DEPARTMENT OF HUMAN SERVICES

Recommendations for Minimizing Regulatory Paperwork and Improving Systems for Substance Use Disorder Programs

8/13/2025

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Contents

Executive Summary

The Minnesota Department of Human Services (DHS) report, developed in collaboration with Advocates for Human Potential, Inc. (AHP) and NIATx, addresses the critical need to minimize regulatory paperwork and improve systems for substance use disorder (SUD) programs in Minnesota. Following comprehensive stakeholder engagement including over 60 meetings with community members, providers, and collaborators, this report identifies excessive documentation requirements as a primary contributor to burnout among behavioral health providers, particularly Licensed Alcohol and Drug Counselors (LADCs), significantly compromising their ability to deliver effective patient care.

With projected workforce shortages showing 320 annual LADC job openings versus only 170 graduates, and recent Minnesota Department of Health surveys identifying paperwork as the top factor in professional dissatisfaction, urgent action is needed to address administrative burdens that prevent counselors from focusing on direct client care.

Key Findings and Recommendations

The report presents seven comprehensive improvement areas targeting specific administrative challenges:

1. Reduce Excessive Documentation for Counselors: Streamline assessment, treatment planning, and discharge processes while maintaining American Society of Addiction Medicine (ASAM) compliance. Key recommendations include allowing multidisciplinary staff to complete assessment components, extending documentation timeframes for unexpected discharges, creating central health information exchanges, and developing Minnesota-specific ASAM training aligned with state regulations.

2. Streamline Provider Licensure Application Process: Address the 6-12 month licensure timeline through improved communication systems, enhanced training support, and dedicated portals for application tracking. Recommendations include establishing immediate acknowledgment systems, developing comprehensive policy templates, and creating progress tracking capabilities.

3. Revise Licensure Review Processes: Enhance consistency and transparency in regulatory oversight through standardized interpretation training, improved communication channels, and collaborative feedback mechanisms. Focus areas include uniform training for regulators, trend analysis for proactive technical assistance, and clear timeframes for state responses to compliance issues.

4. Resolve Payer System Inefficiencies: Address the complex multi-payer environment involving Medical Assistance, Behavioral Health Fund, 9 Prepaid Medical Assistance Programs (PMAPS), 87 counties, 11 Tribal Nations, and private insurers. Recommendations include requiring designated SUD contacts for PMAPs, aligning billing requirements with MA standards, strengthening ASAM adoption across payers, and developing operational definitions for homelessness-related billing challenges.

5. Fix DAANES Technical Issues: Improve the Drug and Alcohol Abuse Normative Evaluation System (DAANES) through enhanced data entry processes, provider training support, and system modernization. Key improvements include collaborating with electronic health record (EHR) vendors for batch uploading, establishing provider "coaches," and creating accessible training resources.

6. Establish Cross-Discipline Work Groups: Create specialized work groups focusing on counselor impact and licensure processes, bringing together diverse stakeholders including DHS divisions, provider organizations, Tribal Nations, and counties to collaboratively address documentation challenges and regulatory improvements.

7. Develop ASAM Learning Collaborative: Support implementation of ASAM Criteria 4th Edition through structured collaboration among DHS, PMAPs, and providers, including pilot programs and knowledge sharing to guide successful adoption while preventing undue burden on stakeholders.

Implementation Strategy

The report emphasizes a collaborative approach guided by three core principles: feasibility (achievable through legislation, policy, or system changes), equitability (reasonable application across provider types and payers), and benefit (positive outcomes for clients, providers, payers, and regulatory agencies). Provider priorities identified through the consultation process include reducing paperwork volume by 50%, shifting audit focus from paperwork perfection to service quality, eliminating duplicate data entry, and improving communication channels.

Expected Outcomes

Implementation of these recommendations will result in enhanced job satisfaction and retention among counselors, reduced administrative burdens enabling more time for direct client care, improved service delivery efficiency, and ultimately better access to quality care for individuals with substance use disorders (SUD). The initiative aims to strengthen Minnesota's SUD treatment infrastructure through a more supportive regulatory environment that benefits providers, patients, and communities while maintaining necessary program integrity and client safety standards.

These comprehensive reforms address the increasing demand for SUD services and current system challenges, positioning Minnesota to better serve individuals with SUD through an efficient, effective, and sustainable treatment system.

II. Legislation

Sec. 27. Laws 2021, First Special Session chapter 7, article 11, section 38, as amended by Laws 2022, chapter 98, article 4, section 50

Sec. 38. **DIRECTION TO THE COMMISSIONER; SUBSTANCE USE DISORDER TREATMENT PAPERWORK REDUCTION.** (a) The commissioner of human services, in consultation with counties, tribes, managed care organizations, substance use disorder treatment professional associations, and other relevant stakeholders, shall develop, assess, and recommend systems improvements to minimize regulatory paperwork and improve systems for substance use disorder programs licensed under Minnesota Statutes, chapter 245A, and regulated under Minnesota Statutes, chapters 245F and 245G, and Minnesota Rules, chapters 2960 and 9530. The commissioner of human services shall make available any resources needed from other divisions within the department to implement systems improvements.

(b) The commissioner of health shall make available needed information and resources from the Division of Health Policy.

(c) The Office of MN.IT Services shall provide advance consultation and implementation of the changes needed in data systems.

(d) The commissioner of human services shall contract with a vendor that has experience with developing statewide system changes for multiple states at the payer and provider levels. If the commissioner, after exercising reasonable diligence, is unable to secure a vendor with the requisite qualifications, the commissioner may select the best qualified vendor available. When developing recommendations, the commissioner shall consider input from all stakeholders. The commissioner's recommendations shall maximize benefits for clients and utility for providers, regulatory agencies, and payers.

(e) The commissioner of human services and the contracted vendor shall follow the recommendations from the report issued in response to Laws 2019, First Special Session chapter 9, article 6, section 76.

(f) By December 15, 2024, the commissioner of human services shall take steps to implement paperwork reductions and systems improvements within the commissioner's authority and submit to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services a report that includes recommendations for changes in statutes that would further enhance systems improvements to reduce paperwork. The report shall include a summary of the approaches developed and assessed by the commissioner of human services and stakeholders and the results of any assessments conducted.

