Agency Purpose

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

Ensuring basic health care for low-income Minnesotans, DHS administers

- Medical Assistance (MA), Minnesota's Medicaid program for low-income seniors, children and parents, and people with disabilities;
- MinnesotaCare for residents who do not have access to affordable private health insurance and do not qualify for other programs; and
- General Assistance Medical Care (GAMC), primarily for adults without dependent children.

Approximately two-thirds of all enrollees get their care through one of nine contracted health plans.

Helping Minnesotans support their families

DHS works with counties and tribes to help low-income families with children achieve self-sufficiency through programs such as the Minnesota Family Investment Program (MFIP), the Diversionary Work Program (DWP), child support enforcement, child care assistance, food support, refugee cash assistance, and employment services.

Aiding children and families in crisis

DHS supports families to ensure that children in crisis receive the services they need quickly and close to home so they can lead safe, healthy, and productive lives. DHS guides statewide policy in child protection services, out-of-home care, and permanent homes for children.

Assisting people with disabilities

DHS promotes independent living for people with disabilities by encouraging community-based services rather than institutional care. DHS sets statewide policy and standards for care and provides funding for developmental disability services, mental health services, and chemical health services. DHS also provides services for people who are deaf, deafblind, or hard-of-hearing through its regional offices in Bemidji, Duluth, Mankato, Moorhead, Rochester, St. Cloud, St. Paul, St. Peter, and Virginia.

Direct care services

DHS provides an array of treatment and residential services to people with mental illness, chemical dependency, developmental disabilities, or acquired brain injury, many of whom may pose a risk to society. These services are provided at 16-bed inpatient psychiatric hospitals located in Alexandria, Annandale, Baxter, Bemidji, Cold Spring, Fergus Falls, Rochester, St. Peter, Wadena, and Willmar; a mental health crisis center in Mankato; Anoka-Metro Regional Treatment Center; and Minnesota State Operated

At A Glance

Health care programs – FY 2007

- Average monthly enrollment of 662,000
- Medical Assistance — 510,000 people
- MinnesotaCare — 118,000 people
- General Assistance Medical Care — 34,000

Economic assistance programs – FY 2007

- Food Support — 250,000 people per month
- Minnesota Family Investment Program and Diversionary Work Program cases – 36,000 families
- General Assistance — 16,200 people
- More than 406,000 parents assisted through Child Support Enforcement
- $625 million in child support payments collected
- 16,500 families received child care assistance for 29,500 children

Child welfare services – CY 2007

- Of more than 14,800 children in out-of-home placement, more than 10,200 children received care from foster families.
- About 7,000 children were cared for by adoptive parents or relatives who receive financial assistance and support for children's special needs
- 672 children under state guardianship were adopted.

Mental health services – FY 2007

- About 114,400 adults received publicly-funded mental health services
- 43,700 children received publicly-funded mental health services

Operations and two-year state budget

- FY 2008-09 $9.4 billion general fund budget
- FY 2008-09 $20.1 billion all funds budget
- 83% of DHS' general fund budget is spent on health care and long-term care programs and related services
- 100,000 health care providers and nine contracted health plans
- 43.4 million health encounters, claims, and managed care capitations processed
- Approximately 97% of DHS' budget goes toward program expenditures, with 3% spent on central office administration

Community Services with locations throughout the state. DHS also provides treatment for people, who have been civilly committed as mental ill and dangerous, at the Minnesota Security Hospital in St. Peter and people, who are developmentally disabled and present a risk to society, at the Minnesota Extended Treatment Options Program in Cambridge. In addition, DHS provides services to people committed as sexual psychopathic personalities and/or sexually dangerous persons in the Minnesota Sex Offender Program at Moose Lake and St. Peter.

Promoting independent living for seniors
DHS supports quality care and services for older Minnesotans so they can live as independently as possible. Quality assurance and fiscal accountability for the long-term care provided to low-income elderly people, including both home and community-based services and nursing home care, are key features.

Operations

DHS has a wide variety of customers and business partners, including the state's 87 counties 11 tribal governments, 100,000 health care providers, and nine contracted health plans. DHS provides significant operational infrastructure to Minnesota's human services programs, most of which are provided at the county level.

DHS licenses about 24,500 service providers, including group homes, treatment programs for people with chemical dependency, mental illness, or developmental disabilities, child care providers, and foster care providers. DHS also monitors their compliance with Minnesota laws and rules, investigates reports of possible maltreatment, and completes background studies on individuals who provide direct care.

DHS' operations support other providers who directly serve Minnesotans. DHS oversees significant computer systems support for: MAXIS, which determines eligibility for economic assistance programs; PRISM, the child support enforcement system; the Medicaid Management Information System (MMIS), which pays medical claims for publicly-funded health care programs; the Social Service Information System (SSIS), an automated child welfare case management system for child protection, children's mental health, and out-of-home placement; and MEC^2, the Minnesota Electronic Child Care system.

Budget

DHS is one of the state's largest agencies, comprising 35.5% of the state's total spending from all sources. DHS's FY 2008-09 budget from all funding sources totals $20.1 billion. Of the total budget for the biennium, $9.4 billion comes from general fund tax dollars. The remaining $10.7 billion comes from federal revenue and other funds, such as the health care access fund, enterprise fund, and agency fund. Approximately 6,600 full-time-equivalent employees work for DHS.

Contact

Minnesota Department of Human Services
Cal R. Ludeman, Commissioner
PO Box 64998
Saint Paul, Minnesota 55164-0998
Phone: (651) 431-2709

World Wide Web Home Page: http://www.dhs.state.mn.us.

General Information:
Phone: (651) 431-2000
TTY/TDD: (800) 627-3529

For information on how this agency measures whether it is meeting its statewide goals, please refer to http://www.departmentresults.state.mn.us.

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	4,582,526	4,858,200	4,870,200	4,870,200	9,740,400
Forecast Base	**4,582,526**	**4,913,919**	**5,447,205**	**5,889,984**	**11,337,189**
Change		55,719	577,005	1,019,784	1,596,789
% Biennial Change from 2008-09					19.4%
State Government Spec Revenue					
Current Appropriation	549	565	565	565	1,130
Forecast Base	**549**	**565**	**565**	**565**	**1,130**
Change		0	0	0	0
% Biennial Change from 2008-09					1.4%
Health Care Access					
Current Appropriation	341,222	400,463	400,463	400,463	800,926
Forecast Base	**341,222**	**399,819**	**503,719**	**589,608**	**1,093,327**
Change		(644)	103,256	189,145	292,401
% Biennial Change from 2008-09					47.5%
Federal Tanf					
Current Appropriation	259,779	299,425	299,425	299,425	598,850
Forecast Base	**259,779**	**285,656**	**269,413**	**263,253**	**532,666**
Change		(13,769)	(30,012)	(36,172)	(66,184)
% Biennial Change from 2008-09					-2.3%
Lottery Cash Flow					
Current Appropriation	2,185	1,790	1,790	1,790	3,580
Forecast Base	**2,185**	**1,790**	**1,665**	**1,665**	**3,330**
Change		0	(125)	(125)	(250)
% Biennial Change from 2008-09					-16.2%
Expenditures by Fund					
Carry Forward					
Health Care Access	1,617	1,066	0	0	0
Miscellaneous Special Revenue	2,123	625	0	0	0
Direct Appropriations					
General	4,429,295	4,784,398	5,447,205	5,889,984	11,337,189
State Government Spec Revenue	513	565	565	565	1,130
Health Care Access	332,346	396,556	503,719	589,608	1,093,327
Federal Tanf	246,331	285,656	269,413	263,253	532,666
Lottery Cash Flow	2,098	1,790	1,665	1,665	3,330
Statutory Appropriations					
General	49,390	84,049	81,931	81,890	163,821
Health Care Access	19,355	19,171	23,361	29,701	53,062
Miscellaneous Special Revenue	381,292	408,061	184,580	195,743	380,323
Federal	4,323,640	4,801,045	5,126,686	5,516,792	10,643,478
Miscellaneous Agency	659,777	847,791	845,409	845,542	1,690,951
Gift	28	55	55	55	110
Endowment	1	2	2	2	4
Revenue Based State Oper Serv	81,587	81,605	81,605	81,605	163,210
Mn Neurorehab Hospital Brainer	17,474	13,244	12,965	12,965	25,930
Dhs Chemical Dependency Servs	21,093	23,065	22,465	22,465	44,930
Materials Distribution	0	500	500	500	1,000
Total	**10,567,960**	**11,749,244**	**12,602,126**	**13,532,335**	**26,134,461**

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Expenditures by Category					
Total Compensation	499,803	494,978	496,998	495,252	992,250
Other Operating Expenses	345,941	357,973	341,318	365,234	706,552
Capital Outlay & Real Property	616	1,045	1,045	1,045	2,090
Payments To Individuals	8,074,557	9,190,909	10,082,303	10,998,892	21,081,195
Local Assistance	986,096	1,037,829	1,012,833	1,004,150	2,016,983
Other Financial Transactions	660,947	666,170	665,152	665,285	1,330,437
Transfers	0	340	2,477	2,477	4,954
Total	**10,567,960**	**11,749,244**	**12,602,126**	**13,532,335**	**26,134,461**
Expenditures by Program					
Agency Management	72,957	78,659	72,580	72,887	145,467
Revenue & Pass Through Expend	1,071,218	1,301,272	1,294,148	1,296,469	2,590,617
Children & Economic Assist Gr	1,257,530	1,346,295	1,353,344	1,364,993	2,718,337
Children & Economic Asst Mgmt	99,324	111,950	104,088	105,319	209,407
Health Care Grants	4,355,404	4,965,078	5,577,180	6,265,557	11,842,737
Health Care Management	87,744	99,424	90,068	94,060	184,128
Continuing Care Grants	3,173,371	3,418,248	3,680,059	3,907,667	7,587,726
Continuing Care Management	40,155	48,787	46,513	41,237	87,750
State Operated Services	410,257	379,531	384,146	384,146	768,292
Total	**10,567,960**	**11,749,244**	**12,602,126**	**13,532,335**	**26,134,461**
Full-Time Equivalents (FTE)	**7,407.8**	**7,022.7**	**6,900.7**	**6,716.7**	

Program Description

The purpose of the Agency Management program is to provide financial, legal, regulatory, management (e.g., personnel, telecommunications, and facility management), and information technology support to all Department of Human Services (DHS) policy areas and programs.

Budget Activities

This program includes the following budget activities

- Financial Operations
- Compliance Operations
- Management Operations
- Technology Operations

HUMAN SERVICES DEPT

Program: AGENCY MANAGEMENT

Program Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	47,783	42,550	42,550	42,550	85,100
Technical Adjustments					
Approved Transfer Between Appr			7,109	7,634	14,743
Current Law Base Change			(40)	(37)	(77)
Pt Contract Base Reduction			(92)	(92)	(184)
Forecast Base	**47,783**	**42,550**	**49,527**	**50,055**	**99,582**
State Government Spec Revenue					
Current Appropriation	427	440	440	440	880
Forecast Base	**427**	**440**	**440**	**440**	**880**
Health Care Access					
Current Appropriation	7,950	7,945	7,945	7,945	15,890
Technical Adjustments					
Approved Transfer Between Appr			(663)	(876)	(1,539)
Forecast Base	**7,950**	**7,945**	**7,282**	**7,069**	**14,351**
Federal Tanf					
Current Appropriation	222	222	222	222	444
Forecast Base	**222**	**222**	**222**	**222**	**444**
Expenditures by Fund					
Carry Forward					
Health Care Access	1,617	1,066	0	0	0
Miscellaneous Special Revenue	2,123	625	0	0	0
Direct Appropriations					
General	48,557	52,101	49,527	50,055	99,582
State Government Spec Revenue	387	440	440	440	880
Health Care Access	6,277	8,892	7,282	7,069	14,351
Federal Tanf	120	222	222	222	444
Statutory Appropriations					
Miscellaneous Special Revenue	12,625	13,994	13,790	13,782	27,572
Federal	1,251	1,319	1,319	1,319	2,638
Total	**72,957**	**78,659**	**72,580**	**72,887**	**145,467**
Expenditures by Category					
Total Compensation	39,219	42,881	38,755	39,284	78,039
Other Operating Expenses	33,738	35,438	31,271	31,049	62,320
Transfers	0	340	2,554	2,554	5,108
Total	**72,957**	**78,659**	**72,580**	**72,887**	**145,467**

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Expenditures by Activity					
Financial Operations	9,920	13,708	7,686	7,990	15,676
Compliance Operations	15,604	16,936	18,689	18,689	37,378
Management Operations	4,698	5,702	5,546	5,546	11,092
Technology Operations	42,735	42,313	40,659	40,662	81,321
Total	**72,957**	**78,659**	**72,580**	**72,887**	**145,467**
Full-Time Equivalents (FTE)	**518.7**	**516.2**	**516.2**	**516.2**	

Activity Description

Financial Operations manages the financial processes and reporting to support agency programs. Financial Operations assures fiscal integrity of agency programs by maintaining standards and procedures that are consistent with state and federal law and appropriate business practices.

Population Served

Because Financial Operations provides services to all Department of Human Services (DHS) policy and operations areas, virtually all agency clients benefit directly or indirectly.

Activity at a Glance

- Develops and manages $20.1 billion biennial budget for FY 2008-2009.
- Processes approximately $4.9 billion in annual receipts.
- Develops financial reports and analyses for about 290 grant programs.
- Prepares expenditure forecasts for more than 10 agency programs.

Services Provided

Financial Operations forecasts program expenditures and revenues, prepares reports and analyses of expenditures and revenues, and prepares fiscal notes projecting the effects of policy changes. Specific activities include

- producing the November and February program expenditure and enrollment forecasts;
- reporting and analyzing county expenditures;
- reporting and analyzing federal funding and revenues;
- preparing internal management reports on administrative and grant expenditures; and
- producing fiscal notes and other projections of the fiscal impact of policy changes.

Financial Operations provides agency-wide accounting and financial support, including

- establishing financial procedure guidelines for all agency fiscal activities;
- managing accounts receivable and ensuring collection of funds from all possible sources;
- maintaining fiscal records through the Minnesota Accounting and Procurement System (MAPS) and generating, distributing, and maintaining the accounting reports on state, federal, and other funds expended by the agency; and
- updating and maintaining computer interfaces and seeking new technology to improve agency fiscal operations and to enable more efficient financial transactions with customers and business partners.

Financial Operations is responsible for development and management of the agency's biennial, supplemental, and capital budgets.

Financial Operations activities include development and management of ongoing fiscal policies and strategies to support policy objectives, meet changing federal requirements, and ensure fiscal accountability.

Financial Operations provides technical assistance to internal and external customers by

- providing resources and technical assistance for agency policy staff and county staff on grants and allocations, potential revenue enhancement programs, MAPS operations and reporting, program fiscal requirements, federal claiming reports and payments, and statewide program costs and revenues; and
- improving fiscal education and training opportunities for agency staff, counties, tribes, and other business partners through the use of current technology, on-site visits, interactive video, and the Web.

Historical Perspective

The past 15 years have brought significant increases in the complexity of program funding and budgeting rules. For example, the Temporary Assistance for Needy Families (TANF) block grant replaced the open entitlement Aid to Families with Dependent Children (AFDC) and the Health Care Access Fund (HCAF) was created to segregate funding for MinnesotaCare from the General Fund.

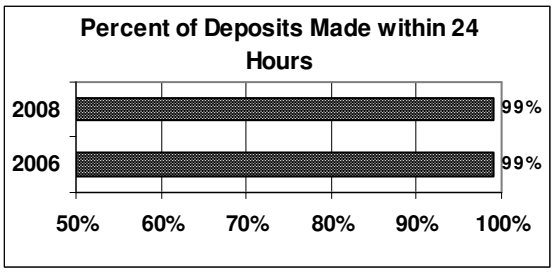
Increased use of program fees and premiums and greater complexity in program funding mechanisms and requirements have all had an impact on Financial Operations' work flow, compelling greater use of technology for efficiency. The department has developed and maintained electronic interfaces between computer systems within the department and between DHS, statewide, and county systems. Expectations have also increased for the use of electronic transfers of funds among DHS business partners.

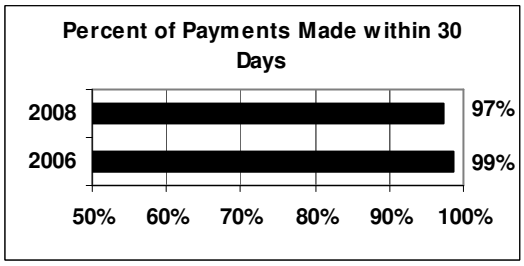
Key Program Goals

- *Ensure appropriate stewardship of public funds and maintain the highest accounting standards through DHS fiscal policies and processes.*

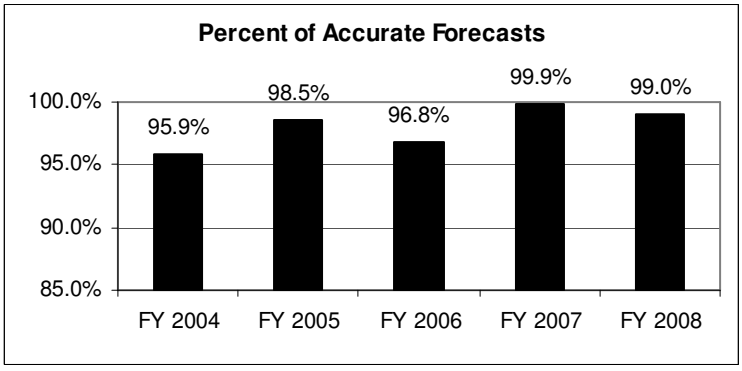
Key Measures

- ***Percentage of receipts volume deposited within 24 hours.*** The department is required to make timely deposits. Infrequently, a check must be held longer than 24 hours because follow-up identification is required with the payee. *Of the total receipts* volume *in FY 2008, at least 99% were deposited within 24 hours.*
- ***Percentage of accounts payable volume paid within 30 days.*** The department is required to make timely payments. *Of the total payment volume in FY 2008, the department made 97.4% of the payments within 30 days.*





- ***Forecast accuracy: actual expenditures compared with forecasted expenditures.*** Effective financial management requires accurate expenditure forecasts. Forecast accuracy is measured as actual expenditures (forecasted programs only) in a given year compared with the expenditures that were forecasted at the end of the legislative session that preceded the fiscal year. Forecasted programs include Medical Assistance, General Assistance Medical Care, MinnesotaCare, Minnesota Family Investment Program, Diversionary Work Program, Child Care Assistance Program, and the Consolidated Chemical Dependency Treatment Fund.



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Financial Operations is funded primarily with appropriations from the general fund and health care access fund and from federal funds.

Contact

For more information about Financial Operations, contact the Financial Operations Division, (651) 431-3725.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: AGENCY MANAGEMENT
Activity: FINANCIAL OPERATIONS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	7,165	1,785	1,785	1,785	3,570
Technical Adjustments					
Approved Transfer Between Appr			1,664	2,189	3,853
Current Law Base Change			23	26	49
Pt Contract Base Reduction			(92)	(92)	(184)
Forecast Base	**7,165**	**1,785**	**3,380**	**3,908**	**7,288**
Health Care Access					
Current Appropriation	799	804	804	804	1,608
Technical Adjustments					
Approved Transfer Between Appr			437	212	649
Forecast Base	**799**	**804**	**1,241**	**1,016**	**2,257**
Federal Tanf					
Current Appropriation	122	122	122	122	244
Forecast Base	**122**	**122**	**122**	**122**	**244**
Expenditures by Fund					
Direct Appropriations					
General	6,897	7,737	3,381	3,909	7,290
Health Care Access	777	2,865	1,241	1,016	2,257
Federal Tanf	22	122	122	122	244
Statutory Appropriations					
Miscellaneous Special Revenue	1,976	2,715	2,673	2,674	5,347
Federal	248	269	269	269	538
Total	**9,920**	**13,708**	**7,686**	**7,990**	**15,676**
Expenditures by Category					
Total Compensation	8,752	9,742	5,319	5,848	11,167
Other Operating Expenses	1,168	3,966	2,223	1,998	4,221
Transfers	0	0	144	144	288
Total	**9,920**	**13,708**	**7,686**	**7,990**	**15,676**
Full-Time Equivalents (FTE)	**110.1**	**107.2**	**107.2**	**107.2**	

Activity Description

The Office of Compliance unites the department's legal, regulatory and audit activities to assure agency compliance with all state, federal, and constitutional requirements. It includes Appeals and Regulations, Licensing, Internal Audits, and the department's Legal Manager.

