustainability activities and strategic planning to meet the ongoing needs of DCT programs.
- **Office of Special Investigations (OSI):** Provides investigative services upon request that work in tandem with DCT-wide event reviews and root cause analyses. OSI works in collaboration with local law enforcement agencies when needed on patient-client elopements, deaths, drug and alcohol violations, assaults to staff or patients, and other events that require investigation.
- **Business Process Services:** Provides support to direct care staff on consistent and standardized business processes across all DCT programs and divisions for documenting 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.

RESULTS

Measure name	Measure type	Measure data source	Historical trend	Most recent data
The number of new contracts executed ¹	Quantity	<i>DCT SharePoint Site</i>	185 - FY23	353 - FY24
The number of background checks completed for handgun permits ²	Quantity	<i>Inquiries received by the department</i>	14,302 - FY23	17,203 - FY24
The number of unique claims processed for client billings	Quantity	<i>DCT Electronic Health Record</i>	151,793 - FY23	125,622 - FY24

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

¹ The number of new contracts with a start date in each fiscal year across DCT. Some contracts may have been formally executed or initiated in a different fiscal year. This measure does not include executed contract amendments or extensions.

² DCT HIMs staff complete the process as required under Minnesota Statutes section 245.041 to provide commitment information to local law enforcement agencies for the sole purpose of facilitating a firearms background check.

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27

Expenditures by Fund

1000 - General					59,697	59,666
2000 - Restrict Misc Special Revenue					961	961
2001 - Other Misc Special Revenue					16,879	16,977
Total					77,537	77,604
Biennial Change				0		155,141
Biennial % Change						

Expenditures by Activity

Administration Support					77,537	77,604
Total					77,537	77,604

Expenditures by Category

Compensation					52,436	52,436
Operating Expenses					25,101	25,168
Total					77,537	77,604

Full-Time Equivalents

					357.05	349.73
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DCT Administration

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
1000 - General						
Direct Appropriation					74,551	74,618
Transfers In					1,799	1,799
Transfers Out					16,653	16,751
Expenditures					59,697	59,666
Biennial Change in Expenditures				0		119,363
Biennial % Change in Expenditures						
Full-Time Equivalents					351.60	344.28

2000 - Restrict Misc Special Revenue

Balance Forward In						1,665
Receipts					1,026	1,026
Transfers In					1,600	
Balance Forward Out					1,665	1,730
Expenditures					961	961
Biennial Change in Expenditures				0		1,922
Biennial % Change in Expenditures						
Full-Time Equivalents					5.45	5.45

2001 - Other Misc Special Revenue

Balance Forward In						415
Receipts					400	400
Transfers In					16,894	16,698
Balance Forward Out					415	536
Expenditures					16,879	16,977
Biennial Change in Expenditures				0		33,856
Biennial % Change in Expenditures						

2400 - Endowment

Balance Forward In						73
Receipts					1	1
Transfers In					72	
Balance Forward Out					73	74

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY22	FY23	FY24	FY25	FY26	FY27

2403 - Gift

Balance Forward In						82
Receipts					1	1
Transfers In					81	
Balance Forward Out					82	83