III. Introduction and Background

The consulting team of Advocates for Human Potential, Inc. (AHP) and NIATx contracted with the state to review the current regulatory landscape and recommend strategies to minimize regulatory paperwork and improve systems for SUD programs, such as the Medicaid Management Information System (MMIS) and Drug and

Alcohol Abuse Normative Evaluation System (DAANES), which are licensed under Minnesota Statutes, Chapter 245A, and regulated under Minnesota Statutes, Chapters 245F and 245G, and Minnesota Rules, Chapters 2960 and 9530. Through this comprehensive review process, the consulting team conducted over 60 meetings with community members, providers, and collaborators to gather input and insights.

Recent findings from the Minnesota Department of Health (MDH) indicate that job satisfaction among Licensed Alcohol and Drug Counselors (LADCs) continues to decline. A survey of approximately 4,155 LADCs conducted from February 2023 through March 2024 during the online license renewal process identified paperwork and documentation requirements as a primary factor contributing to professional dissatisfaction [1]. Conversely, the survey found that working directly with clients and providing therapeutic assistance were key drivers of job satisfaction. This finding underscores the significant potential impact that reducing administrative burden could have on counselor retention and effectiveness by enabling practitioners to dedicate more time to direct client care.

The urgency of addressing paperwork reduction and systems improvement is underscored by projected workforce shortages in the LADC field. Current projections indicate 320 annual job openings for LADCs from 2016-2026, while Minnesota institutions graduate only 170 qualified professionals annually. Although MDH reports that 59% of current LADCs plan to remain in their positions for more than ten years, workforce stability remains challenged by retirement (57% of departing counselors) and burnout or job dissatisfaction (14% of departing counselors).

Minnesota's 2020 Substance Use Disorder Treatment Program Systems Improvement Report proposed a plan and timeline to make improvements to modify the regulatory paperwork required for substance use disorder (SUD) programs licensed under Minnesota Statutes, Chapter 245A, and regulated under Minnesota Statutes, Chapter 245G, Minnesota Rules, parts 2960.0580 to 2960.0700. Given the complexity of the issues involved in licensing and regulating SUD providers, the report recommended a process improvement plan that included using a contracted consultant to work with the Minnesota Department of Human Services (DHS) and partners to conduct the process improvement plan.

Building on the progress already achieved by DHS, this report outlines recommendations for policy changes, information technology (IT) system changes, and staff system changes to minimize regulatory paperwork and improve the SUD system in Minnesota.

This report includes:

- Recommendations to reduce paperwork burden at the individual, system, and statutory levels.
- Background and context for each set of recommendations.
- Potential impacts of implementing the proposed changes.

The consulting team developed the recommendations in this report through the lens of three guiding principles:

Feasibility:

- Is the change possible either through legislation, policy, system, or process change?
- Does the recommended process or policy have precedent in other states?

Equitability:

- Can the recommendation be applied reasonably across various provider types?
- Can the change be applied reasonably across disparate payers?
- Would implementing this recommendation affect some clients, providers, or payers disproportionately?

Benefit:

- What are the benefits of this recommendation on clients, providers, payers, systems, and regulatory agencies?
- What are the expected or possible outcomes (e.g., increased efficiency, client or provider satisfaction, improvement in clinical measures, etc.)?

Approach and Methodology

The consulting team assessed current paperwork requirements to identify opportunities for policy and statutory changes that would reduce administrative burden on SUD providers. The process focused on improving provider experiences with payers, the DAANES system, and counselor workflows.

Methodology

The consulting team conducted comprehensive discovery activities including an environmental scan of alternative licensing approaches, meetings with the Paperwork Reduction Steering Committee, site visits and interviews with key interested parties, review of statutes and regulations, and process mapping of counselor and payer requirements. Consultation occurred with multiple partnering groups including Tribal Nations, Minnesota Association of Resources for Recovery and Chemical Health (MARRCH), Minnesota Alliance of Rural Addiction Treatment Programs (MARATP), Minnesota Association of County Social Service Administrators (MACSSA), Prepaid Medical Assistance Programs (PMAP), Managed Care Organizations (MCOs), and various DHS divisions.

Scope and Limitations

The findings reflect input from the Paperwork Reduction Steering Committee (established in 2020), site visits, and interested parties' consultations, but do not represent all perspectives from the 450+ programs licensed under Minnesota Statutes Chapters 245A, 245F, and 245G and tribally licensed programs. The Steering Committee's three years of accumulated insights significantly informed this analysis.

Provider Priorities

Through this process, providers and interested partners identified key improvement areas including:

- Expanding who can complete documentation beyond current restrictions
- Shifting audit focus from paperwork perfection to service quality and harm prevention
- Eliminating duplicate data entry across forms and systems
- Extending compliance timelines to reduce rushed client interactions

- Matching documentation requirements to appropriate levels of care
- Improving communication channels and support for provider questions
- Redesigning processes to reflect on-the-ground treatment realities
- Reducing overall paperwork volume by 50% while maintaining program integrity
- Standardizing expectations and reviewer interpretations across the system

These priorities guided the consulting team's recommendations for systematic improvements to reduce administrative burden while maintaining program quality and safety.

IV. Findings and Recommendations for System Improvement

Overview of Recommendations

This report addresses seven critical areas for reducing paperwork burden and improving systems for substance use disorder (SUD) providers in Minnesota. The following sections present comprehensive findings and recommendations targeting specific administrative challenges that impact provider efficiency and counselor satisfaction:

Section A: Reduce Excessive, Redundant, or Unnecessary Documentation for Counselors addresses the extensive documentation requirements throughout the treatment continuum, from intake assessments to discharge planning, with focus on streamlining processes while maintaining ASAM compliance and regulatory standards.

Section B: Streamline SUD Provider Licensure Application Process and Improve Communication examines the complex licensure application process that can extend 6-12 months for a variety of internal and external reasons, explore opportunities to provide education to providers, simplify procedures, enhance communication with the DHS Licensing Division, and reduce barriers to program expansion.