The Office of Compliance maintains legal standards by which the agency operates and by which clients gain access to services. Appeals and Regulations develops and implements statutory and regulatory standards for fair hearings, contested case hearings, and contracting; provides legal analysis and/or advice regarding contract development/management; writes rules, which define client benefits; and publishes bulletins concerning program changes and other issues affecting agency clients and programs. The Licensing Division licenses programs that serve children and vulnerable adults, conducts background studies on individuals who have direct contact with clients, and investigates allegations of maltreatment. The Internal Audits Office maintains fiscal and program integrity through internal audits, evaluation of eligibility for program recipients, and oversight of the department's efforts to comply with federal audit requirements. The department's Legal Manager provides oversight and strategic direction to the department's large and complex legal activities and legal analysis and advice regarding data privacy.

Activity at a Glance

- Regulates 24,500 licensed programs annually.
- Conducts 251,500 background studies each year.
- Annually investigates 950 maltreatment allegations.
- Reviews and approves more than 2,000 contracts per year.
- Conducts more than 6,500 administrative fair hearings per year.
- Annually responds to more than 500 data privacy inquiries.
- Manages and provides legal advice and direction on hundreds of agency legal matters per year.
- Manages federal Single Audit Act activities for more than 280 organizations that receive federal human services funding.

Population Served

Because the Office of Compliance supports all Department of Human Services (DHS) policy areas, virtually all agency clients are served directly or indirectly.

Direct client contact includes meeting with clients through the fair hearing process and through licensing a wide range of services, including those for people with mental illness, chemical dependency, developmental disabilities and for providers of foster care, child placement, adoption services, and child care. Indirect contact includes county licensing oversight and approving grant contracts for delivery of client services.

Services Provided

The Appeals and Regulations Division provides rule-making assistance for all department programs, manages grants and contracts for department services, and resolves disputes with clients, license holders, and long-term care facilities by:

- conducting administrative fair hearings for applicants and recipients of service whose benefits have been denied, reduced, or terminated;
- resolving appeals by applicants denied licenses or by providers whose licenses are suspended or revoked; and
- handling appeals by Medical Assistance (MA) and General Assistance Medical Care service providers, principally MA long-term care payment rate appeals.

The Licensing Division's activities include:

- licensing, monitoring, and investigating human services programs, including issuing approximately 2,800 new licenses annually;
- conducting approximately 251,500 background studies on people who provide direct contact services in programs licensed by DHS and the Minnesota Department of Health (MDH);

- investigating approximately 1,600 complaints about the quality of services provided in licensed programs, including approximately 950 investigations of abuse or neglect of children and vulnerable adults;
- issuing approximately 1,080 licensing sanctions per year;
- processing approximately 2,100 requests for administrative reconsideration of disqualifications based on background study information, maltreatment investigation findings, and licensing actions, and;
- defending licensing decisions in fair hearings, contested case hearings, district court, and the Minnesota Court of Appeals.

The Internal Audits Office conducts internal auditing, performs recipient eligibility verification and evaluation, and manages the department's effort to comply with the federal auditing program known as PERM (Payment Error Rate Measurement). The Internal Audits unit provides management with an independent appraisal of the agency's fiscal management and programmatic controls. It is a managerial control that functions by measuring and evaluating the effectiveness of other department control mechanisms. Activities include:

- evaluating the agency's system of internal controls, conducting management-requested operational reviews, and auditing counties, grantees, contractors, and vendors for fiscal and compliance requirements;
- investigating suspected or alleged misuse of state resources;
- acting as the agency's liaison for external audit groups;
- managing the agency's federal single audit report requirements, and;
- operating a computer forensic laboratory to assist the agency's Human Resources Division and other state agencies with personnel investigations.

The Health Care Programs Audits and Evaluation unit provides the department with recipient eligibility verification for the MinnesotaCare and Medical Assistance programs which is required under state statute and federal regulations pertaining to Medicaid Eligibility Quality Control (MEQC). In accordance with a federal waiver to the MEQC regulations, subpopulations of enrollees and applicants eligible for federal financial participation are randomly audited. Activities also include:

- eligibility reviews of State Children's Health Insurance Program (SCHIP) enrollees, and;
- issuing recommendations to the program areas on training for eligibility workers, clarifying policy, and enhancing DHS/county procedures.

The PERM unit manages a required federal auditing program resulting from the Improper Payment Act of 2002 that reviews both the MA and SCHIP programs in the areas of claims processing, medical necessity, and recipient eligibility. Final federal regulations were effective 10-01-07. Payment error rates have a fiscal impact on the department. This unit is responsible for the recoveries of payments made in error and the preparation of the department's Corrective Action Plan to address the errors. PERM will assist the various federal contractors in their claims processing and medical necessity audits by clarifying policies and payment procedures, providing access to the claims processing systems, assuring that providers submit the correct medical information in a timely manner, determining if the federal reviewers are applying the correct policies for MA and SCHIP, monitoring of errors, and filing difference resolutions and appeals as needed. For FFY 2009, Minnesota PERM staff will be required to conduct the recipient eligibility portion of PERM to include:

- developing a sampling plan for this federal Initiative;
- reviewing a sample of MA and SCHIP active and negative cases;
- calculating eligibility error rates, and;
- developing a corrective action plan to include actions for training and policy and procedure clarification and modification.

Historical Perspective

The **Appeals and Regulations Division** initially focused fair hearings on hearings for applicants and recipients of DHS health care and welfare benefits. The number of hearings has increased significantly over time, and the nature of hearings has changed from relatively simple, single-issue eligibility appeals to more complicated medical and social services appeals. The fair hearings function has also assumed responsibility for certain licensing and provider appeals and review of child and vulnerable adult maltreatment determinations.

In 1991, the **Licensing Division** assumed responsibility for developing a background study system following legislative action. In 1995 and 2001, the legislature expanded DHS' responsibility to include background studies on people providing services in programs licensed by the Minnesota Department of Health and the Minnesota Department of Corrections. In 2007, the legislature transferred responsibility for conducting background studies for child foster care from the counties to DHS and added responsibility to the Licensing Division for conducting background studies for adoptions (compliance with federal Adam Walsh requirements).

In 1995, the legislature transferred responsibility for many vulnerable adult maltreatment investigations from counties to DHS, and, in 1997, transferred certain responsibility for maltreatment of minors investigations from counties to DHS. Regulatory simplification and the press for greater consistency across agencies has led to efforts like the current interagency children's residential facilities rule that sets standards for children placed in out-of-home settings, whether those children come into human services or corrections programs. More recent events affecting the work of the Licensing Division include new chemical dependency licensing rules, a newly designed adult mental health system, and the expansion of due-process requirements.

The **Internal Audits Office** was established in November 1995 to provide the department with an independent evaluation of its operations and to coordinate mandatory audit requirements for federal program funds. The office has developed a computer forensic service to assist DHS' Human Resources Division and other state agencies in personnel investigations. In 2006, Health Care Programs Audits and Evaluation and PERM functions were incorporated under Internal Audits to align agency functions better. These sections were previously located in Children and Families Services and Health Care business areas.

The department's **Legal Manager** is responsible for ensuring DHS' implementation of and compliance with the Health Insurance Portability Accountability Act (HIPAA) privacy regulations. In 1996, the federal government passed the HIPAA, a complex federal law designed to provide protections to health care consumers and save administrative costs for health care providers. The HIPAA regulations set standards for electronic transmissions, electronic safeguards, and privacy protections for the handling of private health care information.

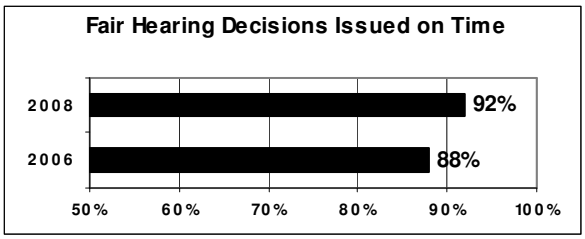
All aspects of the Office of Compliance have been affected significantly by two trends: more and faster-changing types of service models, which challenge traditional licensing and regulatory approaches; and the demands of clients, business partners, and DHS staff for more use of electronic government services for basic information dissemination and for interactive business transactions.

Key Program Goals

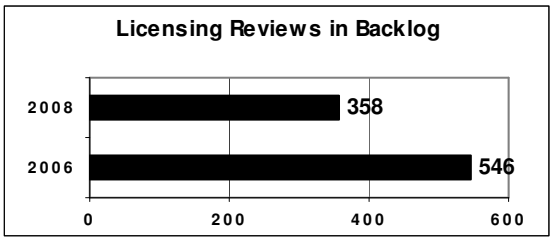
- Improve delivery of legal and regulatory services to ensure system integrity and legal compliance.

Key Measures

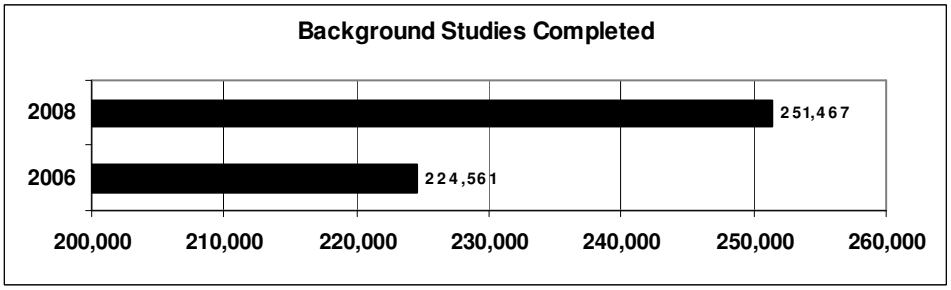
- ***Percentage of final decisions in fair hearings issued within statutory deadlines.*** The department is required to issue final decisions for fair hearings within statutory deadlines. In FY 2006 and FY 2008, the department met the statutory deadline in 88% and 92% of the cases, respectively.



- ***Number of license reviews in backlog.*** There have been significant reductions in the license review backlog for child care centers and programs serving persons with developmental disabilities.



- ***Number of background studies completed for individuals who have direct contact with clients.***



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

The Office of Compliance is funded with appropriations from the general fund, health care access fund, state government special revenue fund, from federal funds, and from fees.

Contact

For more information about Compliance Operations, contact:

- Office of Compliance, (651) 431-2924
- Appeals and Regulations Division, (651) 431-3600
- Internal Audits Office, (651) 431-3619
- Licensing Division, (651) 461-3971

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	12,337	12,424	12,424	12,424	24,848
Technical Adjustments					
Approved Transfer Between Appr			994	994	1,988
Current Law Base Change			(63)	(63)	(126)
Forecast Base	**12,337**	**12,424**	**13,355**	**13,355**	**26,710**
State Government Spec Revenue					
Current Appropriation	427	440	440	440	880
Forecast Base	**427**	**440**	**440**	**440**	**880**
Health Care Access					
Current Appropriation	900	926	926	926	1,852
Technical Adjustments					
Approved Transfer Between Appr			17	17	34
Forecast Base	**900**	**926**	**943**	**943**	**1,886**
Federal Tanf					
Current Appropriation	100	100	100	100	200
Forecast Base	**100**	**100**	**100**	**100**	**200**
Expenditures by Fund					
Carry Forward					
Miscellaneous Special Revenue	20	0	0	0	0
Direct Appropriations					
General	10,751	11,575	13,355	13,355	26,710
State Government Spec Revenue	387	440	440	440	880
Health Care Access	949	968	943	943	1,886
Federal Tanf	98	100	100	100	200
Statutory Appropriations					
Miscellaneous Special Revenue	2,396	2,803	2,801	2,801	5,602
Federal	1,003	1,050	1,050	1,050	2,100
Total	**15,604**	**16,936**	**18,689**	**18,689**	**37,378**
Expenditures by Category					
Total Compensation	13,178	13,600	13,976	13,976	27,952
Other Operating Expenses	2,426	3,336	2,642	2,642	5,284
Transfers	0	0	2,071	2,071	4,142
Total	**15,604**	**16,936**	**18,689**	**18,689**	**37,378**
Full-Time Equivalents (FTE)	**187.7**	**180.0**	**180.0**	**180.0**	

Activity Description

Management Operations promotes and supports workplace performance through its responsibility for the department's public policy direction, external relations, communication oversight, equal employment opportunity and affirmative action plan implementation, and human resources activities.

Activity at a Glance

- Provides agency-wide decision making.
- Provides human resources support for 6,600 full-time equivalent employees.
- Provides personnel services to 70 counties.

Population Served

Because Management Operations supports all Department of Human Services (DHS) policy and operations areas, virtually all agency businesses and clients are served directly or indirectly.

Services Provided

Management Operations provides the following services:

- agency leadership, public policy direction, and legislative liaison activity;
- communication oversight for interactions with clients, business partners, the media, legislators and their staff, other state agencies, counties, tribes, and the federal government;
- human resources management for DHS Central Office, State Operated Services, and 70 counties including
  - ⇒ personnel recruitment, selection, redeployment, compensation, classification, performance evaluation, and training;
  - ⇒ labor relations, grievance arbitration, and negotiations of supplemental agreements and memoranda of understanding; and
  - ⇒ health, safety, wellness, workers compensation, and complaint investigation activities;
- development of a culturally competent workforce through equal opportunity and affirmative action plan implementation, Americans with Disabilities Act coordination, diversity training, and civil rights enforcement;
- coordination of department communications efforts by
  - ⇒ responding to inquiries from news media;
  - ⇒ preparing information that helps the public understand the department's policies; and
  - ⇒ publishing news releases and fact sheets on the department's website;
- coordination of ongoing consultation with tribal governments and, where appropriate, state and federal agencies, relating to the implementation of DHS services on Indian reservations and urban Indian communities;
- customer relations activities for the department to ensure that constituents receive timely and helpful responses to inquiries and requests for assistance;
- orchestration of agency-wide policy development so that it synchronizes with the direction of the department's Senior Management Team, the commissioner, and the governor, and;
- legislative activities which include managing the department's legislative process, working with staff on the development of human services proposals, and following the sequence of human services-related legislation from introduction through final actions.

Historical Perspective

For human resource management, a significant development has been the increase in Minnesota's minority and non English-speaking populations in the past decade. As a result, the department has increased efforts to recruit and retain staff with new language and communications skills and to develop a more diverse and culturally competent work force. Other significant changes are the continued movement of State Operated Services from the large institutions to small, community-based facilities and services, along with the increasing difficulty in recruiting health care staff and the aging of the workforce.

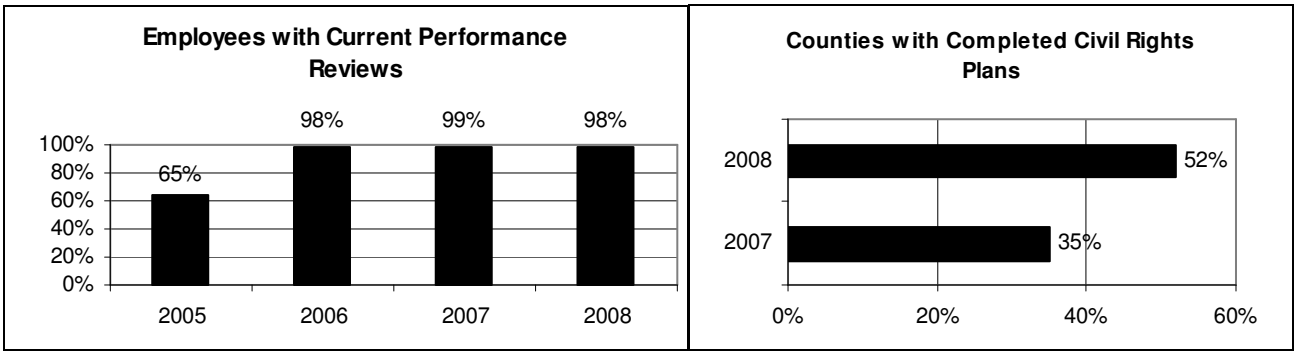
Key Program Goals

- ***Create a flexible, efficient human resources system that meets the needs of managers and supervisors in a high-quality and timely manner.***
- ***Reduce disparities in service access and outcomes for racial and ethnic populations.*** Reducing disparities is one of DHS' six department-wide priorities. The department's Office of Equal Opportunity plays a key role in pursuing this priority. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Activity Measures

- ***Percentage of employees with a current performance review on file.*** Regular and timely performance reviews of DHS staff members are needed to facilitate employee development and performance improvement. "Current" is now defined as "received by the Human Resources Division within 30 days of the due date for the review." Previously, performance reviews were required to be on file in HR within 90 days of the due date. Under the 90-day guideline, 65% and 98% of employees had current performance reviews on file in FY 2005 and FY 2006, respectively.

- ***Percentage of county Civil Rights plans that have been completed.***



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Management Operations is funded primarily from appropriations from the general fund and health care access fund and from federal funds.

Contact

For more information about Management Operations, contact:

- External Relations, (651) 431-2919
- Equal Opportunity Office, (651) 431-3040
- Human Resources Division, (651) 431-2990

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: AGENCY MANAGEMENT
Activity: MANAGEMENT OPERATIONS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	4,332	4,419	4,419	4,419	8,838
Technical Adjustments					
Approved Transfer Between Appr			296	296	592
Forecast Base	**4,332**	**4,419**	**4,715**	**4,715**	**9,430**
Health Care Access					
Current Appropriation	236	243	243	243	486
Technical Adjustments					
Approved Transfer Between Appr			(1)	(1)	(2)
Forecast Base	**236**	**243**	**242**	**242**	**484**
Expenditures by Fund					
Direct Appropriations					
General	3,831	4,712	4,715	4,715	9,430
Health Care Access	169	242	242	242	484
Statutory Appropriations					
Miscellaneous Special Revenue	698	748	589	589	1,178
Total	**4,698**	**5,702**	**5,546**	**5,546**	**11,092**
Expenditures by Category					
Total Compensation	4,290	5,115	5,036	5,036	10,072
Other Operating Expenses	408	587	510	510	1,020
Total	**4,698**	**5,702**	**5,546**	**5,546**	**11,092**
Full-Time Equivalents (FTE)	**55.4**	**58.6**	**58.6**	**58.6**	

Activity Description

Technology Operations promotes and supports workplace performance through its responsibility for the department's physical facility, video and telephone communications, and the technical infrastructure working closely with the Department of Human Services (DHS) programs and operations to ensure a solid foundation for future technological development.

Population Served

Technology Operations provides services to all DHS policy and operations areas. Virtually all agency businesses, human services providers, and clients benefit directly or indirectly.

Services Provided

Information technology services include:

- desktop software and hardware and support (data storage and backup, virus control, help desk) for 6,400 workstations;
- department-wide e-mail system;
- telephone systems and related interactive response technology;
- an agency-wide converged (data and voice) network, Voice over Internet Protocol, servers, data storage;
- leadership for strategic information resource management planning;
- direction for information policy, standards, and practices;
- leadership for IT architectural future directions and services;
- strategic planning with DHS program areas and county service directors on the use of technology to serve clients better;
- planning and development with DHS program areas to ensure cross-agency systems coordination and compatibility;
- maintenance of and assistance for users of the DHS Data Warehouse and Executive Information System (EIS), which extract data for program analysis from multiple service delivery systems;
- development and maintenance of information security and standards;
- coordination of technology projects agency-wide through the Projects Management Office;
- application development and support;
- planning with counties and other partners to keep computer systems compatible and planning for upgrades;
- maintenance of the department's public, internal, and county web sites;
- consultation with program areas about improving business strategies through the use of electronic government services and web services technology, and;
- representation of DHS' interests at statewide technology forums.

Management services include:

- electronic document system support and services, including high volume document conversion facilities, workflow development, and technical design and support of imaging applications;
- tele-health care and tele-human services network development among the many communities of video-conferencing users in Minnesota's human services field;
- facility planning, design, and management;

Activity at a Glance

- Provides desktop support to more than 6,400 users.
- Maintains DHS computer network, internal and public websites.
- Coordinates cross-agency technology issues with Office of Enterprise Technology.
- Supports the Data Warehouse and Shared Master Index systems.
- Manages five central-office locations and 45 locations throughout Minnesota.
- Provides leadership and support for tele-health care development across Minnesota.
- Develops, manages, and supports enterprise applications
- Manages the agency-wide Documents Management Services, making vital documents available to business partners and the public in 11 languages and millions of electronic documents available to over 1,000 users.
- Manages enterprise-wide administrative services such as procurement, mail, physical access controls, and security.

- physical building access controls and security;
- visitor management, conference facility management, and information services;
- inventory and property management;
- purchasing services, vendor management, and commodity contracts;
- electronic publication of more than 3,000 department documents in a searchable centralized repository (eDocs) making them available on demand for business partners and the public, and;
- translation and electronic publication of more than 3,000 documents in up to 11 non-English languages for customers with limited English proficiency.

Historical Perspective

In 1995 the Chief Information Officer (CIO) position was established to lead DHS information technology and related strategic planning within the department. The department continues to face a growing demand for electronic services through Web technology to communicate and conduct government business, as it is the bridge that human services workers use to gather information from the many sources necessary to do their work. Clients, business partners, and other levels of government increasingly expect that DHS will use Web technology for electronic government services in a variety of areas.

Information Technology Services continues to coordinate department-wide projects such as the technology aspects of the Health Insurance Portability and Accountability Act (HIPAA) implementation, technology infrastructure, including voice and data network convergence, security infrastructure, Data Center services, application development and support, centralized data storage, and electronic government services.

In 2006 DHS completed construction of the Elmer L. Andersen Human Services Building and remodeling of its largest leased facility, consolidating a number of its locations and providing space more appropriate to the program and technology needs of the agency's work. DHS has major investments in technology with major computer systems supporting welfare and health care benefits statewide. Technology, such as virtual presence communications and electronic document management system (EDMS), are increasingly part of the spectrum of services Management Operations provides.

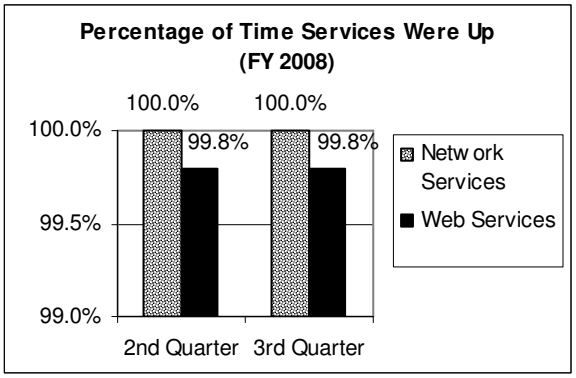
Key Program Goals

- Make it easier to deliver quality human services.
- Ensure that technology resources are assigned to those projects that will meet business goals.
- Develop and support a workforce to maximize technology benefits.
- Make it easier to manage processes and support people.

DHS business technology exists to support and enhance the successful delivery of human services. These goals are from DHS' *Business Technology Strategic Plan* http://edocs.dhs.state.mn.us/flserver/Legacy/DHS-5280-ENG.

Key Activity Measures

- ***Percentage of time that the department's network and Web services were up and running.*** By keeping network and Web services up and running a very high percentage of the time, technology operations is providing stable and reliable networking services so that DHS can efficiently and effective provide human services.



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Technology Operations is funded with appropriations from the general fund, health care access fund, and from federal funds.

Contact

For more information about Technology Operations, contact:

- Information Technology, (651) 431-2110
- Management Services Division, (651) 431-3501

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: AGENCY MANAGEMENT
Activity: TECHNOLOGY OPERATIONS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	23,949	23,922	23,922	23,922	47,844
Technical Adjustments					
Approved Transfer Between Appr			4,155	4,155	8,310
Forecast Base	**23,949**	**23,922**	**28,077**	**28,077**	**56,154**
Health Care Access					
Current Appropriation	6,015	5,972	5,972	5,972	11,944
Technical Adjustments					
Approved Transfer Between Appr			(1,116)	(1,104)	(2,220)
Forecast Base	**6,015**	**5,972**	**4,856**	**4,868**	**9,724**
Expenditures by Fund					
Carry Forward					
Health Care Access	1,617	1,066	0	0	0
Miscellaneous Special Revenue	2,103	625	0	0	0
Direct Appropriations					
General	27,078	28,077	28,076	28,076	56,152
Health Care Access	4,382	4,817	4,856	4,868	9,724
Statutory Appropriations					
Miscellaneous Special Revenue	7,555	7,728	7,727	7,718	15,445
Total	**42,735**	**42,313**	**40,659**	**40,662**	**81,321**
Expenditures by Category					
Total Compensation	12,999	14,424	14,424	14,424	28,848
Other Operating Expenses	29,736	27,549	25,896	25,899	51,795
Transfers	0	340	339	339	678
Total	**42,735**	**42,313**	**40,659**	**40,662**	**81,321**
Full-Time Equivalents (FTE)	**165.5**	**170.4**	**170.4**	**170.4**	

Program Description

This program contains the Department of Human Services (DHS) revenue and pass through expenditures. These revenues and pass-through expenditures involve complex inter-fund accounting transactions that often result in duplicate data within the state's standard biennial budget system reports. Isolating the results of these transactions within the Revenue and Pass-Through Program simplifies the fiscal pages for DHS's other programs and activities. For example, to not skew the Child Support Enforcement Grant budget activity, the department's $625 million annual child support collection (revenue) and payment (pass-through expenditure) activity is reflected here.

Revenues

DHS collects or processes revenues in excess of $4.5 billion annually. State law determines whether this revenue is *dedicated revenue* to DHS (i.e. earmarked for specific programs) or *non-dedicated revenue* to the state.

Approximately 80% of the annual revenue is dedicated revenue. Examples include child support collections, federal grants, program premiums, recoveries and refunds, cost of care billings, fees, and federal administrative reimbursement.

Approximately 20% of the annual revenue is non-dedicated revenue. Examples include surcharges, recoveries and refunds, cost of care billings, fees, and federal administrative reimbursement.

Pass-Through

DHS's pass-through expenditures are approximately $1 billion annually. Generally, pass-through expenditures are the result of transactions between funds. Examples include child support payments, transfers, and federal administrative reimbursement.

Federal Administrative Reimbursement

Eligible state administrative costs are reimbursed from federal grants at various percentages, known as the federal financial participation (FFP) rates. Not all state administrative costs are eligible for federal reimbursement. For example, expenditures that support state-only programs do not earn FFP.

DHS maintains a federally approved cost allocation plan that draws reimbursement for the federal share of state administrative expenditures. In this case, state administrative expenditures are defined as state costs (including the DHS central office) as well as county/local costs.

DHS's central office federal administrative reimbursement exceeds $100 million annually. Unless otherwise specified in state law, federal administrative reimbursement earned on general fund and health care access fund expenditures is non-dedicated revenue to the state. State law dedicates the federal administrative reimbursement earned on major system expenditures to DHS.

Historically, the DHS central office has drawn the following average FFP rates, based on cost allocation within the state fund in which the administrative expenditure is incurred:

General Fund/ Health Care Access Fund	40%
Major Systems – PRISM	66%
Major Systems – Social Services Information System (SSIS)	37%
Major Systems – MAXIS	35%
Major Systems – Medicaid Management Information System (MMIS)	65%

For simplicity and consistency, DHS budget initiatives and fiscal note estimates are based on these historic central office average FFP rates.

HUMAN SERVICES DEPT

Program: REVENUE & PASS THROUGH EXPEND

Program Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
Federal Tanf					
Current Appropriation	69,083	62,357	62,357	62,357	124,714
Technical Adjustments					
Approved Transfer Between Appr			700	700	1,400
Current Law Base Change			2,417	3,702	6,119
November Forecast Adjustment		49	272	309	581
Forecast Base	**69,083**	**62,406**	**65,746**	**67,068**	**132,814**
Expenditures by Fund					
Direct Appropriations					
Federal Tanf	58,264	63,106	65,746	67,068	132,814
Statutory Appropriations					
General	165	0	0	0	0
Miscellaneous Special Revenue	7,541	4,828	4,812	4,814	9,626
Federal	365,604	406,667	397,556	398,553	796,109
Miscellaneous Agency	639,644	826,671	826,034	826,034	1,652,068
Total	**1,071,218**	**1,301,272**	**1,294,148**	**1,296,469**	**2,590,617**
Expenditures by Category					
Other Operating Expenses	134,610	134,096	131,080	129,852	260,932
Payments To Individuals	1,135	178,982	178,982	178,982	357,964
Local Assistance	290,475	337,847	333,764	337,313	671,077
Other Financial Transactions	644,998	650,347	650,322	650,322	1,300,644
Total	**1,071,218**	**1,301,272**	**1,294,148**	**1,296,469**	**2,590,617**
Expenditures by Activity					
Revenue & Pass Through Expend	1,071,218	1,301,272	1,294,148	1,296,469	2,590,617
Total	**1,071,218**	**1,301,272**	**1,294,148**	**1,296,469**	**2,590,617**

Program Description

The purpose of the Children's and Economic Assistance Grants program is to provide cash, food support, child care, housing assistance, job training, and work-related services to increase the ability of families and individuals to transition to economic stability and to keep children safe and support their development.

Budget Activities

- Minnesota Family Investment Program/Diversionary Work Program (MFIP/DWP) Grants
- Support Services Grants
- MFIP Child Care Assistance Grants
- Basic Sliding Fee (BSF) Child Care Assistance Grants
- Child Care Development Grants
- Child Support Enforcement Grants
- Children's Services Grants
- Children and Community Services Grants
- General Assistance Grants
- Children's Mental Health Grants
- Minnesota Supplemental Aid Grants
- Group Residential Housing Grants
- Refugee Services Grants
- Other Children's and Economic Assistance Grants

HUMAN SERVICES DEPT

Program: CHILDREN & ECONOMIC ASSIST GR

Program Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	513,270	466,003	466,003	466,003	932,006
Technical Adjustments					
Approved Transfer Between Appr			(355)	(355)	(710)
Current Law Base Change			50,485	59,093	109,578
November Forecast Adjustment		20,841	9,602	17,897	27,499
Forecast Base	**513,270**	**486,844**	**525,735**	**542,638**	**1,068,373**
Federal Tanf					
Current Appropriation	189,093	235,500	235,500	235,500	471,000
Technical Adjustments					
Current Law Base Change			(42,457)	(44,998)	(87,455)
November Forecast Adjustment		(13,818)	9,906	4,965	14,871
Forecast Base	**189,093**	**221,682**	**202,949**	**195,467**	**398,416**
Expenditures by Fund					
Direct Appropriations					
General	505,834	487,686	525,734	542,637	1,068,371
Health Care Access	250	0	0	0	0
Federal Tanf	186,716	221,682	202,949	195,467	398,416
Statutory Appropriations					
General	5,537	6,350	6,350	6,350	12,700
Miscellaneous Special Revenue	7,654	8,913	6,088	6,685	12,773
Federal	535,264	603,917	596,118	597,616	1,193,734
Miscellaneous Agency	16,256	17,722	16,080	16,213	32,293
Gift	19	25	25	25	50
Total	**1,257,530**	**1,346,295**	**1,353,344**	**1,364,993**	**2,718,337**
Expenditures by Category					
Other Operating Expenses	4,091	4,966	3,814	2,970	6,784
Payments To Individuals	709,396	790,334	817,973	839,591	1,657,564
Local Assistance	528,092	535,172	516,727	507,469	1,024,196
Other Financial Transactions	15,951	15,823	14,830	14,963	29,793
Total	**1,257,530**	**1,346,295**	**1,353,344**	**1,364,993**	**2,718,337**

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Expenditures by Activity					
Mfip/Dwp Grants	267,901	286,496	306,871	320,076	626,947
Support Services Grants	119,849	123,710	123,710	115,860	239,570
Mfip Child Care Assistance Gr	101,572	111,638	113,793	115,444	229,237
Bsf Child Care Assistance Gr	86,404	95,247	94,105	93,091	187,196
Child Care Development Gr	14,103	15,446	10,498	10,498	20,996
Child Support Enforcement Gr	11,502	6,842	5,295	5,295	10,590
Children'S Services Grants	116,833	132,433	104,653	103,523	208,176
Children & Community Serv Gr	133,876	100,418	100,431	100,432	200,863
General Assistance Grants	39,743	46,250	48,501	48,923	97,424
Minnesota Supplemental Aid Gr	30,830	31,877	32,924	33,907	66,831
Childrens Mental Health Grants	275	25	16,885	16,882	33,767
Group Residential Housing Gr	85,505	100,432	108,998	116,197	225,195
Refugee Services Grants	13,905	18,792	17,042	16,201	33,243
Other Child And Econ Asst Gr	235,232	276,689	269,638	268,664	538,302
Total	**1,257,530**	**1,346,295**	**1,353,344**	**1,364,993**	**2,718,337**

Activity Description

Minnesota Family Investment Program (MFIP) and the Diversionary Work Program (DWP) Grants pays for cash grants for families participating in the MFIP and the DWP and for food assistance for MFIP families. MFIP is Minnesota's federal Temporary Assistance for Needy Families (TANF) program. DWP is a short-term, work-focused program to help families avoid longer-term assistance.

Activity at a Glance

- Provides assistance for 36,000 families (or 100,000 people) a month, two-thirds of whom are children

Population Served

To be eligible for MFIP, a family must include a minor child or a pregnant woman and meet citizenship, income, and asset requirements. MFIP is aimed at moving parents quickly into jobs and out of poverty. Most parents are required to work; through MFIP they receive help with basic needs, health care, child care, and employment services.

Most parents with minor children are eligible to receive cash assistance for a total of 60 months in their lifetime. Families reaching the 60-month time limit are eligible for extensions if they meet certain categorical requirements. Most families reaching the 60-month limit are those with multiple and serious barriers to employment. Families of color are disproportionately represented in this group.

DWP, which began 7-1-04, includes many of the families who would have in the past applied for MFIP. DWP is a short-term, work-focused program. Families applying for DWP must develop and sign an employment plan before they can receive any assistance. After families have an employment plan, they can receive financial assistance to pay for rent, utilities, personal needs, and other supports, such as food, child care, and health care. Shelter and utilities costs are paid directly to landlords, mortgage companies, or utility companies. Participation in the program does not count against the 60-month life-time limit on cash assistance. Families, who are likely to need longer term assistance, are excluded from DWP; this includes adults and children with disabilities, adults over 60, teen parents finishing high school, child-only cases, and families who have received TANF or MFIP in the past 12 months or for 60 months.

Services Provided

This activity funds the cash assistance grants of the MFIP and DWP programs and food assistance for MFIP. Supports outside the welfare system, such as health care, child care, child support, housing, and tax credits, are important components to Minnesota's welfare approach. Working families on MFIP receive earning supplements, leaving assistance when their income is approximately 15% above the federal poverty level.

Parents on MFIP who fail to work or follow through with activities to support their families will have their assistance cut by 10% or more. Depending upon how long they have been out of compliance, their cases may also be closed for non-compliance. Parents on DWP who do not cooperate with their employment plan will have their cases closed and are not eligible for cash assistance until their four months of DWP ends.

Historical Perspective

MFIP was initially piloted in seven counties as a state welfare reform effort. After passage of the federal welfare reform law, MFIP was implemented statewide in 1998 as the state's TANF program. MFIP includes employment and training and food support. In February 2006, Congress reauthorized the TANF program through 2010 with the passage of the Deficit Reduction Act of 2005 (Public Law 109-171). The new provisions made it more difficult for states to meet work participation rates and required the U. S. Department of Health and Human Services to issue regulations that define work activities and procedures for verifying and monitoring work activities.

Beginning in February 2008, families who are not making significant progress with MFIP or DWP due to employment barriers, such as physical disability, mental health, or provision of care for a household member with a disability will receive family stabilization services (FSS) through a case management model. Funding for these

families is provided using state funds that are not counted toward the federal maintenance-of-effort requirement and, therefore, are not included in the state work participation rate.

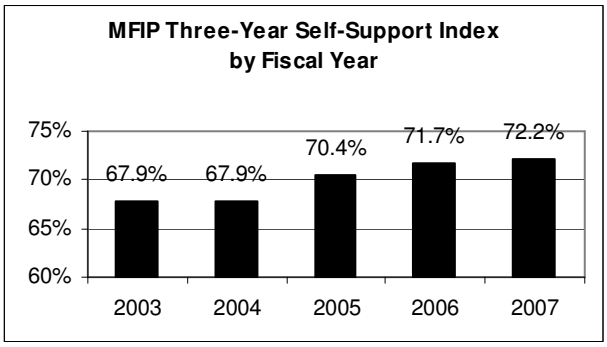
Minnesota has received national recognition for its success with MFIP. In December 2007, more than 70% of MFIP families followed over a three-year period had either left assistance or were on MFIP and were working 30 or more hours per week. Each month more than 1,000 cases are diverted from MFIP long-term assistance to DWP, with a monthly average caseload of 3,400 families. Some of these families are expected to transition to MFIP after completing four months of DWP.

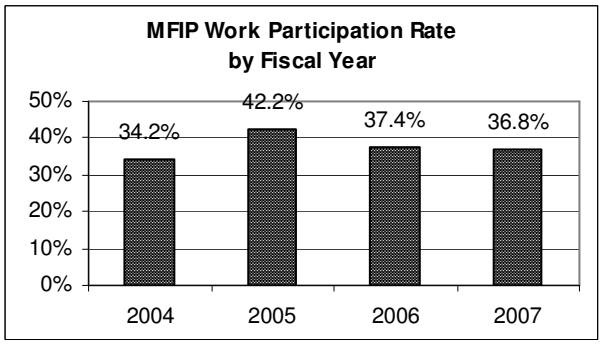
Key Program Goals

- ***All Minnesotans will have the economic means to maintain a reasonable standard of living.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).
- ***Improve outcomes for the most at-risk children.*** MFIP and DWP grants help stabilize families and enable parents to meet their children's basic needs. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Measures

- ***Percentage of adults working 30 or more hours or off MFIP three years after a baseline reporting period (MFIP Self-Support Index).*** The MFIP Self-Support Index is a performance measure that tracks whether or not adults in MFIP are either 1) working an average of 30 or more hours per week or 2) no longer receiving MFIP cash payments three years after a baseline measurement quarter. Participants who leave MFIP due to the 60-month time limit are not counted as meeting the criteria for success on this measure unless they are working 30 or more hours per week before they reach the time limit.
- ***Percentage of MFIP adults participating in work activities for specified hours per week. (MFIP Work Participation Rate).*** The MFIP Work Participation Rate is the percentage of MFIP cases in which the parent is fully engaged in employment or employment-related activities (according to federal TANF program rules, usually 130 hours per month). The decline for FY 2006 occurred because Minnesota instituted a universal participation policy requiring cases that had previously been exempted to participate in work activities and be included in the measure.





For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

MFIP/DWP Grants is funded primarily with appropriations from the general fund and the federal TANF block grant, which replaced AFDC in 1996.

Contact

For more information on the Minnesota Family Investment Program/Diversionary Work Program Grants, contact Transition to Economic Stability, (651) 431-4000.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: CHILDREN & ECONOMIC ASSIST GR
Activity: MFIP/DWP GRANTS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	57,289	24,010	24,010	24,010	48,020
Technical Adjustments					
Current Law Base Change			45,165	46,413	91,578
November Forecast Adjustment		13,804	(870)	6,127	5,257
Forecast Base	**57,289**	**37,814**	**68,305**	**76,550**	**144,855**
Federal Tanf					
Current Appropriation	76,209	119,839	119,839	119,839	239,678
Technical Adjustments					
Current Law Base Change			(42,097)	(36,788)	(78,885)
November Forecast Adjustment		(13,818)	9,906	4,965	14,871
Forecast Base	**76,209**	**106,021**	**87,648**	**88,016**	**175,664**
Expenditures by Fund					
Direct Appropriations					
General	57,694	37,814	68,305	76,550	144,855
Federal Tanf	75,406	106,021	87,648	88,016	175,664
Statutory Appropriations					
General	3,352	4,300	4,300	4,300	8,600
Federal	116,607	123,288	132,538	136,997	269,535
Miscellaneous Agency	14,842	15,073	14,080	14,213	28,293
Total	**267,901**	**286,496**	**306,871**	**320,076**	**626,947**
Expenditures by Category					
Payments To Individuals	247,691	266,340	287,444	300,458	587,902
Local Assistance	4,864	5,083	5,347	5,405	10,752
Other Financial Transactions	15,346	15,073	14,080	14,213	28,293
Total	**267,901**	**286,496**	**306,871**	**320,076**	**626,947**

Activity Description

Support Services Grants provides employment, education, training, and other support services to help low-income families and people avoid or end public assistance dependency. These grants also fund a portion of county administration for the Minnesota Family Investment Program (MFIP) and the Diversionary Work Program (DWP).

Activity at a Glance

- Provides MFIP employment services to 7,600 people per month
- Provides Food Support employment services to 1,500 people per month

Population Served

This activity serves two core groups:

- participants in MFIP and DWP; and
- recipients of food stamps, known in Minnesota as Food Support, through the Food Support Employment and Training (FSET) program.

Services Provided

Support Services Grants includes MFIP consolidated funds, which are allocated to counties and tribes, and FSET funding. This includes work programs provided by the Workforce Centers overseen by the Minnesota Department of Employment and Economic Development (DEED), as well as counties and non-profit organizations. These employment service providers work with county agencies to evaluate the needs of each participant and develop individualized employment plans.