Section C: Revise Licensure Review Processes and Procedures focuses on improving consistency and effectiveness of ongoing licensure reviews, standardizing regulatory interpretation, and fostering collaborative provider-regulator relationships while maintaining appropriate oversight.

Section D: Resolve Inconsistency, Redundancies, and Inefficiencies in the Payer System tackles the multi-payer environment's administrative complexities across the Behavioral Health Fund, counties, PMAPs, Tribal Nations, and private insurers, addressing billing inconsistencies and communication challenges.

Section E: Fix Technical Issues with DAANES examines system-related challenges with the Drug and Alcohol Abuse Normative Evaluation System, focusing on reducing technical barriers, improving training support, and enhancing functionality to minimize provider administrative burden.

Section F: Establish a Series of Cross-Discipline Specialized Work Groups advocates for the creation of cross-discipline specialized work groups to collaboratively streamline documentation processes and reduce paperwork burdens on LADCs, while ensuring compliance and enhancing service delivery outcomes.

Section G: Develop a Learning Collaborative to Support the Implementation of ASAM focuses on actively moving towards the implementation of The ASAM Criteria 4th Edition by fostering collaboration among providers, DHS, and PMAPs to share successful strategies and support each other in overcoming challenges.

Each section provides detailed background information, identifies specific challenges, highlights DHS progress to date, and presents actionable recommendations with potential impact assessments for interested parties across the Minnesota SUD treatment system.

A. Reduce Excessive, Redundant, or Unnecessary Documentation for Counselors

This section addresses SUD counselor documentation requirements and processes, aiming to reduce paperwork burden during intake and assessment, treatment planning and notes, and discharge processes while maintaining compliance with American Society of Addiction Medicine (ASAM) requirements.

Background and Identified Challenges.

SUD treatment documentation involves multiple requirements at nearly every care step. Minnesota Statute 245G.05 requires comprehensive assessment (CA) documentation of multiple client characteristics, plus compliance with related statutes and DAANES admission data entry. Current policy expects alignment with ASAM 3.0 standards, with plans to transition to ASAM 4.0 in collaboration with community partners.

Assessment and Intake Challenges

Providers create their own medical record forms and express uncertainty about meeting DHS licensing requirements. CA completion within required timeframes is challenging due to client readiness for disclosure of confidential information. The assessment process, including intake and DAANES submission, requires 2.5-3 hours of time, limiting opportunities for person-centered approaches during assessment periods. Currently, CAs must be completed by alcohol and drug counselors despite multidisciplinary teams—including mental health professionals, nursing, and other medical staff—typically participating in assessments and offering valuable contributions.

Treatment Planning and Documentation

Minnesota Statutes 245G.06 and 245G.07 govern individual treatment plans and services, creating documentation burdens. Group treatment requires multiple entries: Electronic Medical Record (EMR) documentation, physical attendance copies, separate group hours records, and individual group notes within weekly progress notes. Previously, documentation of "significant events" under Subd. 2b was considered broad and vague by counselors, although this has been addressed by changes made in the 2023 legislative session by limiting additional documentation requirements to residential treatment providers only.

Discharge and Continuity of Care

Discharge documentation under Minnesota Statute 245G.06, Subd. 4 requires extensive information across the six dimensions from section 245G.05, plus client issues, progress, risk descriptions, and continuing care recommendations. Current deadlines do not accommodate complex situations including against-medical-advice

departures, incomplete treatment goals, or transfers to other care levels. In residential programs, clients often leave before completion and before meeting with counselors to develop feasible, person-centered continuity plans. Many residential programs lack 24/7 LADC coverage for unexpected departures.

Managed care representatives have identified provider documentation meeting medical necessity criteria as a critical system need when considering continuity of care. Additionally, providers must obtain client signatures on multiple acknowledgment forms and requests for information, a time-intensive process for both staff and clients, often occurring when clients cannot fully understand each form's meaning.

ASAM Implementation Challenges

DHS plans to use ASAM standards to guide all service delivery and utilization management processes. The strategic transition from ASAM 3.0 to ASAM 4.0 standards will be complex to scale across all providers and will be implemented in collaboration with community partners. Many providers and their SUD staff are still developing proficiency with ASAM 3.0 standards. Staff report feeling inadequately trained on ASAM guidelines, and available training is not always aligned with Minnesota statutes, rules, and regulations.

ASAM 4.0 implementation will require significant changes including enhanced documentation of community connections, EMR modifications, and additional staff training, presenting compliance challenges for providers. DHS recognizes the importance of collaboration with providers and community partners in implementing ASAM 4.0, particularly given the goal to reduce excessive, redundant, or unnecessary documentation for counselors, and plans to create an ASAM workgroup to increase collaborative efforts.

DHS Progress

DHS has initiated several improvements, including the following legislative changes:

- July 1, 2022, guest speaker may present information to clients as part of a treatment service
- August 1, 2022, weekly treatment documentation reduction. The staff person providing treatment services now has seven days to document the service and the client's response
- January 1, 2023, removal of requirement for a license holder to document that an employee has attested to be free from substance use problems prior to employment
- January 1, 2024, increased times to complete comprehensive assessments and treatment plans, in addition to adjusting frequency for completing treatment plan reviews dependent on the level and type of services the client receives
- August 1, 2025, in addition to alcohol and drug counselors, comprehensive assessments may now be administered by qualified staff, including clinical trainees, advanced practice registered nurses, and mental health professionals.