County and local employment service programs provide or, if appropriate, refer participants to services including:

- job search, job counseling, job interview skills, and skill development;
- adult basic education, high school completion classes, and general equivalency diploma (GED)/high school equivalency coaching;
- short-term training and post-secondary education of no more than 24 months;
- English proficiency training and functional work literacy;
- county programs that help low-income families with housing, utilities, and other emergency needs, and;
- assistance accessing other services, such as child care, medical benefits programs, and chemical dependency and mental health services.

Historical Perspective

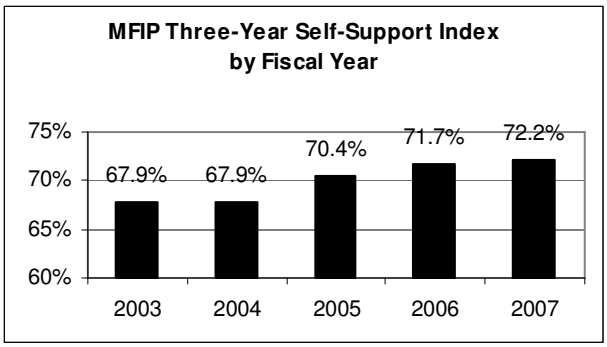
The 2003 legislature created the MFIP consolidated fund, combining funding for a number of support services programs for MFIP participants. The MFIP consolidated fund allows counties and tribes to continue successful approaches to moving MFIP families to work. A number of separate programs, including Emergency Assistance for families, were repealed. Service agreements for each county set outcomes, which include county performance measures. The 2007 and 2008 legislative sessions appropriated additional funding for integrated services projects and supported work grants to counties and tribes to provide a continuum of employment assistance to MFIP participants.

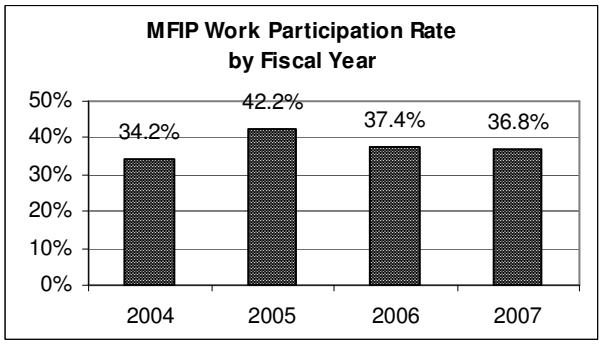
Key Program Goals

- ***All Minnesotans will have the economic means to maintain a reasonable standard of living.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).
- ***Improve outcomes for the most at-risk children.*** Support Services grants assist MFIP and DWP participants to meet their families' immediate needs and achieve long-term economic stability through work. This goal is from the Department of Human Services' *Priority Plans*
- (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).
- ***Reduce disparities in service access and outcomes for racial and ethnic populations.*** Funds support projects that serve families with multiple barriers, including many African American and American Indian participants. This goal also is from DHS' *Priority Plans.*

Key Measures

- ***Percentage of adults working 30 or more hours or off MFIP three years after a baseline reporting period (MFIP Self-Support Index).*** The MFIP Self-Support Index is a performance measure that tracks whether or not adults in MFIP are either 1) working an average of 30 or more hours per week or 2) no longer receiving MFIP cash payments three years after a baseline measurement quarter. Participants who leave MFIP due to the 60-month time limit are not counted as meeting the criteria for success on this measure unless they are working 30 or more hours per week before they reach the time limit.
- ***Percentage of MFIP adults participating in work activities for specified hours per week. (MFIP Work Participation Rate).*** The MFIP Work Participation Rate is the percentage of MFIP cases in which the parent is fully engaged in employment or employment-related activities (according to federal TANF program rules, usually 130 hours per month). The decline for FY 2006 occurred because Minnesota instituted a universal participation policy requiring cases that had previously been exempted to participate in work activities and be included in the measure.





For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Support Services Grants is funded with appropriations from the general fund and from federal funds.

Contact

For more information on Support Services Grants, contact Transition to Economic Stability, (651) 431-4000.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: CHILDREN & ECONOMIC ASSIST GR
Activity: SUPPORT SERVICES GRANTS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	8,715	8,715	8,715	8,715	17,430
Forecast Base	**8,715**	**8,715**	**8,715**	**8,715**	**17,430**
Federal Tanf					
Current Appropriation	112,679	114,961	114,961	114,961	229,922
Technical Adjustments					
Current Law Base Change			0	(7,850)	(7,850)
Forecast Base	**112,679**	**114,961**	**114,961**	**107,111**	**222,072**
Expenditures by Fund					
Direct Appropriations					
General	8,698	8,715	8,715	8,715	17,430
Federal Tanf	111,131	114,961	114,961	107,111	222,072
Statutory Appropriations					
Federal	20	34	34	34	68
Total	**119,849**	**123,710**	**123,710**	**115,860**	**239,570**
Expenditures by Category					
Payments To Individuals	22,694	30,790	30,790	30,790	61,580
Local Assistance	97,155	92,920	92,920	85,070	177,990
Total	**119,849**	**123,710**	**123,710**	**115,860**	**239,570**

Activity Description

The Minnesota Family Investment Program (MFIP) Child Care Assistance Grants provides financial subsidies to help low-income families pay for child care so that parents may pursue employment or education leading to employment. This program is supervised by the Minnesota Department of Human Services (DHS) and administered by county social services agencies.

Activity at a Glance

- Purchases child care for over 14,500 children in 8,000 families each month

Population Served

Families who participate in welfare reform activities are served through the (MFIP) child care program which includes MFIP and Transition Year (TY) subprograms.

Services Provided

The following families are eligible to receive MFIP or TY child care assistance: 1) MFIP and Diversionary Work Program (DWP) families who are employed or pursuing employment or are participating in employment, training, or social services activities authorized in an approved employment services plan and 2) employed families who are in their first year off MFIP or DWP (transition year). As family income increases, so does the amount of child care expenses paid by the family in the form of co-payments.

Care must be provided by a legal child care provider over the age of 18. Providers include legal, non-licensed family child care, license-exempt centers, licensed family child care, and licensed child care centers.

As directed by law, the Minnesota DHS commissioner establishes maximum payment rates for Child Care Assistance Grants by county, type of provider, age of child, and unit of time covered.

Historical Perspective

MFIP child care was called AFDC (Aid to Families with Dependent Children) child care and funded by federal Title IV(A) funds prior to the 1996 federal welfare reform act. Demand for child care assistance has increased as parents participating in welfare reform are required to work or look for work. The 2003 legislature made reforms to the Child Care Assistance Program (CCAP) to focus on these lowest income working families and control future growth in the program, while helping balance the state budget.

In 2007, the legislature appropriated $1 million for child care assistance programs for the 2008-09 biennium to provide funding for incentives for parents and providers to promote skills and abilities that children need to succeed in school. Child care providers selected by the department are eligible for higher maximum payments, and children are allowed to participate with providers on a full-time basis for up to a year. Evaluation of the outcomes of this pilot is expected in December 2009.

Key Program Goals

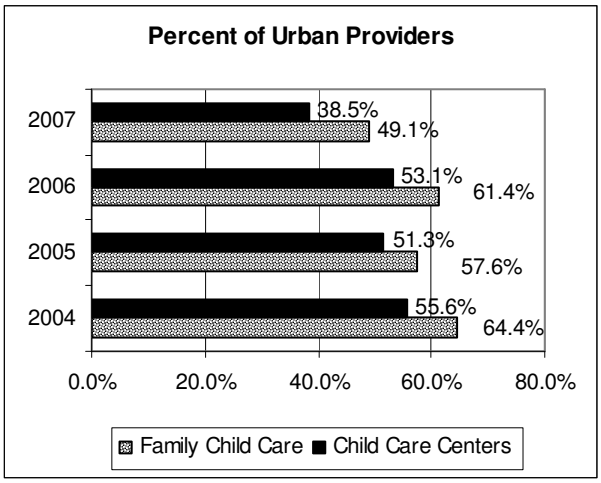
- ***All children will start school ready to learn.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).
- ***Improve outcomes for the most at-risk children.*** The MFIP Child Care Assistance Program improves outcomes for at-risk children by providing financial assistance to help low-income families pay for child care. Parents may pursue employment or education leading to employment while children attend child care where they are well cared for and become better prepared to enter school ready to learn. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

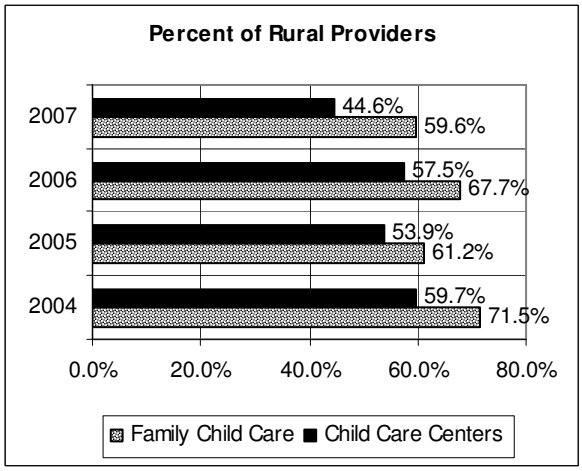
Key Measures

- ***Percentage of child care providers covered by maximum rates.*** The annual market rate survey is used to assess the percent of child care providers covered by the maximum child care assistance rates. This measure reflects whether or not families receiving child care assistance have access to all types of care available to the private market, as required by federal regulations. Limited access to child care providers may impact

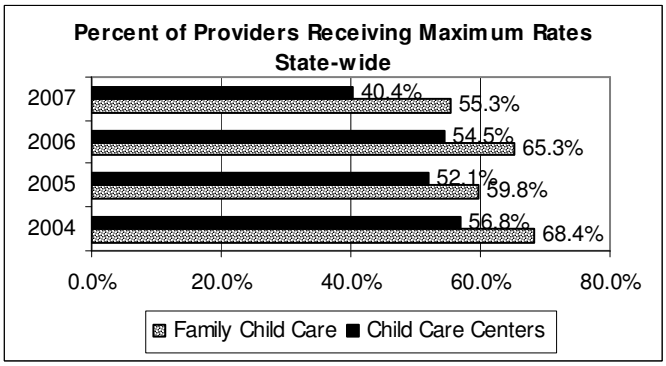
whether or not at-risk children will be able to attend some child care programs. Attendance at high quality early child care and education programs is likely to improve child outcomes.

Percent of Providers Covered by Maximum Rates





Urban providers are located in Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties. Rural providers are located in one of the remaining 80 counties in Minnesota.



- ***Percentage of children receiving child care assistance through the School Readiness Connection Pilot project who are ready for school.*** This measure is under development. The School Readiness Connections Pilot project targets resources to low-income families by reimbursing selected, qualified providers at higher rates for providing comprehensive services to improve the school readiness of at-risk children. The pilot will have evaluation data available in December 2009.

For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

MFIP Child Care Assistance Grants is funded with appropriations from the general fund and from federal funds.

Contact

For more information on MFIP Child Care Assistance Grants, contact Transition to Economic Stability Division, (651) 431-4000.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: CHILDREN & ECONOMIC ASSIST GR
Activity: MFIP CHILD CARE ASSISTANCE GR

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	48,513	61,241	61,241	61,241	122,482
Technical Adjustments					
Current Law Base Change			(765)	(634)	(1,399)
November Forecast Adjustment		3,302	3,998	4,654	8,652
Forecast Base	**48,513**	**64,543**	**64,474**	**65,261**	**129,735**
Expenditures by Fund					
Direct Appropriations					
General	45,833	64,543	64,474	65,261	129,735
Statutory Appropriations					
Federal	55,739	47,095	49,319	50,183	99,502
Total	**101,572**	**111,638**	**113,793**	**115,444**	**229,237**
Expenditures by Category					
Payments To Individuals	16,392	13,500	13,500	13,500	27,000
Local Assistance	85,180	98,138	100,293	101,944	202,237
Total	**101,572**	**111,638**	**113,793**	**115,444**	**229,237**

Activity Description

Basic Sliding Fee (BSF) Child Care Assistance Grants provides financial subsidies to help low-income families pay for child care so that parents may pursue employment or education leading to employment. This program is supervised by the Minnesota Department of Human Services and administered by county social services agencies.

Activity at a Glance

- Purchases child care for 15,000 children in 8,500 families each month

Population Served

Low-income families who are not connected to the Minnesota Family Investment Program (MFIP) or the Diversionary Work Program (DWP) are served through the BSF child care program.

Services Provided

BSF Child Care Assistance Grants help families pay child care costs on a sliding fee basis. As family income increases, so does the amount of child care expenses paid by the family. When family income reaches 67% of the state median income, family co-payments generally meet or exceed the cost of care.

BSF child care helps pay the child care costs of low-income families not currently participating in MFIP or DWP or in their first year after leaving MFIP or DWP. Families who have household incomes at or under 47% of the state median income when they enter the program, less than 67% of the state median income when they leave the program, and participate in authorized activities, such as employment, job search, and job training are eligible for BSF child care.

Care must be provided by a legal child care provider over the age of 18. Providers include legal, nonlicensed family child care, license-exempt centers, licensed family child care, and licensed child care centers. As directed by the legislature, the commissioner establishes maximum payment rates for Child Care Assistance Grants by county, type of provider, age of child, and unit of time covered.

Historical Perspective

The BSF program was developed in the 1970s as a pilot program serving 24 counties in recognition that child care was essential to the employment of low-income families. The demand for child care assistance has steadily increased over time as the number of eligible families has increased. The 2003 legislature made reforms to the Child Care Assistance Program to focus on the lowest income working families and control future growth. In 2007, the legislature appropriated $1 million for child care assistance programs for the 2008-09 biennium to provide funding for incentives for parents and providers to promote skills and abilities that children need to succeed in school. Child care providers selected by the department are eligible for a higher maximum payment and children are allowed to participate with the provider on a full-time basis for up to a year. Evaluation of the outcomes of this pilot is expected in December 2009.

Key Program Goals

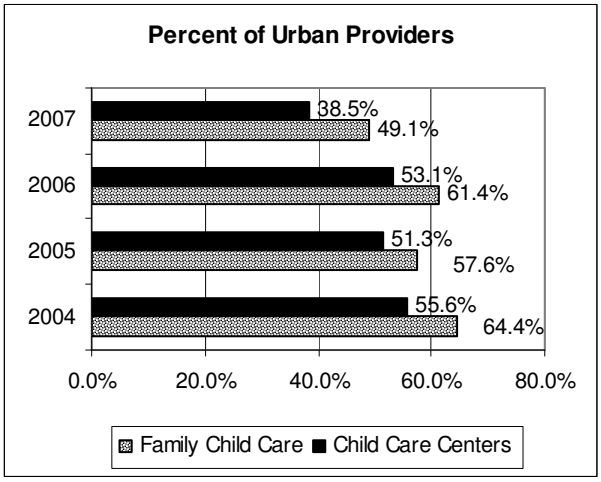
- ***All children will start school ready to learn.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).
- ***Improve outcomes for the most at-risk children.*** The BSF Child Care Assistance Program improves outcomes for at-risk children by providing financial assistance to help low-income families pay for child care. Parents may pursue employment or education leading to employment while children attend child care where they are well cared for and become better prepared to enter school ready to learn. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

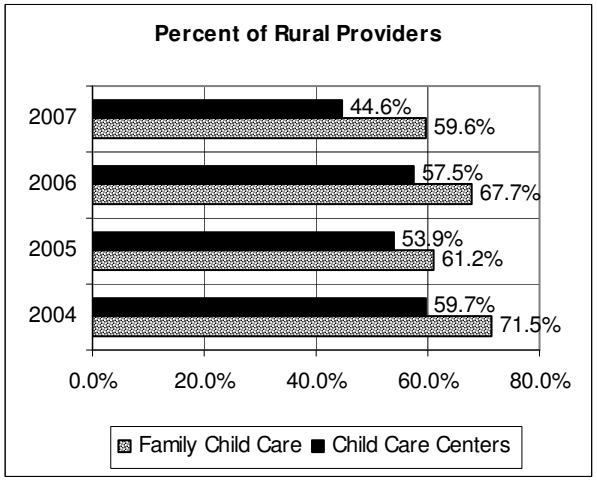
Key Measures

- ***Percentage of child care providers covered by maximum rates.*** The annual market rate survey is used to assess the percent of licensed child care providers covered by the maximum child care assistance rates. This measure reflects whether or not families receiving child care assistance have access to all types of care available to the private market, as required by federal regulations. Limited access to child care providers may

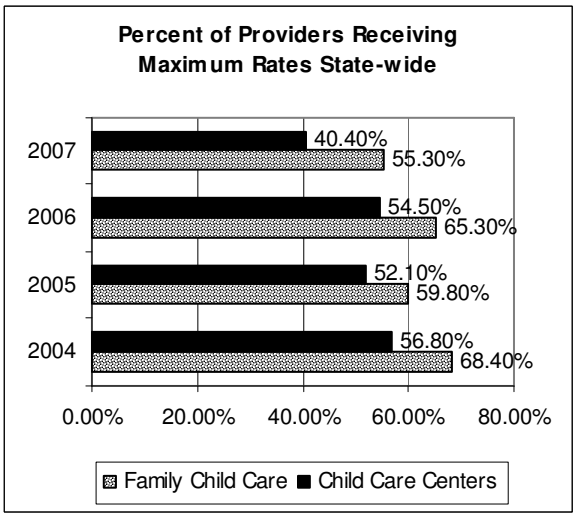
impact whether or not at-risk children will be able to attend some child care programs. Attendance at high quality early child care and education programs is likely to improve child outcomes.

Percent of Providers Covered by Maximum Rates





Urban providers are located in Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties. Rural providers are located in one of the remaining 80 counties in Minnesota.



- ***Percentage of children receiving child care assistance through the School Readiness Connection Pilot project who are ready for school.*** This measure is under development. The School Readiness Connections Pilot project targets resources to low-income families by reimbursing selected, qualified providers at higher rates for providing comprehensive services to improve the school readiness of at-risk children. The pilot will have evaluation data available in December 2009.

For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

BSF Child Care Assistance Grants is funded by appropriations from the general fund and from the federal Child Care and Development Fund (CCDF), which includes Temporary Assistance for Needy Families (TANF) transfer funds, and county contributions.

Contact

For more information on BSF Child Care Assistance Programs, contact Transitions to Economic Stability, (651) 431-4000.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	42,995	35,781	35,781	35,781	71,562
Technical Adjustments					
Current Law Base Change			9,317	9,071	18,388
Forecast Base	**42,995**	**35,781**	**45,098**	**44,852**	**89,950**
Expenditures by Fund					
Direct Appropriations					
General	40,843	35,781	45,098	44,852	89,950
Statutory Appropriations					
Federal	45,561	59,466	49,007	48,239	97,246
Total	**86,404**	**95,247**	**94,105**	**93,091**	**187,196**
Expenditures by Category					
Payments To Individuals	19,343	5,500	5,500	5,500	11,000
Local Assistance	67,061	89,747	88,605	87,591	176,196
Total	**86,404**	**95,247**	**94,105**	**93,091**	**187,196**

Activity Description

Child Care Development Grants promotes school readiness and improves the quality and availability of child care in Minnesota by providing consumer education to parents and the public and providing activities that increase parental choice.

Activity at a Glance

- Provides 35,000 child care referrals annually
- Awards 2,600 grants per year to providers to improve the quality and availability of child care
- Makes 50 loans annually to improve child care centers and 110 to improve family child care homes
- Supports training for 25,000 participants attending classes and provides 280 scholarships for provider education and training each year

Population Served

- Three out of four Minnesota families use child care for their children under age 13. These children spend an average of 24 hours a week in care.
- Approximately 200,000 Minnesota children under age six spend time in licensed child care arrangements.
- There are over 14,000 child care businesses and an estimated 150,000 family, friend, and neighbor caregivers in Minnesota.

Services Provided

The Minnesota Department of Human Services works with public and private agencies and individuals to promote school readiness through education and training and to provide a state infrastructure to support quality and availability of child care. These efforts include:

- professional development for child care providers;
  - ⇒ Training is coordinated and delivered by child care resource and referral (CCR&R) programs in partnership with other sponsoring organizations.
  - ⇒ All training aligns with the Minnesota Core Competencies: child growth and development; learning environment and curriculum; child assessment; interactions with children and youth, families, and communities; health, safety, and nutrition; caring for children with special needs; and providing culturally responsive child care.
- child care referrals;
  - ⇒ Referrals include personalized information and guidance for parents on selecting quality child care.
  - ⇒ Referrals are delivered through local child care resource and referral programs at no cost to parents.
- grants and financial supports;
  - ⇒ Grants enable child care programs to improve facilities, start up or expand services, access training, and purchase equipment and materials.
  - ⇒ Scholarships for credentials and higher education and bonus compensation help retain individuals working in child care and Head Start programs; and
- consultation, mentoring, and coaching.
  - ⇒ These resources provide support to individual child care providers to build their knowledge and skills to meet the needs of individual children, meet licensing standards, and improve program quality.

Other key elements include

- ongoing mechanisms for community-level input on programs and policies through advisory committees for major program components;
- research and evaluation to guide policy and program development to target resources effectively; and
- local control of grant priorities for grants administered by CCR&R sites.

Historical Perspective

The 1988 Minnesota Legislature established the Child Care Development Program to respond to increased demand for quality child care and the need for a statewide infrastructure for parents and communities to respond to these needs. Since that time, the Child Care Development Grants program has awarded statewide and local-level grants to:

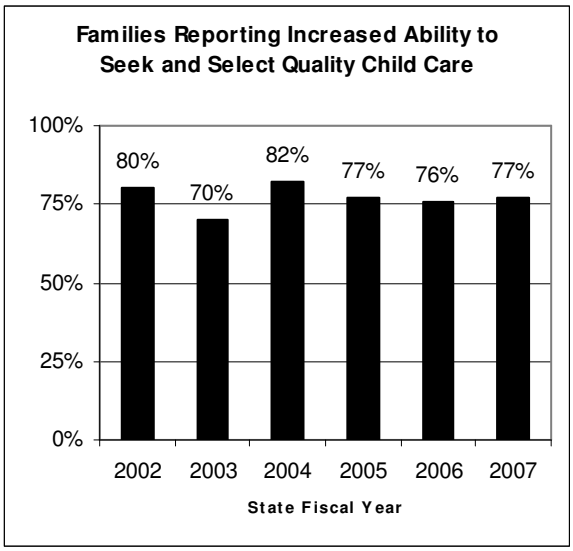
- support child care providers in improving quality;
- develop the child care infrastructure to provide referral services to parents and professional development, technical assistance, and facilities improvements to child care providers, and;
- conduct research and evaluation to identify child care needs and improve program effectiveness.

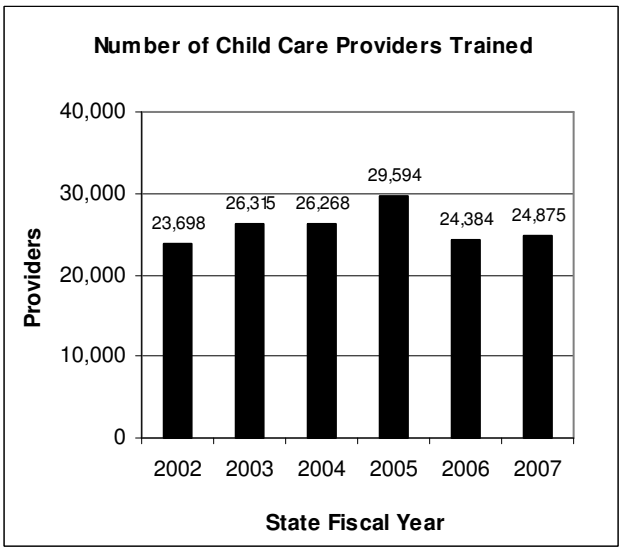
Key Program Goals

- ***All children will start school ready to learn.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).
- ***Improve outcomes for the most at-risk children.*** Improvement will occur by working with partners to test and evaluate approaches to improve school readiness. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Measures

- ***Percentage of families using child care referral services who report increased ability to seek and select quality child care.*** The goal of child care referral services is to help families access quality child care by providing information on what constitutes a quality child care setting, how to search for quality child care and which child care providers might meet the family's needs. This measure is a self-report of families' ability to seek and select quality child care using the information gained from the child care referral experience. The results are based on a follow-up survey of parents who had used child care referral services.
- ***Number of participants attending child care resource and referral training.*** Participation in annual in-service training for more than 35,000 individuals working in Minnesota child care settings is required by licensing and, when focused on key core competencies, is also an important strategy for improving the quality of child care.

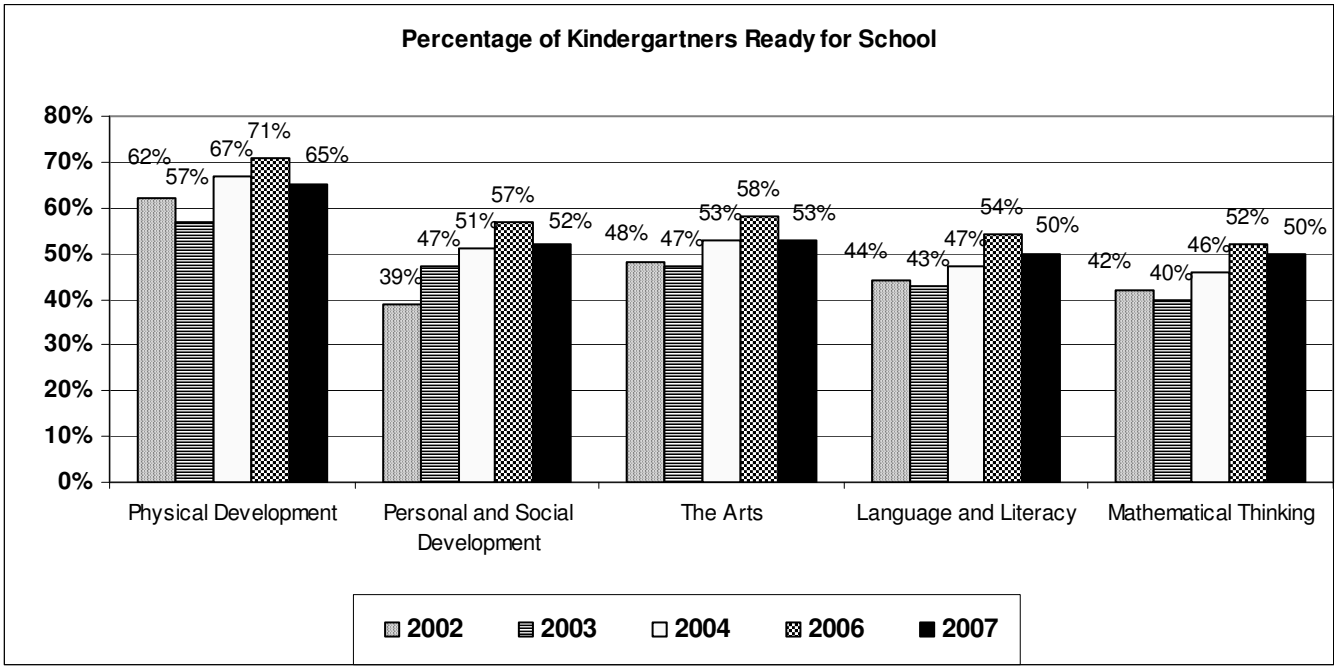




- ***Number of children who are ready for school (proficient category).*** An expected outcome of Child Care Development Grants is increased school readiness for young children in child care settings, especially children at risk of poor outcomes. Among children ages 0 to five, 75% are cared for in a child care setting on a regular basis. While research has shown that high quality early childhood programs can improve children's

readiness for school, it should be noted that many other factors, such as poverty and mother's education level, are highly correlated with this outcome.

Data are collected annually by the Minnesota Department of Education (MDE) through its Minnesota School Readiness Study. A geographically representative random sample of Minnesota kindergartners (about 10% of entering kindergartners) are assessed as they enter school in the fall.



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Child Care Development Grants is funded with appropriations from the general fund and from federal funds.

Contact

For more information on Child Care Development Grants, contact DHS at (651) 431-3809.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: CHILDREN & ECONOMIC ASSIST GR
Activity: CHILD CARE DEVELOPMENT GR

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	4,390	6,030	6,030	6,030	12,060
Technical Adjustments					
Current Law Base Change			(4,547)	(4,547)	(9,094)
Forecast Base	**4,390**	**6,030**	**1,483**	**1,483**	**2,966**
Expenditures by Fund					
Direct Appropriations					
General	4,376	6,017	1,483	1,483	2,966
Statutory Appropriations					
Miscellaneous Special Revenue	623	364	0	0	0
Federal	9,104	9,065	9,015	9,015	18,030
Total	**14,103**	**15,446**	**10,498**	**10,498**	**20,996**
Expenditures by Category					
Other Operating Expenses	63	80	0	0	0
Local Assistance	14,040	15,366	10,498	10,498	20,996
Total	**14,103**	**15,446**	**10,498**	**10,498**	**20,996**

Activity Description

Child Support Enforcement Grants help families receive child support, an important component in helping many families become self-sufficient and stay off welfare.

Population Served

Child Support Enforcement serves both families who receive public assistance and those who are non-public assistance clients.

Activity at a Glance

- Collects $625 million in child support
- Serves 406,000 custodial and non-custodial parents
- Administers 250,000 child support cases

Services Provided

Services provided by the state and counties to help families in Minnesota receive child support include

- establishing paternity;
- establishing and modifying orders for child support, medical support, and child care support;
- collecting and disbursing support;
- enforcing support orders,
  - ⇒ intercepting income tax refunds and lottery winnings when child support is not paid and investigating income sources of non-paying parents, and
  - ⇒ locating non-paying parents; and
- using various tools to collect support, including suspension of driver's licenses and various state occupational licenses for non-payment, new hire reporting by employers, and working with financial institutions to move money directly from bank accounts.

Historical Perspective

Although most child support cases do not currently receive public assistance, about 64% of the non-public assistance cases received public assistance at one time. Most child support is collected from wage withholding by employers.

Key Program Goals

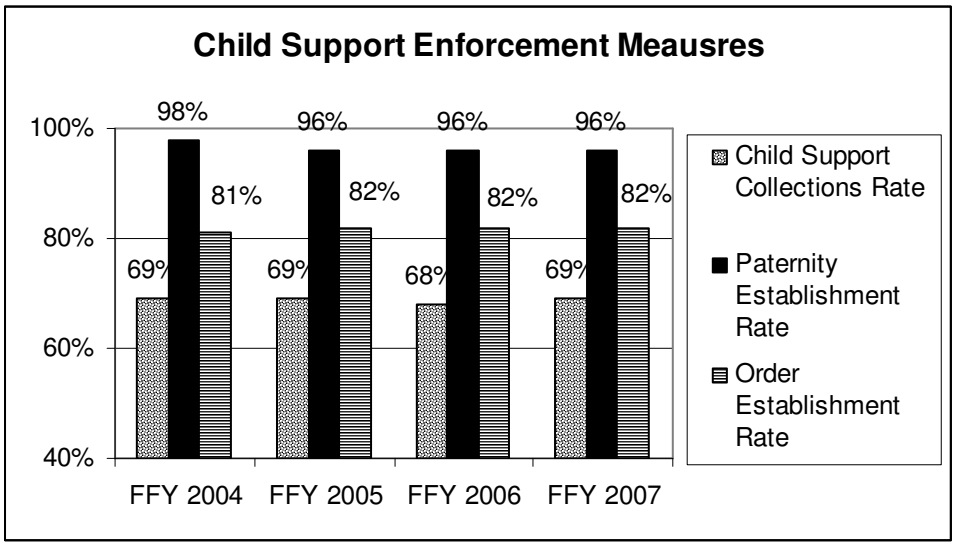
- Simplify and create user-friendly policies and legal processes.
- Enhance productivity through technology.

These goals are from the *Child Support Strategic Plan 2008-2012.* More information on this plan can be found at: http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-5217B-ENG.

Key Measures

- ***Child support collection rate.*** This measure is the percentage of dollars ordered for child support that was paid by the non-custodial parent. This measure is one of five federal performance measures used to determine incentive payments to states, and subsequently to counties, by the federal government.
- ***Paternity establishment rate.*** This rate is the percentage of paternities established for children in the Title IV-D caseload not born in marriage. This measure is one of five federal performance measures used to determine incentive payments to states, and subsequently to counties, by the federal government.
- ***Order establishment rate***. The order establishment rate is the percentage of orders established for children in the Title IV-D caseload. This measure is one of five federal performance measures used to determine incentive payments to states, and subsequently to counties, by the federal government.

These measures are based on federal fiscal years (FFY).



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Child Support Enforcement Grants is funded with appropriations from the general fund and from federal funds.

Contact

For more information on Child Support Enforcement Grants, contact the Child Support Enforcement Division, (651) 431-4400.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT

Program: CHILDREN & ECONOMIC ASSIST GR

Activity: CHILD SUPPORT ENFORCEMENT GR

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	11,038	3,705	3,705	3,705	7,410
Forecast Base	**11,038**	**3,705**	**3,705**	**3,705**	**7,410**
Expenditures by Fund					
Direct Appropriations					
General	9,441	5,202	3,705	3,705	7,410
Statutory Appropriations					
Miscellaneous Special Revenue	1,939	1,516	1,466	1,466	2,932
Federal	122	124	124	124	248
Total	**11,502**	**6,842**	**5,295**	**5,295**	**10,590**
Expenditures by Category					
Other Operating Expenses	(354)	0	0	0	0
Payments To Individuals	415	90	90	90	180
Local Assistance	11,441	6,752	5,205	5,205	10,410
Total	**11,502**	**6,842**	**5,295**	**5,295**	**10,590**

Activity Description

Children's Services Grants funds a continuum of statewide child welfare services.

Activity at a Glance

In 2007:

- 6,300 children were determined to be abused or neglected
- 14,800 children were in out-of-home placements
- More than 670 children under state guardianship were adopted

Population Served

Children's Services Grants funds services for children who are at risk of abuse or neglect, have been abused or neglected, are in out-of-home placements, are in need of adoption, or are under state guardianship. Children's Services grants affect the lives of

- children who are abused or neglected and need child protection services;
- children who are in out-of-home placements because they cannot live safely with their parents or need care which cannot be provided within their homes;
- children who are waiting for immediate adoption; and
- families through the Children's Trust Fund.

Services Provided

Children's Services Grants funds adoption, child protection, homeless youth services, and child abuse and neglect prevention services through counties, tribes, local service collaboratives, schools, nonprofits, and foundations.

Children's Services Grants funds the following:

- Family Assessment Response and other services to families referred to child protection;
- services to prevent child abuse and neglect;
- services to prevent homelessness for older youth leaving long-term foster care;
- recruitment of foster and adoptive families and specialized services to support the adoption of children under state guardianship;
- Adoption Assistance for children with special needs who were under state guardianship and have been adopted;
- Relative Custody Assistance for children with special needs whose custody is transferred to relatives; and
- Indian child welfare services.

Historical Perspective

The focus of child welfare has evolved over the years. Most recently, Children's Services Grants have been used to:

- reform the child welfare system through innovative efforts such as Alternative Response (now known as Family Assessment), the American Indian Child Welfare Initiative, the Minnesota Child Welfare Training System, and the Children's Justice Initiative; and
- find and support permanent families for children who cannot be reunited with their families through the Public/Private Adoption Initiative, Concurrent Permanency Planning, and Minnesota Adoption Support and Preservation Network.

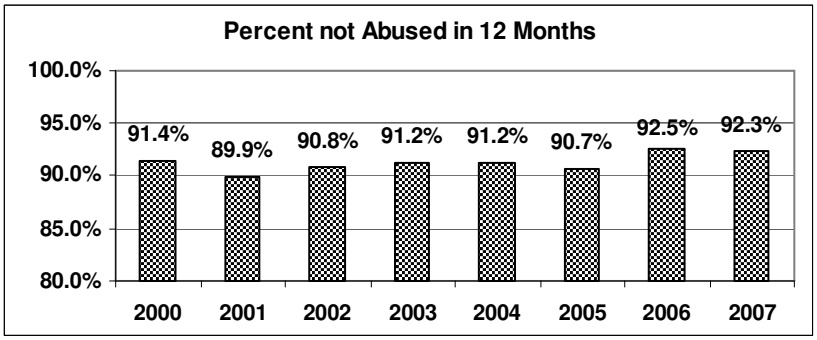
Key Program Goals

- ***Families will provide a stable, supportive environment for children.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).
- ***Improve outcomes for the most at-risk children***. The department provides grants for early and targeted services for the children in Minnesota who are at the greatest risk for poor outcomes, including those who are in child protection, are homeless, or are teenage parents. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

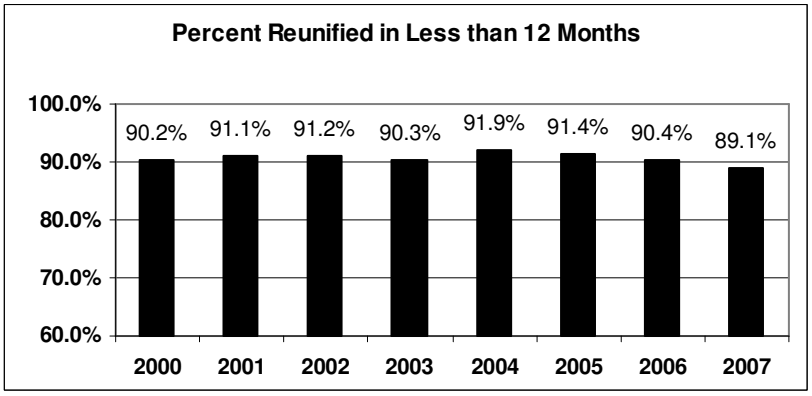
Key Measures

The underlying factor common to the three measures listed below is that more children will live in safe and permanent homes.

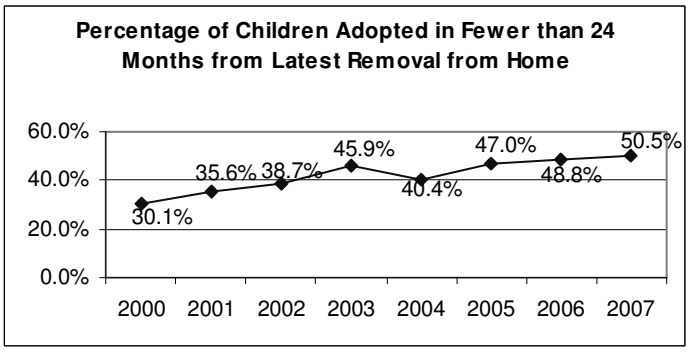
- ***Percentage of children who do not experience repeated abuse or neglect within 12 months of a prior report.*** For the period of 2000 through 2007 in Minnesota, the percentage of children who did not experience repeated abuse or neglect within 12 months of a prior report ranged from 89.9% (2001) to 92.5% (2006). The national standard for this measure is 93.9%.



- ***Percentage of children reunified in less than 12 months from the time of the latest removal from their home.*** For the period of 2000 through 2007 in Minnesota, the percentage of children reunified in fewer than 12 months from the latest removal from their homes ranged from 89% to 92%. The national standard for this measure is 76.2%.



- ***Percent of Children who were adopted in fewer than 24 months from the time of the latest removal from their home***. The percentage of children adopted within 24 months from latest removal from home has increased from 30.1% in 2000 to 50.5% in 2007. The national standard for this measure is 32.2%.



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Children's Services Grants is funded primarily with appropriations from the general fund and from federal funds.

Contact

For more information about Children's Services Grants, contact Child Safety and Permanency, (651) 431-4660.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	63,336	69,249	69,249	69,249	138,498
Technical Adjustments					
Approved Transfer Between Appr			(17,240)	(17,237)	(34,477)
Current Law Base Change			(6,887)	(6,884)	(13,771)
Forecast Base	**63,336**	**69,249**	**45,122**	**45,128**	**90,250**
Federal Tanf					
Current Appropriation	205	340	340	340	680
Forecast Base	**205**	**340**	**340**	**340**	**680**
Expenditures by Fund					
Direct Appropriations					
General	63,651	68,511	45,122	45,128	90,250
Federal Tanf	179	340	340	340	680
Statutory Appropriations					
Miscellaneous Special Revenue	3,651	5,785	4,327	4,926	9,253
Federal	49,333	57,772	54,839	53,104	107,943
Gift	19	25	25	25	50
Total	**116,833**	**132,433**	**104,653**	**103,523**	**208,176**
Expenditures by Category					
Other Operating Expenses	530	100	100	101	201
Payments To Individuals	42,698	50,549	45,677	45,677	91,354
Local Assistance	73,605	81,784	58,876	57,745	116,621
Total	**116,833**	**132,433**	**104,653**	**103,523**	**208,176**

Activity Description

Children and Community Services Grants provides funding to counties to purchase or provide social services for children and families.