Other changes include:

- Developed ASAM readiness tools to help providers evaluate implementation preparedness
- Expanding training and technical assistance through contracted vendors and peer review processes
- Adding an ASAM Policy Lead position for ongoing support and resources

- Creating an ASAM Resources webpage with Minnesota-specific tools and updates
- Clarifying treatment plan documentation requirements so only residential providers must record additional items like medical appointments and attendance concerns

Recommended Action Items

1. **Clarify ASAM Implementation**: Align comprehensive assessment (CA) timeframes with ASAM 4.0 guidelines and provide readiness assessment tools. Establish a three-to-six-month transition period when adopting ASAM 4.0 to allow existing clients to complete treatment under ASAM 3.0.
2. **Create Central Health Information Exchange**: Develop a central EMR registry accessible to licensed SUD providers for immediate access to client treatment history in accordance with 42 CFR.
3. **Revise Statutes**: Allow qualified multidisciplinary staff to complete assessment subcomponents according to their specialty. Extend documentation timeframes for unexpected discharges to five-seven days. Require counselors to review CAs with clients and update changed information. Align discharge summary requirements with existing 10-day timeframes for against-staff-advice discharges.
4. **Refine Standards**: Develop clear standards for when CAs require repetition, updates, or acceptance. Clarify expectations for reviewing CAs from other organizations, focusing on clinical appropriateness and necessary updates.
5. **Enhance Training and Technical Assistance**: Collaborate with vendors to develop ASAM training aligned with Minnesota regulations. Recruit trainers from within the Minnesota SUD system and make training available to both regulators and providers. Utilize technical assistance from the Substance Abuse and Mental Health Services Administration (SAMHSA)for federal confidentiality training. Develop comprehensive training plans addressing various skill levels for ASAM implementation. Create accessible training formats for licensed staff on documentation meeting medical necessity criteria through joint efforts between DHS, managed care organizations, provider organizations, and Tribes.

Potential Impacts

Implementation of these recommendations would benefit consumers through quicker treatment access and reduced assessment duplication, while enabling providers to spend less time on documentation and more time delivering person-centered care. Providers may experience upfront costs for EHR updates and staff collaboration with DHS, but would gain efficiencies through fewer managed care rejections, immediate access to client history via a Health Information Exchange, streamlined training for new staff, and peer-to-peer knowledge sharing. There would be initial costs for staff collaboration, assessment template development, ASAM 4.0 workgroup facilitation, Health Information Exchange creation, and hiring training development staff, but would realize long-term savings through reduced training demands, fewer provider inquiries, and decreased licensure issues.

B. Streamline SUD Provider Licensure Application Process and Improve Communication

This section addresses the licensure application process for SUD treatment programs, aiming to simplify procedures and improve communication to reduce the time, effort, and complexity required to obtain and maintain licensure.

Background and Identified Challenges

Provider agencies with multiple program sites must obtain separate DHS licenses for each physical address unless approved as a satellite location. Organizations serving multiple counties or delivering both outpatient and residential services with the same staff and policies must maintain separate licenses for each physical location. The requirement is to ensure that each physical location meets requirement for zoning, building and fire codes. Residential programs are also required to have a health department licensure. Inspections are a requirement to ensure health and safety. Licensing different locations can impede smooth client transfers between care levels within the same agency, as new documentation must be prepared for each licensed location.

Communication challenges exist between current and potential SUD providers and the DHS Licensing Division. Organizations establishing new programs or expanding to different locations must apply for new licenses. Providers report this process may take 6-12 months, resulting in cash outlays, revenue loss, and delayed service availability to consumers. DHS licensing needs to ensure that policies and procedures are accurate and understood by the applicant to ensure program integrity and competency prior to issuing a license. Providers report struggles obtaining verification of receipt for application materials and occasionally need to resubmit previously submitted materials. While the DHS SUD treatment program website contains relevant statutes, application information, and resources, providers request interactive licensing training courses with dialogue opportunities, and the ability to ask questions and receive timely answers during the application process. The Licensing Division currently offers quarterly sessions on the general application process, available to existing and new providers.

DHS Progress

DHS continues and has initiated several improvements:

- Strengthening procedures to consistently notify providers about regulatory contact changes
- Quarterly training on general application process and developing a specific service line training for SUD providers
- Utilizing site-specific policy reviews to expedite applications for organizations adding new program locations
- Developing a licensing portal system, with plans to incorporate SUD licensing into the portal in the future
- Implementing notification systems when license application materials are received

- During the 2024 legislative session, license holders may have an unlimited number of satellite locations that are in a school, jail, or nursing home and are exempt from the requirement to document compliance with building codes, fire and safety codes, health rules, and zoning ordinances
- During the 2025 session, legislation passed to eliminate the need to complete new documents or orientation for the client, except for items that are site specific, such as program abuse prevention plan, maltreatment reporting and grievance procedure.

Recommended Action Items

1. **Improve Communication Systems**: Establish a dedicated website or shared portal for licensure application submissions with immediate acknowledgment upon receipt. Consider utilizing existing systems like MN-ITS subsystem, Minnesota Provider Screening and Enrollment portal, or Provider Hub used by childcare licensing. Create progress tracking capabilities to keep providers informed about application stages. Consistently notify programs of regulatory staff changes and enhance website accessibility for required statutes, applications, and information. Implement immediate notification when licensure application responses are received.
2. **Enhance Training and Support**: Develop comprehensive training on policy and procedure templates, model policies, and guidelines, including clear direction on which manual sections can utilize standard language versus program-specific descriptions. Continue to host quarterly interactive training sessions on the licensing application process for prospective providers, working with provider associations, managed care organizations, and partners to advertise availability. Post recorded sessions on accessible platforms for on-demand viewing.

Potential Impacts

Providers would experience reduced paperwork for clients transitioning within agencies, earlier application approvals leading to faster service delivery and reduced revenue loss, and decreased application processing time through less duplication and fewer resubmissions. DHS would incur initial costs for statutory revisions, training development, model policy creation, progress tracker development, and website improvements, but would realize long-term efficiencies through reduced duplicate policy reviews and fewer callbacks. Provider associations would invest in training development and delivery costs.

C. Revise Licensure Review Processes and Procedures

This section addresses the licensure review process for SUD treatment programs from the provider perspective, highlighting opportunities to enhance consistency in communication and expectations while maintaining appropriate regulatory oversight and accountability.

Background and Identified Challenges

Communication and Transparency Opportunities

Providers request enhanced transparency in operating procedure changes, review scheduling, review processes, and citation resolution processes. While recognizing the necessary oversight role of the DHS Licensing Division, providers express interest in clearer communication channels and timelines. Some providers report receiving clear timeframes for compliance responses in correction reports, though others seek more consistent state response timelines. Providers appreciated last year's legislative changes guide and value DHS's commitment to continue this resource after each legislative session. The information from a legislative session is delivered to the authorized agent of the organization. The authorized agent is responsible to communicate the information to others within the organization. In addition, DHS Licensing posts the information on the DHS Licensing website.

Consistency and Interpretation Standardization

Providers note variations among DHS licensors in interpreting statutes and applying review criteria, which is understandable given the complexity of regulations and the natural variation that occurs in any oversight system. Multi-site providers sometimes adjust policies across all locations when cited for issues at specific programs, and occasionally experience different interpretations at various sites. Providers recognize that DHS staff transitions and new licensing staff may contribute to variations in correction order application, particularly when experienced and newer licensors review different sites within the same organization. Enhanced standardization could benefit both providers and regulators in achieving consistent compliance outcomes.

Scheduling and Review Process Considerations

Providers request advance notice for residential program reviews to accommodate preparation needs, particularly given that high-level management staff typically coordinate review preparation. When key staff are unavailable due to illness or vacation, programs may face challenges providing documentation while maintaining client services. Understanding that regulatory oversight inherently involves accountability measures, providers seek clarity on review processes and expectations to better prepare for productive interactions with licensing staff.

New staff transitions and position vacancies, and competing priorities at DHS have impacted review scheduling, creating delays that affect both providers and the regulatory system's ability to maintain consistent oversight. Providers recognize the importance of thorough reviews while requesting efficiency improvements that benefit all interested parties.

Training and Technical Assistance Enhancement Opportunities

License reviews provide valuable opportunities for direct provider training and technical assistance from DHS Licensing Division staff, and providers request expanded access to these educational interactions. Additional training on licensing review tools and checklists would help providers better understand expectations and improve compliance proactively. Providers seek access to citation trend data for quality improvement purposes, recognizing that this information could enhance both individual program performance and system-wide compliance. Standardized statute interpretation resources would benefit providers, consultants, and regulators by ensuring consistent understanding of requirements.

DHS Progress

DHS has implemented several improvements to enhance the review process:

- Eliminating pre-license review paperwork submissions and improving cancellation notification timeliness to reduce provider burden
- Continuing existing processes to enhance inter-rater reliability with plans for additional improvements using new data systems to analyze citation trends and provide targeted technical assistance
- Fostering more collaborative relationships with providers while maintaining program integrity and regulatory compliance for client protection
- As of legislative session 2022, creating legislative implementation plans after each session to enhance communication and provider knowledge of regulatory updates

Recommended Action Items

1. **Enhance Communication Systems**: Embed licensure updates into monthly Thursday Connection Meeting agendas to address statute changes, interpretations, and regulatory staff changes. Solicit provider feedback before implementing statute or policy changes to identify potential implementation challenges. Establish and communicate clear timeframes for state responses to compliance issues. Integrate statutes, rules, and interpretations into a single published document for easier reference. Continue developing comprehensive legislative change guides covering all SUD-related changes affecting DHS. Provide prompt notification of canceled reviews and prioritize rescheduling to minimize disruption.
2. **Standardize Interpretation and Training**: Develop uniform training courses and guidelines with video clarifications for both regulators and providers to ensure consistent understanding. Provide comprehensive inter-rater reliability training for new licensure reviewers and update every two years using external trainers and best practices. Analyze existing licensing review checklists to determine appropriate scope and identify items that might fall under other entities' purview.
3. **Expand Training and Technical Assistance**: Analyze compliance trends from licensure reviews to provide proactive training on common areas needing attention. Post trend analyses on the website to help providers identify system-wide improvement opportunities and provide targeted technical assistance for individual provider needs. Analyze appeals and complaints data to inform continuous improvement of the review process. Provide coordinated ASAM training to providers and regulators aligned with Minnesota statutes before implementing ASAM 4.0 changes.
4. **Establish Feedback Mechanisms**: Develop systems for collecting provider feedback on the review process, potentially involving external entities to facilitate constructive dialogue and continuous improvement while maintaining appropriate regulatory authority and accountability.

Potential Impacts

Implementation would benefit consumers through improved service quality resulting from enhanced provider-regulator collaboration and more efficient compliance processes. Providers would receive timely communication about regulatory changes, have access to standardized resources for better compliance preparation, and benefit

from proactive training opportunities based on system-wide trends. The regulatory process would become more predictable while maintaining necessary oversight and accountability measures. DHS would incur initial costs for system improvements, training development, and enhanced communication processes, but would realize long-term benefits through more efficient reviews, improved provider compliance, and stronger collaborative relationships that ultimately support better client outcomes and system integrity.

D. Resolve Inconsistency, Redundancies, and Inefficiencies in the Payer System

This section addresses issues with payers, specifically the Behavioral Health Fund (BHF), counties, and PMAPs, focusing on inconsistencies, redundancies, and inefficiencies in paperwork requirements, particularly around claims submission and billing processes.

Background and Identified Challenges

Complex Multi-Payer Environment

Payment-related requirements represent among the most frustrating and time-consuming challenges for SUD providers. The complexity of discerning varying payer requirements contributes to claims submission issues and system navigation fatigue. Minnesota's funding landscape involves Medical Assistance (MA), BHF, 9 PMAPs, 87 counties, 11 Tribal Nations, and various private insurance companies. Determining coverage, documenting services, and submitting claims according to each payer's unique requirements creates substantial administrative burden. Additional complexity arises from confusion about processes for Tribal providers and inconsistencies across counties.

County-Level Variations

Across 87 counties acting as local mental health authorities, notable variation exists in available financial resources and approaches to delivering behavioral health services. Providers report that counties enforce requirements and expectations differently, which caused confusion and paperwork burdens during the implementation of the 1115 SUD waiver and Direct Access. Determining county financial responsibility for individuals experiencing homelessness or incarceration also presents particular challenges.