Activity at a Glance

- Funds services in 87 counties
- Serves 350,000 people annually
- Provides services for clients who experience abuse, neglect, poverty, disability, chronic health conditions, or other factors that may result in poor outcomes or disparities

Population Served

These funds provide services to clients who experience dependency, abuse, neglect, poverty, disability, chronic health conditions, mental health conditions, or other factors that may result in poor outcomes or disparities, as well as services for family members to support those individuals. Services are provided to people of all ages who are faced with a wide variety of service needs. Historically, these grants have supported the following populations:

- children in need of protection;
- pregnant adolescents and adolescent parents and their children;
- abused and neglected children under state guardianship;
- adults who are vulnerable and in need of protection;
- people over age 60 who need help living independently;
- children and adolescents with emotional disturbances and adults with mental illness;
- people with developmental disabilities;
- people with substance abuse issues;
- parents with incomes below 70% of state median income who need child care services for their children, and;
- children and adolescents at risk of involvement with criminal activity.

Services Provided

County boards are responsible for coordinating formal and informal systems to best support and nurture children and adults within the county who meet the requirements in the Children and Community Services Act. This includes assisting individuals to function at the highest level of ability while maintaining family and community relationships.

Children and Community Services Grants services focus on the following activities and outcomes:

- preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests;
- preserving, rehabilitating, or reuniting families;
- achieving or maintaining self-sufficiency, including reduction or prevention of dependency;
- identifying mental health disorders early and providing treatment based on the latest scientific evidence;
- preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care, and;
- referring or admitting for institutional care people for whom other forms of care are not appropriate.

Children and Community Services Grants support the following services:

- adoption services;
- case management services;
- counseling services;
- foster care services for adults and children;
- protective services for adults and children;
- residential treatment services;
- special services for people with developmental, emotional, or physical disabilities;
- substance abuse services;
- transportation services, and;
- public guardianship.

Historical Perspective

The Children and Community Services Act (CCSA), which was enacted by the 2003 legislature, consolidated 15 separate state and federal children and community services grants, including Title XX, into a single grant program. The CCSA gives counties more flexibility to ensure better outcomes for children, adolescents, and adults in need of services. The act also simplifies the planning and administrative requirements of the previous Community Social Services Act. It includes criteria for counties to limit services if CCSA funds are insufficient.

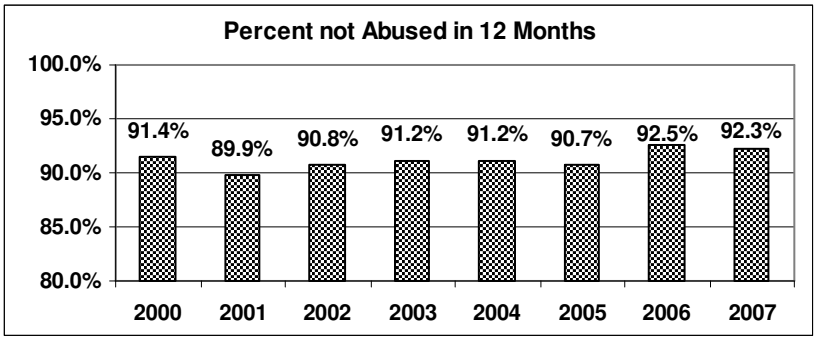
Key Program Goals

- ***Families will provide a stable, supportive environment for their children.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).
- ***Disparities will be reduced in service access and outcomes for racial and ethnic populations.*** The department provides grants to counties to provide support at the local level based on the presenting needs of residents in that community. The program tracks several child safety and permanency outcomes by race and ethnicity at the county level. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

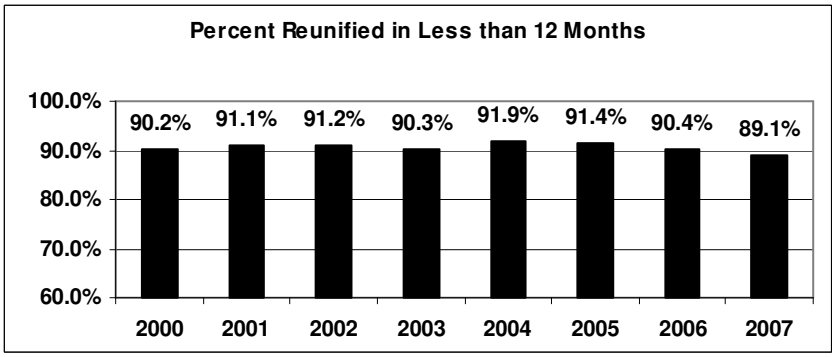
Key Measures

The underlying factor common to the three measures listed below is that more children will live in safe and permanent homes.

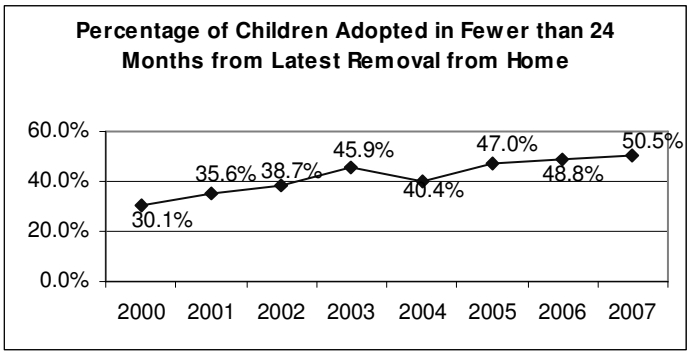
- ***Percentage of children who do not experience repeated abuse or neglect within 12 months of a prior report.*** For the period of 2000 through 2007 in Minnesota, the percentage of children who did not experience repeated abuse or neglect within 12 months of a prior report ranged from 89.9% (2001) to 92.3% (2007). The national standard for this measure is 93.9%.



- ***Percentage of children reunified in less than 12 months from the time of the latest removal from their home.*** For the period of 2000 through 2007 in Minnesota, the percentage of children reunified in fewer than 12 months from the latest removal from their homes ranged from 89% to 92%. The national standard for this measure is 76.2%.



Percentage of Children who were adopted in fewer than 24 months from the time of the latest removal from their home. The percentage of children adopted within 24 months from latest removal from home has increased from 30.1% in 2000 to 50.5% in 2007. The national standard for this measure is 32.2%.



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Children and Community Services Grants are funded with appropriations from the general fund and from federal funds.

Contact

For more information on Children and Community Services Grants, contact Child Safety and Permanency, (651) 431-4660.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	101,369	67,863	67,863	67,863	135,726
Technical Adjustments					
Current Law Base Change			(32)	(32)	(64)
Forecast Base	**101,369**	**67,863**	**67,831**	**67,831**	**135,662**
Expenditures by Fund					
Direct Appropriations					
General	101,369	67,863	67,831	67,831	135,662
Statutory Appropriations					
Federal	32,507	32,555	32,600	32,601	65,201
Total	**133,876**	**100,418**	**100,431**	**100,432**	**200,863**
Expenditures by Category					
Local Assistance	133,876	100,418	100,431	100,432	200,863
Total	**133,876**	**100,418**	**100,431**	**100,432**	**200,863**

Activity Description

General Assistance (GA) Grants provide monthly cash supplements for individuals and childless couples, who cannot fully support themselves, usually due to illness or disability, to help meet some of their monthly maintenance and emergency needs. GA is a state-funded program and an important safety net for low-income Minnesotans.

Activity at a Glance

- Provides monthly cash assistance grants for 16,165 people
- Average cash assistance grant is $169.43

Population Served

Program participants must fit into one of 15 categories of eligibility specified in state statutes, which are primarily defined in terms of inability to work and disability, and meet income and resource limits. Applicants or recipients are generally required to apply for benefits from federally-funded disability programs for which they may qualify.

Services Provided

GA grants currently provide cash assistance of $203 for single people and $260 for married couples. Once a year, special funding may be available when a person or family lacks basic need items for emergency situations, which threaten health or safety, most often housing or utilities.

GA recipients are usually eligible for payment of medical costs through the General Assistance Medical Care (GAMC) program or the Medical Assistance (MA) program.

Historical Perspective

The Minnesota Legislature established the General Assistance Program in 1973. The original program provided assistance to low-income people who did not qualify for federal assistance. In the early 1980s, the legislature changed the program by increasing the GA grant to the current $203 for single people and $260 for married couples and by targeting assistance to people who meet certain standards of un-employability as determined and certified by a licensed physician, licensed consulting psychologist, licensed psychologist, or vocational specialist.

In 1998, families with children were moved from GA to the Minnesota Family Investment Program, immediately reducing the number of people served on GA each month from 15,000 to 11,000. Since that time, the average number of people served on GA has ranged from a low of roughly 7,800 a month in FY 2000 to the current average of 16,165 a month with an average payment of $169.43 per person for FY 2007.

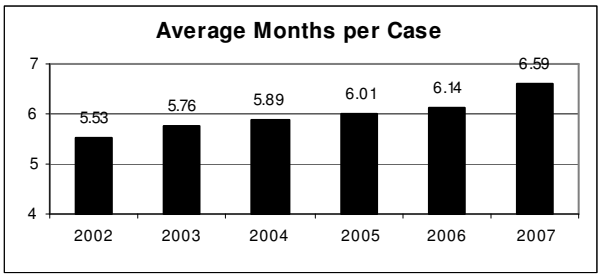
In FY 2001, room and board payments for women staying in battered women's shelters were transferred out of the GA program into the Department of Public Safety's Crime Victims Services.

Key Program Goals

- ***Provide integrated services to at-risk adults who are without children and struggling to meet their basic needs.*** GA is temporary for some recipients while they overcome an emergency situation, a temporary problem, or are waiting for approval for other forms of assistance. For others, with more intractable barriers to self-support, assistance is needed for longer periods of time. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Measures

- ***Mean number of paid months per GA case by state fiscal year.***



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

General Assistance Grants is funded with appropriations from the state's general fund.

Contact

For more information on General Assistance Grants, contact Transition to Economic Stability at (651) 431-4000.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: CHILDREN & ECONOMIC ASSIST GR
Activity: GENERAL ASSISTANCE GRANTS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	40,405	44,286	44,286	44,286	88,572
Technical Adjustments					
Current Law Base Change			1,036	1,066	2,102
November Forecast Adjustment		1,664	2,879	3,271	6,150
Forecast Base	**40,405**	**45,950**	**48,201**	**48,623**	**96,824**
Expenditures by Fund					
Direct Appropriations					
General	39,263	45,950	48,201	48,623	96,824
Statutory Appropriations					
General	480	300	300	300	600
Total	**39,743**	**46,250**	**48,501**	**48,923**	**97,424**
Expenditures by Category					
Payments To Individuals	39,743	45,750	48,001	48,423	96,424
Local Assistance	0	500	500	500	1,000
Total	**39,743**	**46,250**	**48,501**	**48,923**	**97,424**

Activity Description
Children's Mental Health Grants funds statewide community-based mental health services.

Population Served
Children's Mental Health grants fund treatment services for children, from birth to age 21, who have psychiatric diagnoses and need mental health services.

Activity at a Glance

In FY 2007:
- 9,000 children in the child welfare and juvenile justice systems received mental health screenings
- 9,600 children received case management services

Services Provided
Children's Mental Health Grants fund community, school, and home-based children's mental health services provided by non-profit agencies, tribes, schools, Medicaid-enrolled mental health clinics, counties, culturally-specific agencies, and collaboratives. While the public mental health system is responsible for the full continuum of children's mental health treatment interventions and ancillary services, grants fund earlier intervention services, service delivery gaps, treatments shown by scientific evidence to be effective, services needed to coordinate mental health care with physical health, and developmental disabilities services. Additionally, grants fund community alternatives to inpatient hospitalization and residential treatment.

Children's Mental Health Grants funds the following service capacity-enhancement, access-building, and quality-improvement activities:
- school-based and school-linked mental health infrastructure development statewide;
- early childhood identification and intervention in multiple settings, including primary care, child care/Head Start, and early childhood special education;
- evidence-based practices development, expansion, and measurement;
- crisis intervention infrastructure statewide;
- respite care service capacity statewide;
- culturally-specific provider expansion and racial/ethnic minority access enhancement;
- specialty care for low incidence children's mental health disorders;
- mental health screening for children and adolescents in the child welfare and juvenile justice systems, and;
- children's mental health case management statewide.

Historical Perspective
Medical science has evolved rapidly in recent years with regard to its understanding of the causes and treatment of mental illness and changed the focus of the child's mental health care delivery system over the same time period. Focus has evolved from providing a life-time of social supports to helping families adjust and cope toward enhancing access to the most effective treatments, finding and intervening earlier when treatment is most effective, and improving quality by measuring results to determine which treatment is most effective for each diagnosis and each population. Quality improvement has been emphasized with the insistence that mental health care is based on a careful diagnosis of the illness and specific and individualized treatment plan. Payment for mental health treatment requires qualification as a licensed mental health professional and more clinical training opportunities are being provided.

Most recently, Children's Mental Health grants have been used to:
- disseminate scientifically-supported treatments and train providers in their use;
- introduce mental health knowledge and tools to pediatric and family practice clinics where children are almost universally encountered during well-child visits and where most Minnesota children receive their mental health care;
- develop capacity to serve the mental health needs of preschool children;
- build statewide mobile crisis intervention and respite care capacity;
- increase schools' ability to meet the mental health needs of their students;
- increase the number of highly-qualified cultural and ethnic minority mental health providers; and

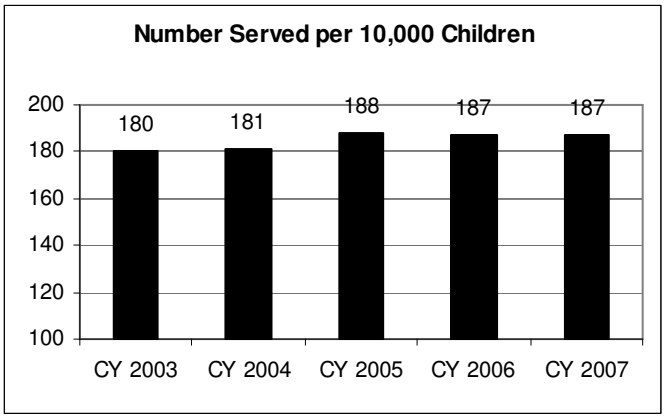
- implement statewide mental health screening for children in the child welfare and juvenile justice systems and expand the children's therapeutic services and supports (CTSS) in schools and elsewhere.

Key Activity Goals

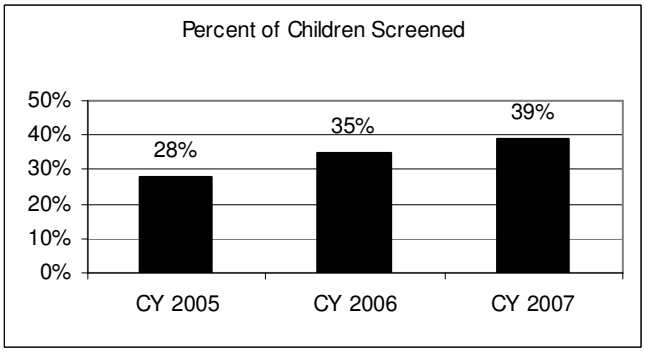
- ***Develop effective and accountable mental health and chemical health systems***. The Department of Human Services is implementing steps to support research-informed practices in children's mental health service delivery, systematically monitor outcomes, and integrate chemical, mental, and physical health services. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Activity Measures

- ***Number of children receiving county-administered mental health services per 10,000 children***. Identifying children with mental health needs early and providing appropriate services is important for the well-being of children and their families. Research demonstrates that many mental health problems can be identified and treated much earlier than currently done. Untreated or under-treated mental health problems get worse over time. Failing to identify and treat children's mental health problems causes growing complications for families, schools, and communities.



- ***Percentage of children involved in the child welfare system who received a mental health screening***. Since 07-01-2004, counties have been required to conduct mental health screenings for children in the child welfare and juvenile justice systems. With recent research showing that 70% of adolescents in juvenile justice placements have a diagnosable psychiatric illness, the juvenile corrections system has moved to identify those who need treatment. Children identified as being at risk of needing child protection services often have treatable psychiatric disorders that can be identified and treated through the state's screening grants.



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Children's Mental Health Grants is funded primarily with appropriations from the general fund and from federal funds.

Contact

For more information about this activity, contact Children's Mental Health, (651) 431-2321.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	0	0	0	0	0
Technical Adjustments					
Approved Transfer Between Appr			16,885	16,882	33,767
Forecast Base	**0**	**0**	**16,885**	**16,882**	**33,767**
Expenditures by Fund					
Direct Appropriations					
General	0	0	16,885	16,882	33,767
Health Care Access	250	0	0	0	0
Statutory Appropriations					
Federal	25	25	0	0	0
Total	**275**	**25**	**16,885**	**16,882**	**33,767**
Expenditures by Category					
Local Assistance	275	25	16,885	16,882	33,767
Total	**275**	**25**	**16,885**	**16,882**	**33,767**

Activity Description

Minnesota Supplemental Aid (MSA) Grants provides a state-funded monthly cash supplement to people who are eligible for federal Supplemental Security Income (SSI) benefits and are disabled, aged, or blind.

Activity at a Glance

- Provides 28,700 people with disabilities or over age 65 with an $86.94 cash supplement each month.

Population Served

To receive MSA benefits, a person must be

- age 65 or older;
- blind or have severely impaired vision; or
- disabled and age 18 or older.

MSA is available to individuals with assets up to $2,000 and couples with assets up to $3,000 and limited income.

Services Provided

MSA standards are adjusted annually by the amount of the cost of living adjustment (COLA) in SSI. The monthly MSA grant is based on the difference between the recipient's monthly income and the appropriate MSA standard. As of 1-1-08, MSA standards are $698 each month to individuals living alone and $1,047 each month to couples. Federal SSI funds pay most of the MSA standards, although payment amounts vary depending upon a number of factors. MSA monthly grants averaged $86.94 in FY 2007.

Historical Perspective

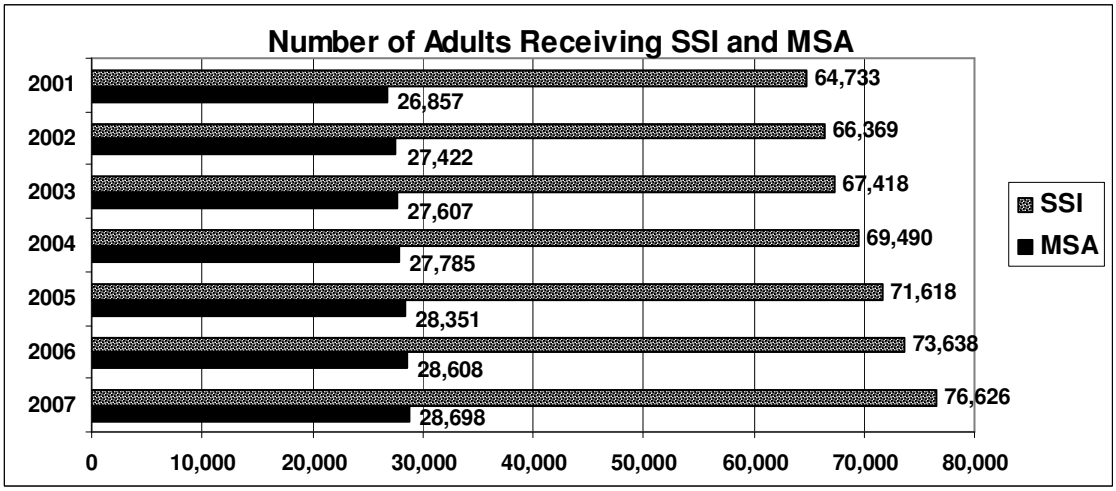
The legislature established the MSA program in 1974. The program serves as the federally mandated supplement to Minnesota recipients of the SSI program.

Key Goals

- ***Provide integrated services to at-risk adults who are without children and struggling to meet their basic needs***. At-risk adults who are without children and struggling to meet their basic needs will receive a seamless continuum of financial, employment, health care, housing, social service, and other supports from the department and its partners. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Activity Measures

- ***Number of adults receiving SSI who are also receiving MSA.***.



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Minnesota Supplemental Aid Grants is funded with appropriations from the General Fund.