Claims Processing and Payment Issues

Providers report confusion and inconsistency with claims payment and denials, especially regarding patients insured by Medicare. Providers report that PMAPs sometimes provide inaccurate information when providers attempt to resolve billing errors. PMAP implementation of policy changes, billing codes, and operational requirements often misalign with DHS timeframes. While many DHS changes take effect July 1st, others begin in August or January 1st. PMAPs changes take effect January 1st with an opportunity for amendments that are effective in July of the same contract year. This complexity in effective dates of policy changes adds confusion for billing staff, and the frequency and complexity of changes burden providers who must frequently modify

systems and procedures. DHS noted that this is a small percentage of the population that receives SUD services, and that DHS has little control over Medicare policy.

DHS Progress

DHS has implemented several initiatives to address payer system challenges:

- Hosting annual networking meetings for MCOs and providers to discuss requirement changes and build relationships, with dedicated MCO liaison staff to foster positive relations and resolve issues
- Maintaining PMAP contact lists for SUD providers via the MCO Contacts for MHCP Providers webpage
- Updating the BHF Coordinator Directory annually, including county administrator and Tribal Nation contact lists
- Meeting regularly with the Minnesota Indian Affairs Council (MIAC) and partnering with Tribal Nations to address tribal-related matters

Recommended Action Items

1. **Enhance Communication Systems:** Require PMAPs to provide designated SUD contact points and supervisory personnel for SUD issues. Update Direct Access, county administrator, and Tribal contact lists with established processes for regular updates. Encourage provider trade organizations to ensure appropriate staff participate in "Meet and Greet" meetings. Establish consensus standards for timely responsiveness to provider issues, utilizing third-party mediation if needed.

2. **Address Homelessness-Related Barriers**: Develop operational definitions of "most recent residence" for people experiencing homelessness and create guidance on reimbursement criteria for housing support, treatment-associated housing, room and board, and MA versus BHF billing procedures.

3. **Align Billing and Documentation Requirements**: Use PMAP contracts and legislation to align billing and documentation requirements with MA standards. Consider piloting centralized Medicaid billing processes based on successful implementations in other states.

4. **Strengthen ASAM Adoption**: Require PMAP utilization management alignment with ASAM Criteria and host joint training for mutual understanding. Establish ASAM 3.0 compliance plans and ASAM 4.0 pilots while monitoring PMAP compliance and preserving existing exceptions for distance and culturally specific programs.

5. **Incorporate Provider Experience**: Establish working groups to identify key contract issues and determine optimal resolution approaches through joint PMAP, DHS, and provider participation.

Potential Impacts

Implementation would benefit consumers through improved access to care, especially for individuals experiencing homelessness, justice system involvement, and Tribal populations. Providers would experience reduced time correcting billing errors, rapid claims issue resolution, improved communication, expedited

problem-solving, and decreased administrative burdens. Enhanced cash flow, improved collection rates, and reduced overpayment risks would strengthen provider financial stability. DHS, counties, and PMAPs would require additional staff and IT system resources for competency development and provider relations but would gain improved continuity, standardized processes, and enhanced operational efficiency. The system would benefit from better data capture and analysis capabilities, leading to ongoing improvements in payer system performance and provider support.

E. Fix Technical Issues with DAANES

This section addresses technical systems issues with DAANES, aiming to make the system easier and less cumbersome for providers to use while maintaining necessary data collection requirements.

Background and Identified Challenges

System Technical Issues

SUD providers must enroll and participate in DAANES for data collection purposes in Minnesota. Providers report several technical challenges including inaccurate or multiple Patient Master Index (PMI) numbers that lead to data-entry errors, burdening both DHS staff and providers with correction tasks. Data entry issues include cumbersome processes to fix errors on previously submitted data fields and challenges with skip logic functionality.

Provider Competency and Training Gaps

Variation in provider competence with DAANES data entry stems from multiple factors including high staff turnover, lack of dedicated DAANES personnel in smaller agencies, inconsistent attendance at DAANES trainings despite positive reviews from attendees, and high volumes of provider emails received by the DHS DAANES liaison. While recent changes have streamlined data entry for comprehensive assessments and clarified requirements and timeframes, adoption of these changes across all providers remains incomplete.

Data Requirements and Efficiency Opportunities

Certain data elements required for DAANES are not required for SAMHSA data submission fields, Treatment Episode Data Set (TEDS), and the large volume of fields takes longer to complete and increases error probability. Batch uploads to DAANES can reduce data entry burden and improve submission accuracy, and while this feature is available for all EMRs, it remains underutilized. Additionally, providers are often unaware of their ability to run reports in DAANES by level of care, individual provider, and statewide**.**

DHS Progress

DHS has implemented several improvements during this project, which include:

- DAANES staff have responded to suggestions and strengthened provider education in monthly meetings, including training on record recall and submission processes that reduce administrative burden and report generation
- December 2024 training opportunities addressed data-entry enhancements for burdensome field complications
- March 2025 implementation of a significant simplification by separating DAANES data collection from claims submissions

Recommended Action Items

1. **Reduce Data Entry Errors**: Collaborate with EHR vendors through MARRCH/MARATP advocacy to reduce costs for batch uploading accommodations. Develop a modernized systems approach regarding multiple PMI numbers. Allow PMI number copying and pasting into DAANES. Streamline processes for fixing errors on previously submitted data fields and provide re-education on record recall and resubmission procedures, including 24-hour waiting periods for end date errors with appropriate error messaging.

2. **Support Provider Adoption**: Publish updated workflows and visual aids to complement training and documentation in the new DAANES manual. Continue highlighting changes at monthly trainings while tracking attendance and updating email distribution lists. Explore methods to publicize trainings through provider newsletters, social media, and other DHS communications. Create accessible web pages for on-demand DAANES training recordings and data-entry aids. Establish DAANES "coaches" or "champions" among experienced providers and create learning communities for improved data entry support.

3. **Provide Additional Clarification**: Monitor areas of persistent confusion and provide targeted clarification. Clarify requirements for completing data on members who discontinue treatment.

4. **Support DAANES Reporting Capabilities**: Continue providing guidance in monthly meetings on running DAANES reports. Identify providers proficient in reporting to share practice-based expertise with other providers through peer-to-peer learning opportunities.

Potential Impacts

Implementation would benefit consumers through fewer administrative delays in accessing care. Providers would experience reduced data-entry errors and administrative burden, improved batch uploading utilization, and enhanced cash flow while committing staff resources to DHS training participation. MARRCH/MARATP would invest resources in publicizing DHS DAANES trainings and designating subject matter experts for provider coaching. DHS would dedicate staff resources to work with MN-ITS and providers on issue resolution, commit resources to DAANES improvements and training web page development, and strengthen provider relationships. The system would benefit from cleaner data through increased batch upload rates and more effective problem-solving assistance for report generation.

F. Establish a Series of Cross-Discipline Specialized Work Groups

This section proposes a series of work groups focused on tackling the major challenges to paperwork reduction. Work groups are a powerful tool for implementing change in that they bring together a diverse set of perspectives dedicated to collectively solving a particular challenge or issue. Work groups can typically self-manage and are short-term engagements with a focused set of goals and objectives.

Counselor Impact Work Group

Participants: DHS BHA, DHS Licensing Division, DHS Program Integrity Oversight Division, DHS Health Care Administration, MARRCH, MARATP, Tribes, and SUD Providers (including counselors and billing staff)

Goal/Outcome: Reduce counselor paperwork burden while maintaining regulatory compliance and quality care standards through streamlined documentation processes and enhanced peer collaboration.

Tasks:

1. **Create Standardized Assessment Tools**
    - Develop a short, standardized core set of assessment questions that meet statutory requirements
    - Design a pre-assessment questionnaire that can be completed prior to assessment and reviewed by counselors during the assessment process
2. **Streamline Group Treatment Documentation**
    - Review current requirements for group treatment documentation across multiple formats and locations
    - Recommend and design a unified format for combining all group treatment documentation into one comprehensive form
3. **Develop Universal Discharge Documentation**
    - Review best practices for discharge summary and continuing care planning
    - Assess benefits and limitations of standardized discharge documentation across all SUD providers
    - Design a unified discharge summary/continuing care plan meeting state and accreditation standards
    - Evaluate DAANES transition status versus discharge status options, including potential transition periods post-discharge
4. **Eliminate Documentation Duplication**
    - Establish ongoing review process to identify and address duplicate documentation in assessment, intake, and DAANES processes
    - Clarify the role, purpose, and potential duplication issues with significant event documentation
    - Provide comprehensive training to providers on significant event definitions and requirements
5. **Establish Peer Collaboration Networks**
    - Create peer-to-peer and agency-to-agency partnerships for sharing time-saving methods and best practices

- Develop innovative approaches for obtaining client signatures and enhancing informed consent processes
- Explore technology solutions such as electronic tablets for acknowledging multiple forms with single signatures
- Address acknowledgment forms, informed consent procedures, and ROI processes through collaborative problem-solving

Expected Outcomes:

- Reduced administrative burden on counselors
- Increased time available for direct client care
- Standardized processes across Minnesota SUD providers
- Enhanced informed consent procedures
- Improved efficiency in documentation workflows
- Strengthened provider collaboration and knowledge sharing

Licensure and Review Process Work Group

Participants: DHS Licensing Division, DHS BHA, MARRCH, MARATP, American Indian Advisory Council, Tribal Nations, SUD Providers, Counties, and Building Inspectors

Goal/Outcome: Streamline licensure application and review processes to reduce timeframes, enhance collaboration, ensure cultural responsiveness, and eliminate duplicative requirements while maintaining regulatory integrity and program quality standards.

Tasks:

1. **Streamline Licensure Application Process**
   - Map the complete licensure application process from initial submission to final approval
   - Identify bottlenecks, redundancies, and opportunities for process improvement
   - Simplify application requirements to reduce duplication and minimize callbacks
   - Develop clear timelines and milestones for application review stages
2. **Establish Collaborative Review Framework**
   - Select work group members in collaboration with MARRCH, MARATP, and the American Indian Advisory Council
   - Utilize work groups to review current statutes and recommend evidence-based changes
   - Adopt collaborative processes similar to the successful Opioid Treatment Program (OTP) work group model
   - Create ongoing dialogue between licensing staff and provider communities
3. **Address Tribal-Specific Needs**
   - Create dedicated Tribal work group to address unique Tribal provider requirements and cultural considerations
   - Ensure Native American delegates are invited and meaningfully included in all work group activities

- Develop culturally responsive licensing and review processes that honor Tribal sovereignty and traditional practices

4. **Align Standards with ASAM 4.0**
    - Coordinate comprehensive analysis of current SUD statutes for alignment with ASAM 4.0 requirements
    - Develop detailed roadmap for revising current standards, including timeframes and implementation strategies
    - Ensure smooth transition planning that minimizes disruption to existing programs and clients
    - Provide clear guidance on new requirements and expectations
5. **Eliminate Documentation Duplication**
    - Establish permanent, ongoing work group to continuously review assessment, intake, and DAANES documentation requirements
    - Identify duplicative information across different regulatory and operational processes
    - Recommend specific strategies to eliminate unnecessary redundancy while maintaining compliance
    - Monitor implementation of duplication reduction measures and adjust as needed

Expected Outcomes:

- Reduced licensure application approval timeframes
- Enhanced provider-regulator collaboration and communication
- Culturally responsive processes for Tribal providers
- Successful alignment with ASAM 4.0 standards
- Elimination of duplicative documentation requirements
- Improved regulatory efficiency while maintaining program quality and client safety

G. Develop a Learning Collaborative to Support the Implementation of ASAM

Learning Collaboratives (LCs) bring together interested parties with a common set of experiences and learning needs. A successful LC consciously fosters an environment in which participants support one another, creating an atmosphere of openness, teamwork, and accountability. LCs often engage experts in the field and speakers to present technical content interactively and include supportive materials for participants to learn more.