Contact

For more information on MSA Grants, contact the Minnesota Supplemental Aid Office at (651) 431-4049.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	30,804	31,513	31,513	31,513	63,026
Technical Adjustments					
Current Law Base Change			968	1,851	2,819
November Forecast Adjustment		314	393	493	886
Forecast Base	**30,804**	**31,827**	**32,874**	**33,857**	**66,731**
Expenditures by Fund					
Direct Appropriations					
General	30,798	31,827	32,874	33,857	66,731
Statutory Appropriations					
General	32	50	50	50	100
Total	**30,830**	**31,877**	**32,924**	**33,907**	**66,831**
Expenditures by Category					
Payments To Individuals	30,830	31,877	32,924	33,907	66,831
Total	**30,830**	**31,877**	**32,924**	**33,907**	**66,831**

Activity Description

Group Residential Housing (GRH) Grants provides income supplements for room, board, and other related housing services for people whose illnesses or disabilities prevent them from living independently. In order for its residents to be eligible for GRH payments, a setting must be licensed by the Minnesota Department of Human Services (DHS) as an adult foster home or by the Minnesota Department of Health as a board and lodging establishment, a supervised living facility, a boarding care home, or, in some cases, registered as a housing-with-services establishment.

Activity at a Glance

- GRH provides room and board in 5,000 settings for an average of 15,200 recipients a month.
- The basic GRH room and board rate is $776 per month.

Population Served

- There are more than 5,000 GRH settings serving a monthly average of 15,200 recipients who are unable to live independently in the community due to illness or incapacity.
- GRH settings serve a variety of people, including people with developmental disabilities, mental illness, chemical dependency, physical disabilities, advanced age, or brain injuries.
- People receiving GRH often also receive services through Medical Assistance (MA) Home Care, a home and community-based waiver under Title XIX of the Social Security Act, or mental health grants. In these cases, the GRH rate is restricted to the room and board rate only. The combination of GRH room and board supports and Medical Assistance services enables people to live in their communities rather than in institutions.

Services Provided

- GRH separately identifies housing costs from services and provides a standard payment rate for housing for aged, blind, and disabled people in certain congregate settings.
- GRH is a supplement to a client's income to pay for the costs of room and board in specified licensed or registered settings.
- Currently, the basic GRH room and board rate is $776 per month, which is based on a statutory formula. The maximum additional GRH payment rate for settings that provide services in addition to room and board is $487.13 per month. In limited cases, and upon county and state approval, GRH will also fund up to $487.13 per month (based on documented costs) for people whose needs require specialized housing arrangements.
- Although GRH is 100% state-funded, these rates are offset by the recipient's own income contribution (usually Supplemental Security Income or Social Security Retirement or Disability Insurance contributions of at least $637).
- GRH also pays for basic support services, such as oversight and supervision, medication reminders, and appointment arrangements, for people who are ineligible for other service funding mechanisms, such as home and community-based waivers or home care.

Historical Perspective

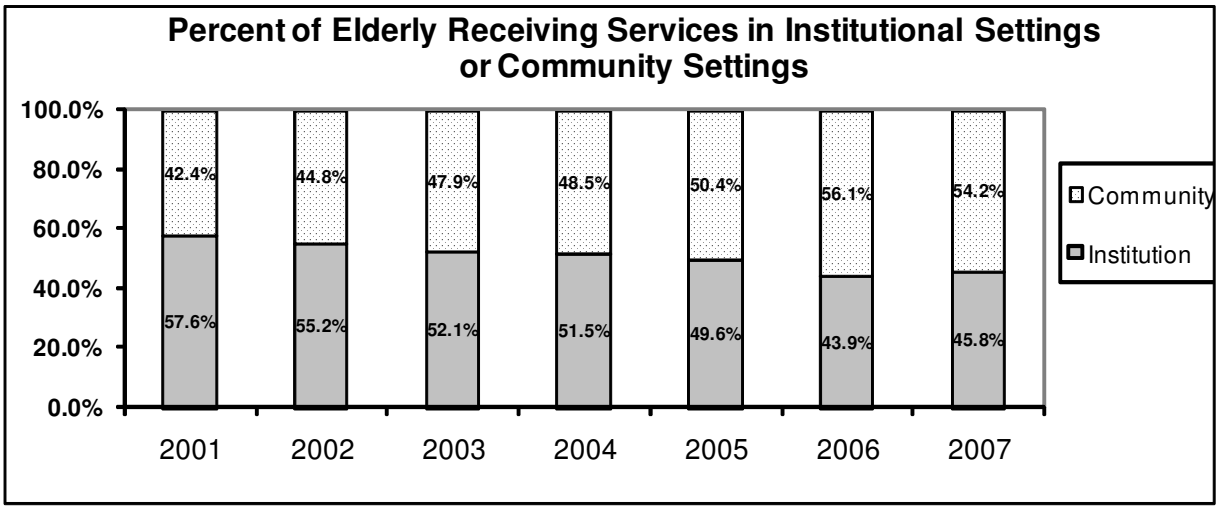
GRH was once part of the Minnesota Supplemental Aid (MSA) Program but was made a separate program in the mid-1990s. There is currently a moratorium on the addition of GRH beds with a rate that exceeds the base rate of $776 per month.

Key Activity Goals

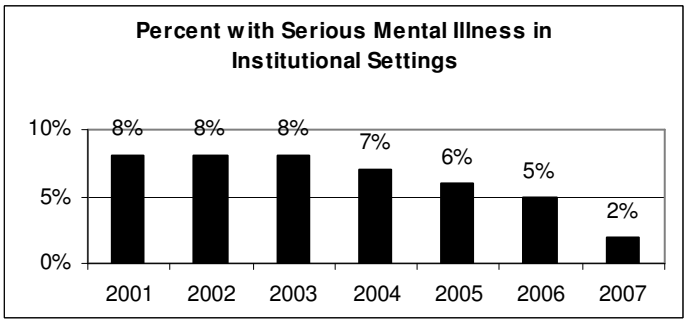
- ***People in need will receive support that helps them live as independently as possible***. This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).
- ***Provide integrated services to at-risk adults who are without children and struggling to meet their basic needs***. At-risk adults who are without children and struggling to meet their basic needs will receive a seamless continuum of financial, employment, health care, housing, social service, and other supports from the department and its partners. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Activity Measures

- ***Percentage of elderly and people with disabilities receiving publicly-funded long-term care services living in the community versus an institutional setting***.



- ***Percentage of county-administered clients with a serious and persistent mental illness served in an institution***.



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Group Residential Housing Grants is funded with appropriations from the general fund.

Contact

For more information on Group Residential Housing, contact Community Living Supports, (651) 431-3885.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	84,283	96,975	96,975	96,975	193,950
Technical Adjustments					
Current Law Base Change			7,121	14,170	21,291
November Forecast Adjustment		1,757	3,202	3,352	6,554
Forecast Base	**84,283**	**98,732**	**107,298**	**114,497**	**221,795**
Expenditures by Fund					
Direct Appropriations					
General	83,832	98,732	107,298	114,497	221,795
Statutory Appropriations					
General	1,673	1,700	1,700	1,700	3,400
Total	**85,505**	**100,432**	**108,998**	**116,197**	**225,195**
Expenditures by Category					
Payments To Individuals	85,045	99,972	108,538	115,737	224,275
Local Assistance	460	460	460	460	920
Total	**85,505**	**100,432**	**108,998**	**116,197**	**225,195**

Activity Description
Refugee Services Grants provide federally funded services to help refugees resettle in Minnesota and become self-sufficient.

Population Served
Refugees are people lawfully admitted to the United States who are unable to return to their own home country because of a well-founded fear of persecution.

Activity at a Glance

Monthly average of refugees receiving resettlement services:

- Refugee Cash Assistance 353
- Refugee Medical Assistance 431
- Social Services 1,112

Services Provided
Refugee Cash Assistance/Refugee Medical Assistance (RCA/RMA) is federal funding for cash and medical care for needy refugees who do not qualify for the Minnesota Family Investment Program (MFIP) or Medical Assistance (MA).

Social services provide refugees with culturally appropriate and bilingual employment services through contracts with nonprofit and ethnic-based community organizations. Services are generally limited to refugees during their first five years in this country, with priority given to those in their first year.

A wide range of other services is provided to help refugees adjust to life in the United States. Examples of these services are referral and information, translation and interpreter services, family literacy and English language instruction, and preparation for citizenship.

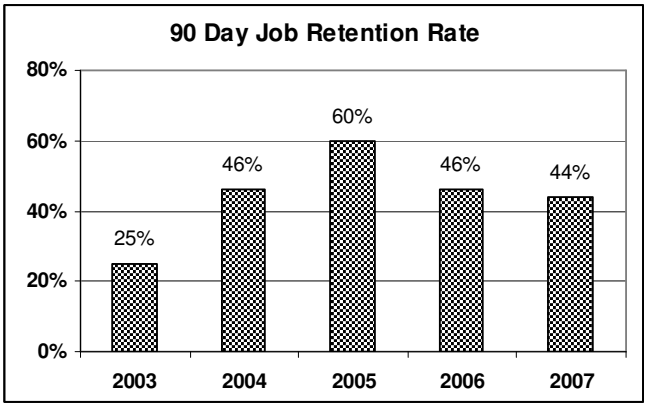
Historical Perspective
Over the last five years (2002-2007), Minnesota resettled approximately 21,890 refugees from 47 ethnic nationalities or political nations. Most of the refugees came from Somalia, Laos, Ethiopia, and Burma. In 2007, Minnesota ranked third (6.6%) in the United States for refugee arrivals.

Key Program Goals
- ***All people will be welcomed, respected, and able to participate fully in Minnesota's communities and economy***. The goal of refugee services is to rebuild refugee families and integrate them as new Minnesotans. This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).

Key Activity Measures
A specific objective of refugee services is to help families become economically self-supporting.

- ***Wage rate at job placement***

- ***90-day job retention rate***



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Refugee Services Grants is funded with appropriations from federal funds

Contact

For more information on Refugee Services Grants, contact Community Living Supports, (651) 431-3885.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Expenditures by Fund					
Statutory Appropriations					
Federal	13,905	18,792	17,042	16,201	33,243
Total	**13,905**	**18,792**	**17,042**	**16,201**	**33,243**
Expenditures by Category					
Other Operating Expenses	2,392	2,393	1,992	1,149	3,141
Payments To Individuals	3,366	4,119	4,119	4,119	8,238
Local Assistance	8,147	12,280	10,931	10,933	21,864
Total	**13,905**	**18,792**	**17,042**	**16,201**	**33,243**

Activity Description

Other Children's and Economic Assistance Grants provides funding for food, housing, and other services to low-income families and individuals in transition to economic stability.

Activity at a Glance

- Provides food support to more than 250,000 people each month
- Provides transitional housing to 4,450 people annually
- Provides assistance to 250,000 households through Community Action Agencies annually

Population Served

Eligible recipients include

- low-income families and individuals needing assistance to meet basic nutritional needs;
- individuals and families who are at risk of homelessness and need housing and supportive services until they are able to move into stable, permanent housing; and
- low-income households that need services and support to achieve long-term economic stability.

Services Provided

- Supportive Housing Services Grants address the needs of long-term homeless individuals and families.
- The Transitional Housing Program (THP) provides grants for programs that provide transitional housing and supportive services to homeless people for up to 24 months so that they can find stable, permanent housing.
- Minnesota Community Action Grants provide low-income citizens with the information and skills necessary to become more self-reliant through a statewide network of Community Action Agencies. Services are designed locally, based on community assessments, and aimed at ending poverty through high-impact strategies.
- Emergency Services Program funds shelters and other organizations to provide emergency shelter and essential services to homeless adults and children.
- Food shelves provide food to low-income individuals and families who have exhausted other resources to meet their basic nutrition needs. Food banks, food shelves, on-site meal programs, and shelters provide food through the Minnesota Food Shelf Program and the Emergency Food Assistance Program.
- Family Assets for Independence in Minnesota (FAIM) helps low-wage earners acquire financial assets and move out of poverty through matched savings accounts and financial education.
- Food support is provided through Electronic Benefit Transfer, Food Support Expedited Benefits, and Food Support Cashout Supplemental Security Income.
- The Minnesota Food Assistance Program provides state-funded grants to legal non-citizens who are no longer eligible for federal food support.
- Fraud-prevention grants are awarded to counties to fund early fraud detection and collection efforts for public assistance programs.

Historical Perspective

Homeless programs were developed in the 1980s in response to the increasing numbers of children and families experiencing homelessness. The 2005 legislature appropriated $5 million/year for Supportive Housing Services grants to serve families and individuals experiencing long-term homelessness. Additional one-time funding was provided by the legislature in 2007 and 2008 to integrate the Supportive Housing and Managed Care Pilot into the new program. Certain legal non-citizens lost eligibility for federal food support in the 1990s and the state responded by creating the Minnesota Food Assistance Program. Family Assets for Independence in Minnesota is part of a national asset building initiative that also began in the 1990s. It came from the recognition that low income families are often excluded from financial opportunities for asset development that is available to middle and upper income families.

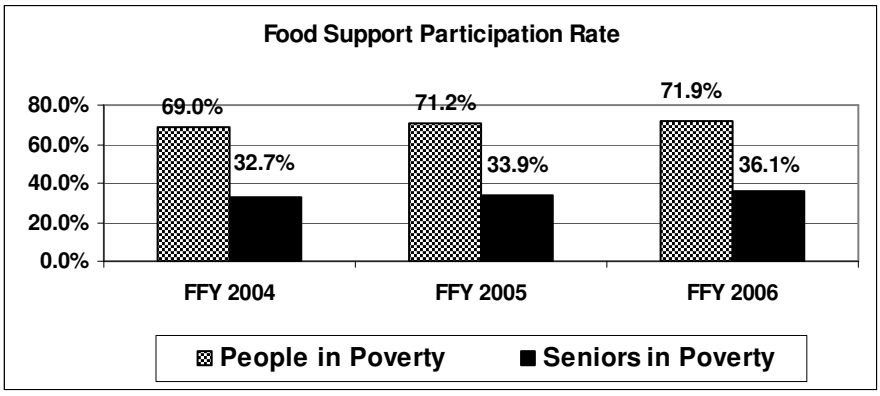
Key Program Goals

- ***Improve outcomes for the most at-risk children.*** DHS provides supports and services to the children in Minnesota who are at the greatest risk for poor outcomes. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).
- ***Provide integrated services to at-risk adults who are without children and struggling to meet their basic needs.*** At-risk adults who are without children and struggling to meet their basic needs will receive a

seamless continuum of financial, employment, health care, housing, social services, and other supports from the department and its partners. This goal is also from DHS' *Priority Plans.*

Key Measures

- ***Food Support Participation Rate for People in Poverty***
- ***Food Support Participation Rate for Seniors in Poverty***



These measures are the percent of people (adults and children) in poverty and seniors (adults age 65 and older) statewide that are the beneficiaries of Food Support (the federal Food Stamp program.) These participation rates are a performance measure for the federal Food Stamp Program. It is based on eligibility data from each federal fiscal year and population data from the 2000 U.S. Census. The participation rates are only displayed for Federal Fiscal Years 2004,2005 and 2006, the last years under which good, complete data was available utilizing the 2000 U.S. Census.

For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Other Children's and Economic Assistance Grants is funded with appropriations from the general fund and from federal funds.

Contact

For more information on Other Children's and Economic Assistance Grants, contact the Community Partnerships program, (651) 431-3809

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: CHILDREN & ECONOMIC ASSIST GR
Activity: OTHER CHILD AND ECON ASST GR

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	20,133	16,635	16,635	16,635	33,270
Technical Adjustments					
Current Law Base Change			(891)	(1,381)	(2,272)
Forecast Base	**20,133**	**16,635**	**15,744**	**15,254**	**30,998**
Federal Tanf					
Current Appropriation	0	360	360	360	720
Technical Adjustments					
Current Law Base Change			(360)	(360)	(720)
Forecast Base	**0**	**360**	**0**	**0**	**0**
Expenditures by Fund					
Direct Appropriations					
General	20,036	16,731	15,743	15,253	30,996
Federal Tanf	0	360	0	0	0
Statutory Appropriations					
Miscellaneous Special Revenue	1,441	1,248	295	293	588
Federal	212,341	255,701	251,600	251,118	502,718
Miscellaneous Agency	1,414	2,649	2,000	2,000	4,000
Total	**235,232**	**276,689**	**269,638**	**268,664**	**538,302**
Expenditures by Category					
Other Operating Expenses	1,460	2,393	1,722	1,720	3,442
Payments To Individuals	201,179	241,847	241,390	241,390	482,780
Local Assistance	31,988	31,699	25,776	24,804	50,580
Other Financial Transactions	605	750	750	750	1,500
Total	**235,232**	**276,689**	**269,638**	**268,664**	**538,302**

Program Description

Children and Economic Assistance Management is the administrative support component for Children and Economic Assistance Grants. It is responsible for policy development, program implementation, grants management, training and technical assistance to counties, tribes, and grantees, quality assurance, and for managing and operating computer systems support.

Budget Activities

- Children and Economic Assistance Administration
- Children and Economic Assistance Operations

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	44,993	45,370	45,370	45,370	90,740
Technical Adjustments					
Approved Transfer Between Appr			(1,854)	(1,854)	(3,708)
Current Law Base Change			(60)	(60)	(120)
Forecast Base	**44,993**	**45,370**	**43,456**	**43,456**	**86,912**
Health Care Access					
Current Appropriation	350	367	367	367	734
Technical Adjustments					
Current Law Base Change			(6)	(6)	(12)
Forecast Base	**350**	**367**	**361**	**361**	**722**
Federal Tanf					
Current Appropriation	1,231	1,196	1,196	1,196	2,392
Technical Adjustments					
Approved Transfer Between Appr			(700)	(700)	(1,400)
Forecast Base	**1,231**	**1,196**	**496**	**496**	**992**
Expenditures by Fund					
Direct Appropriations					
General	11,761	13,024	43,456	43,456	86,912
Health Care Access	310	361	361	361	722
Federal Tanf	1,081	496	496	496	992
Statutory Appropriations					
General	0	1	1	1	2
Miscellaneous Special Revenue	77,306	88,676	50,644	51,925	102,569
Federal	8,866	9,392	9,130	9,080	18,210
Total	**99,324**	**111,950**	**104,088**	**105,319**	**209,407**
Expenditures by Category					
Total Compensation	53,046	56,404	54,836	54,759	109,595
Other Operating Expenses	45,876	55,446	49,252	50,560	99,812
Local Assistance	402	100	0	0	0
Total	**99,324**	**111,950**	**104,088**	**105,319**	**209,407**
Expenditures by Activity					
Children & Families Admin	21,716	23,940	22,615	22,199	44,814
Children & Families Operations	77,608	88,010	81,473	83,120	164,593
Total	**99,324**	**111,950**	**104,088**	**105,319**	**209,407**
Full-Time Equivalents (FTE)	**697.9**	**694.3**	**694.3**	**694.3**	

Activity Description

Children's and Economic Assistance Administration provides policy development, program implementation, grants management, training, and technical assistance to counties, tribes, and grantees. This activity provides other administrative support for programs funded through Children's and Economic Assistance Grants.

Activity at a Glance

- Develops policy for children and economic assistance programs
- Provides administrative support to child welfare and children's mental health grantees
- Works with counties, tribes, and other providers to implement best practices
- Provides training and technical assistance to direct service providers
- Implements federal changes

Population Served

Services are provided to:

- families and individuals who receive economic assistance;
- children who receive child support enforcement services;
- families who receive child care assistance services;
- children who are at risk of abuse or neglect, in out-of-home placements, in need of adoption, under state guardianship, or have an emotional disturbance and need mental health services; and
- direct service workers in 87 counties who receive policy assistance, technical support, and training.

Services Provided

- provides technical support and policy interpretation for 87 county human services agencies through training, instructional manuals, policy assistance, and system support help desks;
- assists with case management;
- implements and monitors grant projects;
- conducts pilot programs to improve service delivery and outcomes;
- implements policy changes and develops and analyzes legislation;
- administers Limited English Proficiency (LEP) services;
- administers social services, cash assistance, and employment services to refugees;
- assures and documents compliance with state and federal laws;
- conducts quality assurance reviews of county practices; and
- manages intergovernmental relations.

Key Program Goals

- ***Improve outcomes for the most at-risk children.*** The department is taking steps to implement and evaluate new service approaches for the most at-risk children and their families. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).
- ***Develop effective and accountable mental health and chemical health systems.*** The department is also taking steps to support research-informed practices in children's mental health service delivery, systematically monitor outcomes, and integrate chemical, mental, and physical health services. This goal also is from *Priority Plans.*

Key Measures

See Key Measures for Children and Economic Assistance Grants.

For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Children's and Economic Assistance Administration is funded primarily with appropriations from the general fund and from federal funds.