The consulting team recommends that an ASAM LC be established (or embedded in an existing LC) among DHS, PMAPs, and providers to support implementation of *The ASAM Criteria 4th Edition* (ASAM 4.0) and to couple this with piloting or "soft launching" ASAM 4.0. The LC will bring providers together to share successes, challenges, and emerging promising practices in implementing ASAM 4.0. The combined pilot and LC can be used to guide and support adoption of promising practices and to inform programmatic staffing, activities, and associated rate structure and processes to prevent undue burden on providers and other interested parties. For example, the LC might consider how best to operationalize shifts in medical director responsibilities that may require a shift in roles and responsibilities across the interdisciplinary team to ensure all are operating at the top of their license.

V. Appendices

A. Process map for *A*SAM level 1.0
B. Process map for ASAM levels 3.1, 3.3, 3.5

A. Counselor Paperwork Process Map: *Example of Outpatient (ASAM Level 1.0, 2.1) Level of Care*

This process map illustrates the paperwork flow for counselors and staff, recognizing that actual documentation varies by SUD level of care, agency structure, and funder contracts. The goal is to identify streamlining opportunities that reduce burden and minimize repetitive client storytelling

Referral and Screening

Process Description:

- Referrals submitted through various channels (self-referral, internal program, external agency)
- Admissions units review and coordinate intake scheduling

Opportunities for Enhancement:

- No specific enhancements identified for this stage

Admission and Intake Documentation

Process Description:

- Support staff complete 13 separate forms including client information, consent for treatment, multiple ROIs, client financial fee forms (10-15 minutes for fee packet alone), insurance releases, client rights notices, HIPAA documentation, DAANES notification, vulnerable adult reporting ROIs, opioid treatment options, orientation forms, telemedicine consent, and attendance policies

Opportunities for Enhancement:

- Convene provider groups to establish time-saving methods for obtaining client signatures and improving informed consent processes

Assessment Process

Process Description:

- Counselor's complete initial services plans, comprehensive assessments and summaries (2 hours + 30 minutes for DAANES entry), DAANES admission forms, telehealth encounter forms when applicable, intake notes, and KEPRO documentation
- Must be completed within five calendar days
- Additional requirements include cultural and socioeconomic factor assessments, and licensed practitioner reviews for high-risk clients

Opportunities for Enhancement:

- Consolidate intake forms requiring single signatures
- Educate providers on comprehensive assessment standards
- Align timeframes with ASAM 4.0 guidelines
- Allow qualified non-LADC staff to complete or contribute to comprehensive assessments
- Create accessible comprehensive assessment registries for treatment history access

- Provide diagnostic assessment variances for providers lacking immediate mental health professional access

Treatment Planning and Service Delivery

Process Description:

- Treatment plan meetings scheduled within 10 calendar days
- Group treatment documentation requires multiple entries: electronic medical records, physical attendance copies, group hours records, and individual group notes within weekly progress notes
- Individual treatment progress notes and billing logs completed
- Monthly treatment plan reviews conducted
- Treatment coordination with other agencies and case management documentation

Opportunities for Enhancement:

- Align treatment planning with ASAM 4.0 guidelines
- Study combining group treatment documentation into single forms
- Educate providers on significant event definitions
- Provide training on medical necessity documentation standards

Discharge Process

Process Description:

- Counselors complete within five calendar days: service discharge summaries, discharge DAANES forms, ROI notifications to funders and probation, and comprehensive discharge documents detailing services provided

Opportunities for Enhancement:

- Develop model combined discharge summary/continuing care plans meeting 245G requirements and ASAM 4.0 standards
- Extend discharge documentation timeframes to seven days to accommodate counselor availability limitations, particularly in residential programs

Source: Center for Alcohol & Drug Treatment (CADT) in Duluth provided process consultation.

B. Counselor Paperwork Process Map: *Example of Substance Use Residential (ASAM Levels 3.1, 3.3, 3.5) Level of Care*

The below paperwork phases and current workflow were informed by discussion with staff during site visits with substance use disorder (SUD) care providers in Minnesota that occurred in November and December 2023.

Phase of Care	Paperwork	Ideal Process
Referral/Screening	• Referral form • Provider-selected screening tools	None noted
Intake/Admission	• Residential admission checklist • Client handbook • Client educational handouts	• Convene provider groups to identify time-saving methods for obtaining required

	• Requests for information (ROIs) • Random drug screen • Financial forms (e.g., full payment agreement) • Patient acknowledgments • Residential admit belongings sheet • Daily/weekly schedule • Confidentiality and mandated reporting information	signatures and improving informed consent • Share best practices among licensed SUD providers • Create short educational videos to help clients understand forms they are signing
Assessment/Placement	• (DAANES) notification of data collection • DAANES admission form • Comprehensive assessment (CA) • CA summary • Diagnostic assessment (mental health) • Comprehensive health assessment (nursing) • 72-hour form with vitals and medical clearance (nursing) • Nutritional assessment (nursing) • Medication chain of custody (nursing) • Admission note	• Provide education on CA requirements • Align timeframes with ASAM 4.0 guidelines • Allow counselors at least two sessions (120 minutes total) to complete CA • Create DHS-established CA registry for electronic access to treatment history • Allow other licensed professionals (RNs, LPCs, LCSWs) to complete or contribute to CAs.
Treatment Phase: Treatment Planning Treatment Coordination Treatment Documentation	• Initial services plan (ISP) • Initial treatment plan (ITP) • Individual abuse prevention plan (IAPP) • Treatment plan • Treatment documentation	1. Provide clear understanding of significant events definition 2. Create streamlined format for group treatment documentation to reduce time and redundancy 3. Allow use of transcription services to reduce documentation burden by 50-95% 4. Provide accessible medical necessity training in various formats coordinated by DHS BHA, PMAPs, and provider organizations
Discharge/ Continuing Care	• Continuity of care plan • Consults and collaterals documentation • Follow-up contacts with referral sources • Identification of stable place to live • Discharge DAANES form	1. Develop streamlined model combining discharge summary and continuing care plan meeting 245G requirements 2. Revise statute to distinguish between "planned discharge" and "unplanned discharge" 3. Allow at least seven days to complete documentation for unplanned discharges