Contact

For more information on Children's and Economic Assistance Administration, contact the Children and Family Services, (651) 431-3830.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: CHILDREN & ECONOMIC ASST MGMT
Activity: CHILDREN & FAMILIES ADMIN

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	9,326	9,381	9,381	9,381	18,762
Technical Adjustments					
Approved Transfer Between Appr			690	690	1,380
Current Law Base Change			(38)	(38)	(76)
Forecast Base	**9,326**	**9,381**	**10,033**	**10,033**	**20,066**
Federal Tanf					
Current Appropriation	1,231	1,196	1,196	1,196	2,392
Technical Adjustments					
Approved Transfer Between Appr			(700)	(700)	(1,400)
Forecast Base	**1,231**	**1,196**	**496**	**496**	**992**
Expenditures by Fund					
Direct Appropriations					
General	8,192	9,376	10,033	10,033	20,066
Federal Tanf	1,081	496	496	496	992
Statutory Appropriations					
Miscellaneous Special Revenue	3,577	4,676	2,956	2,590	5,546
Federal	8,866	9,392	9,130	9,080	18,210
Total	**21,716**	**23,940**	**22,615**	**22,199**	**44,814**
Expenditures by Category					
Total Compensation	15,626	17,324	16,445	16,369	32,814
Other Operating Expenses	5,688	6,516	6,170	5,830	12,000
Local Assistance	402	100	0	0	0
Total	**21,716**	**23,940**	**22,615**	**22,199**	**44,814**
Full-Time Equivalents (FTE)	**213.5**	**214.8**	**214.8**	**214.8**	

Activity Description

Children's and Economic Assistance Operations provides the computer systems and quality assurance infrastructure necessary to deliver services through Children's and Economic Assistance Grants.

Activity at a Glance

- Provides benefits to more than 500,000 people through MAXIS annually
- Provides child support services to 406,000 custodial and non-custodial parents annually
- Provides child care assistance to 16,500 families annually
- Provides data support for services to 6,300 children who are determined to be victims of abuse or neglect and 14,800 children in out-of-home placements annually
- SSIS tracks services to 365,000 clients in 103,000 child welfare-related and 90,000 adult services cases annually

Population Served

Children's and Economic Assistance Operations serves

- Minnesotans who receive economic assistance benefits through MAXIS;
- families who receive child care assistance services through Minnesota Electronic Childcare System (MEC^2), which is part of MAXIS;
- children who receive child support enforcement services through PRISM;
- families and children who receive social services through Social Service Information System (SSIS); and
- state and county workers, who use MAXIS, PRISM, and MEC^2, and county social service workers who use SSIS.

Services Provided

Children's and Economic Assistance Operations supports economic assistance programs by

- operating and maintaining the eligibility and delivery systems for Food Support, General Assistance, Minnesota Supplemental Aid, Minnesota Family Investment Program (MFIP), Diversionary Work Program, Child Care Assistance Program, Medical Assistance (MA), General Assistance Medical Care, Group Residential Housing, Minnesota Food Assistance Program, and Emergency General Assistance;
- collecting and distributing child support payments, locating absent parents, establishing paternity, and enforcing court orders;
- conducting federally mandated quality control reviews, payment accuracy assessments, and administrative evaluations for MFIP, Food Support, MA, and child support;
- administering the Electronic Benefit Transfer (EBT) system;
- providing centralized mailing of benefits, forms, and legal notices to clients;
- managing program integrity (fraud prevention) and control functions;
- collecting and analyzing data trends and activities that determine program effectiveness, establish program error levels to prevent recipient fraud, and support long-range planning;
- managing claims and recoveries of overpayments for the cash public assistance program, including the Treasury Offset Program;
- supporting county social service workers by automating routine tasks, helping determine client needs, and providing timely information on children who have been maltreated, are in out-of-home placement, or who are awaiting adoption; and
- managing and overseeing counties' work in child protection, out-of-home placement, adoption, and foster care services.

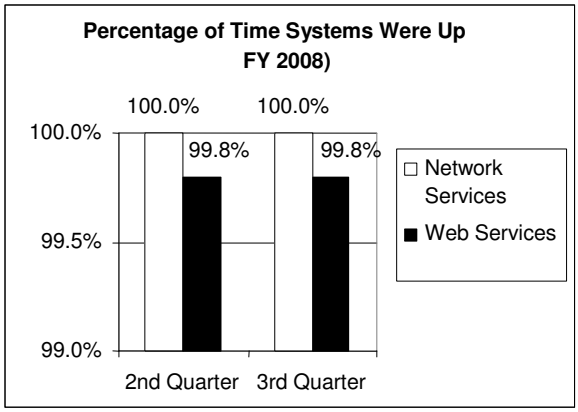
Key Program Goals

- Service delivery: Make it easier to deliver quality human services.
- Operations: Make it easier to manage processes and support people.

These goals are from the DHS *Business Technology Strategic Plan* is available at:
http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-5280-ENG.

Key Measures

- ***Percentage of time that key systems are up and running.*** For the last three quarters, the percentages of time systems were up and running ranged from 99.8% to 100.0% of the time.



For additional key measures, see the key measures for Children and Economic Assistance Grants.

For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Children's and Economic Assistance Operations is funded with appropriations from the general fund, the health care access fund, and from federal funds.

Contact

For more information on Children's and Economic Assistance Operations, contact:

- Child Support Enforcement (651) 431-4400
- Transition Support Services (651) 431-4101
- SSIS Division (651) 431-4800

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: CHILDREN & ECONOMIC ASST MGMT
Activity: CHILDREN & FAMILIES OPERATIONS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	35,667	35,989	35,989	35,989	71,978
Technical Adjustments					
Approved Transfer Between Appr			(2,544)	(2,544)	(5,088)
Current Law Base Change			(22)	(22)	(44)
Forecast Base	**35,667**	**35,989**	**33,423**	**33,423**	**66,846**
Health Care Access					
Current Appropriation	350	367	367	367	734
Technical Adjustments					
Current Law Base Change			(6)	(6)	(12)
Forecast Base	**350**	**367**	**361**	**361**	**722**
Expenditures by Fund					
Direct Appropriations					
General	3,569	3,648	33,423	33,423	66,846
Health Care Access	310	361	361	361	722
Statutory Appropriations					
General	0	1	1	1	2
Miscellaneous Special Revenue	73,729	84,000	47,688	49,335	97,023
Total	**77,608**	**88,010**	**81,473**	**83,120**	**164,593**
Expenditures by Category					
Total Compensation	37,420	39,080	38,391	38,390	76,781
Other Operating Expenses	40,188	48,930	43,082	44,730	87,812
Total	**77,608**	**88,010**	**81,473**	**83,120**	**164,593**
Full-Time Equivalents (FTE)	**484.4**	**479.5**	**479.5**	**479.5**	

Program Description

Health Care Grants purchases preventive and primary health care services, such as physician services, medications, and dental care, for low-income families with children, pregnant women, elderly people, and people with disabilities. More than 662,000 Minnesotans receive health care assistance through this grant area each year.

Within Health Care Grants, Medical Assistance and MinnesotaCare receive both state and federal funds. Medical Assistance (MA) is financed and operated jointly by the state and the federal government. The federal share of MA costs for the state, known as the federal medical assistance percentage (FMAP), is based on the state's per capita income and is recalculated annually.

Budget Activities

- MinnesotaCare Grants
- MA Basic Health Care Grants – Families and Children
- MA Basic Health Care Grants – Elderly and Disabled
- General Assistance Medical Care Grants
- Other Health Care Grants

HUMAN SERVICES DEPT

Program: HEALTH CARE GRANTS

Program Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	1,990,807	2,203,693	2,203,693	2,203,693	4,407,386
Technical Adjustments					
Approved Transfer Between Appr			90	90	180
Current Law Base Change			214,222	439,520	653,742
November Forecast Adjustment		71,583	191,368	270,487	461,855
Transfers Between Agencies			(208)	(208)	(416)
Forecast Base	**1,990,807**	**2,275,276**	**2,609,165**	**2,913,582**	**5,522,747**
Health Care Access					
Current Appropriation	307,826	366,169	366,169	366,169	732,338
Technical Adjustments					
Approved Transfer Between Appr			40	40	80
Current Law Base Change			105,245	174,548	279,793
November Forecast Adjustment		(644)	(1,708)	15,530	13,822
Forecast Base	**307,826**	**365,525**	**469,746**	**556,287**	**1,026,033**
Expenditures by Fund					
Direct Appropriations					
General	2,013,729	2,275,168	2,609,165	2,913,582	5,522,747
Health Care Access	305,853	364,881	469,746	556,287	1,026,033
Statutory Appropriations					
General	13,409	60,892	58,585	58,232	116,817
Health Care Access	19,355	19,171	23,361	29,701	53,062
Miscellaneous Special Revenue	76,535	67,075	75	75	150
Federal	1,926,523	2,177,891	2,416,248	2,707,680	5,123,928
Total	**4,355,404**	**4,965,078**	**5,577,180**	**6,265,557**	**11,842,737**
Expenditures by Category					
Other Operating Expenses	471	1,055	13,588	37,659	51,247
Payments To Individuals	4,340,173	4,962,327	5,561,866	6,226,922	11,788,788
Local Assistance	14,760	1,696	1,726	976	2,702
Total	**4,355,404**	**4,965,078**	**5,577,180**	**6,265,557**	**11,842,737**
Expenditures by Activity					
Minnesotacare Grants	374,362	541,028	654,131	773,848	1,427,979
Ma Basic Health Care Grant-F&C	1,825,635	2,038,182	2,302,203	2,596,683	4,898,886
Ma Basic Health Care Grant-E&D	1,814,234	2,023,834	2,274,650	2,505,968	4,780,618
Gamc Grants	262,835	292,208	343,920	387,532	731,452
Other Health Care Grants	78,338	69,826	2,276	1,526	3,802
Total	**4,355,404**	**4,965,078**	**5,577,180**	**6,265,557**	**11,842,737**

Activity Description

MinnesotaCare Grants pays for health care services for Minnesotans who do not have access to affordable health insurance. There are no health condition barriers, but applicants must meet income and other program guidelines to qualify. Enrollees pay a premium based on income.

Activity at a Glance

- Purchases health care for 118,000 enrollees per month (FY 2007 average)
- Assists low-income, working families and adults who cannot afford health insurance
- Invests in preventive health care that makes Minnesota one of the healthiest states in the country
- Supports families transitioning from welfare to work

Population Served

Enrollees typically are working families and people who do not have access to affordable health insurance:

- Children, parents with children under 21, and pregnant women must have household incomes at or below 275% of the federal poverty guidelines (FPG). In FY 2007, an average of 84,000 people were enrolled under these categories each month.
- Adults (age 21 and over) without children must have household incomes at or below 200% of FPG and 250% of FPG after 07-01-09. In FY 2007, the average monthly enrollment of adults without children was 34,000.
- Except for certain low-income children, applicants are not eligible if they have other health insurance (including Medicare), have access to coverage through their employer and the employer's share of the premium is 50% or more, have had access to such coverage in the past 18 months, or have had other insurance within the past four months.

Income as a percent of federal poverty guidelines (FPG)	Percent of Minnesota households in 2007
≤ 100%	39.6%
101% - 150%	32.%
151% - 175%	11.9%
176% - 200%	7.3%
201% - 275%	8.5%
>275%	0.4%

The average enrollee premium for FY 2007 was $25 per person per month. The premium for some low-income children is as little as $4 per month.

Adults (except pregnant women) must also meet asset limits. A household size of one can own up to $10,000 in assets; a household size of two or more can own up to $20,000. Some assets, such as homestead property and burial funds, are not counted.

Services Provided

MinnesotaCare pays for many basic health care services. he Department of Human Services (DHS) contracts with managed care health plans to provide services. Covered services include:

- medical transportation (emergency use only for non-pregnant adults);
- chemical dependency treatment;
- chiropractic care, with a $3 co-pay for non-preventive visits for non-pregnant adults;
- physician and health clinic visits, with a $3 co-pay for non-preventive visits by non-pregnant adults;
- dental services;
- emergency room services, with a $6 co-pay for non-pregnant adults;
- eye checkups and prescription eyeglasses (some restrictions apply), with a $25 co-pay on eyeglasses for non-pregnant adults;
- home care, such as a nurse visit or home health aide;
- hospice care;

- immunizations;
- laboratory and X-ray services;
- medical equipment and supplies;
- mental health services;
- most prescription drugs, with a $3 co-pay for non-pregnant adults;
- rehabilitative therapies; and
- hospitalization with
  - ⇒ no dollar limit for children under 21 and pregnant women;
  - ⇒ no dollar limit for adults who have a child under 21 in their home and whose income is equal to or less than 200% FPG; and
  - ⇒ all other adults have a $10,000 limit per year, with a 10% co-pay (up to $1,000 co-pay per adult per year).

Children under 21 and pregnant women also have coverage for the following services:

- personal care attendant services;
- nursing home or intermediate care facilities;
- private duty nursing;
- non-emergency medical transportation, and;
- case management services.

Historical Perspective

MinnesotaCare was enacted in 1992 to provide health care coverage to low-income people who do not have access to affordable health care coverage.

The program was implemented in October 1992 as an expansion of the Children's Health Plan. (The Children's Health Plan began in July 1988 and provided comprehensive outpatient health care coverage for children ages one through 17 years.) MinnesotaCare initially covered families with children whose income was at or below 185% of FPG. In January 1993, the program was expanded to cover families with children whose income was at or below 275% of FPG. In October 1994, MinnesotaCare became available to adults without children whose income was at or below 125% of FPG. The income guideline for adults without children was raised to 135% of FPG in July 1996, to 175% in July 1997, to 200% in January 2008, and will be raised again to 250% in July 2009.

In 1995, the federal government approved an amendment to the Prepaid Medical Assistance Program §1115 Waiver (known as PMAP+ or Phase One of the MinnesotaCare Health Care Reform Waiver) allowing for the provision of federal Medicaid matching funds for children and pregnant women in MinnesotaCare with incomes at or below 275% of FPG. This was followed by an amendment approved in 1999 that allows federal Medicaid matching funds for MinnesotaCare parents and caretakers with incomes up to 275% of FPG. PMAP+ waiver provisions also allow for different cost sharing and benefits for parents and caretakers in MinnesotaCare than in MA.

In December 2004, a request for a three-year extension for the PMAP+ waiver was submitted to the federal government. In May 2005, Minnesota received approval from the federal Centers for Medicare and Medicaid Services for the three-year extension.

Minnesota also uses funds from the State Children's Health Insurance Program (S-CHIP) which was created by Congress in 1997 to help states cover more low-income children and families. The PMAP+ Waiver, in combination with the S-CHIP §1115 Waiver, has been an essential component of Minnesota's effort to develop innovative ways to achieve its long standing goal of continuously reducing the number of Minnesotans who do not have health insurance.

Between 2003 and 12-31-07, benefits for MinnesotaCare adults without children with income over 75% of FPG but no greater than 175% of FPG were limited to certain core services and capped at $5,000 per year. The

$5,000 cap was lifted in 2005, and coverage for diabetic supplies and equipment and mental health services was added to the MinnesotaCare benefit set for adults without children.

Beginning in September 2006, certain General Assistance Medical Care (GAMC) applicants and enrollees are required to transition to MinnesotaCare. These applicants and enrollees will move from GAMC coverage to MinnesotaCare coverage with a six-month transition period. County agencies will pay MinnesotaCare premiums for these enrollees during the transition period. At the end of the six-month period, enrollees will be re-determined for MinnesotaCare and the county agency's obligation to pay the MinnesotaCare premium ends. During the six-month transition period, the program costs are funded from both the general fund and the Health Care Access Fund.

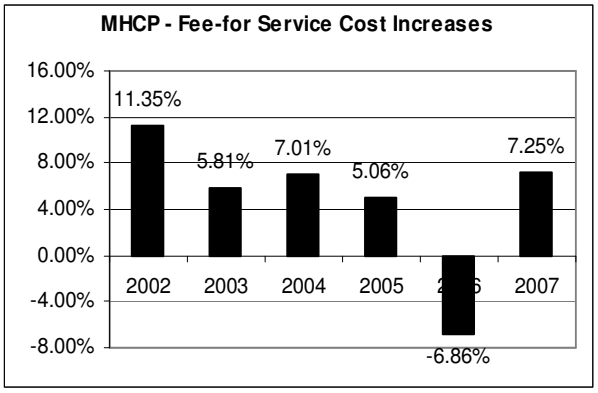
Effective 12-01-08 or upon federal approval, whichever is later, children ages 1 through 18 who become ineligible for MA due to excess income will be eligible for two additional months of MA coverage and are automatically eligible for MinnesotaCare until the next MinnesotaCare renewal. These children will be exempt until renewal from the MinnesotaCare income limit and from the requirement that MinnesotaCare enrollees have no current access to employer-subsidized coverage, no access to employer-subsidized coverage through the current employer for 18 months prior to application or reapplication, and no other health coverage while enrolled or for at least four months prior to application or renewal. These children will be required to pay the standard MinnesotaCare sliding scale premiums to enroll and remain enrolled.

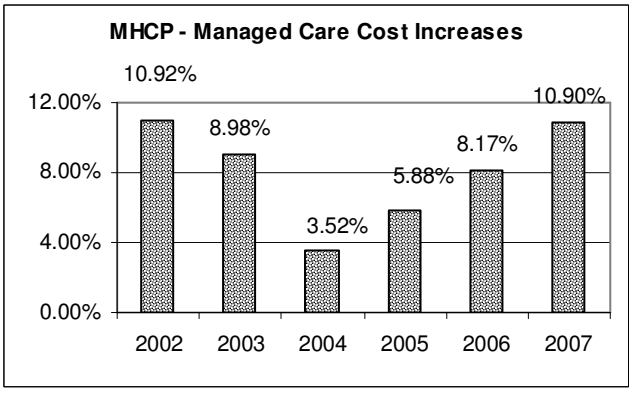
Key Program Goals

- ***Minnesotans will be healthy.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html.)
- ***Use the state's participation in the health care market to improve health care quality, access, outcomes, and affordability for all Minnesotans.*** For health care and nursing home services that it purchases, the department will improve price and quality transparency, encourage the use of evidence-based care, and use the payment system to encourage quality and efficiency. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

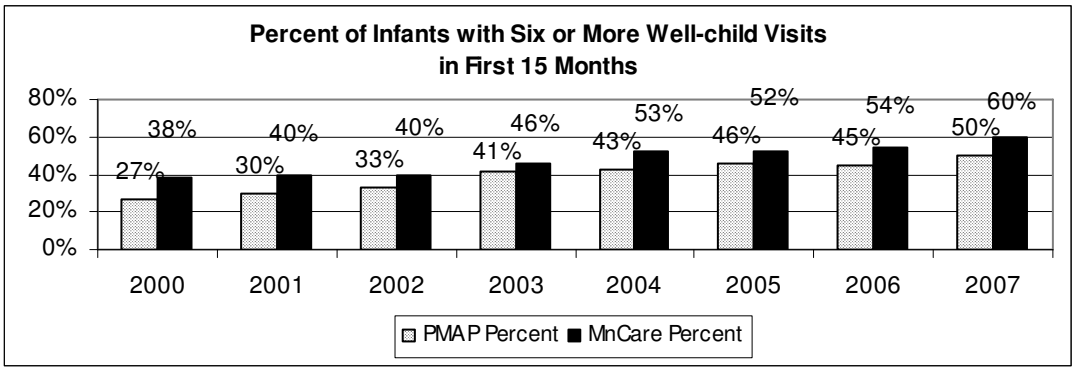
Key Measures

- ***Cost increases in Minnesota health care programs.*** DHS is taking steps to improve program integrity and efficiency. This means making sure that eligible Minnesotans — and only those eligible — are able to enroll in Minnesota Health Care Programs (MHCP). It also involves automating the current enrollment process to ensure that consistent guidelines are followed when adding or retaining individuals in MHCP.





- ***Percentage of children enrolled in Minnesota health care programs who receive the expected number of well-child visits.*** The 2006 data indicate that for children enrolled in the managed care Prepaid Medical Assistance Programs (PMAP), 45.0% of those in the first 15 months of life received the recommended number of well-child visits for their age group. The comparable figure for children enrolled in the MinnesotaCare managed care program is 53.9%. The goal is to increase these rates. In general, publicly-funded managed care programs lag behind commercial managed care program performance on this measure. In 2006, the overall figure for commercial managed care plans in Minnesota was 76%.



For more information on DHS performance measures, see www.departmentresults.state.mn.us/hs/index.html.

Activity Funding

MinnesotaCare Grants is funded with appropriations from the Health Care Access Fund, from federal funds, and from enrollee premiums.

Contact

For more information on MinnesotaCare Grants, contact Health Care Administration, (651) 431-3050.

Information on DHS programs is available on the department's website: http://www.dhs.state.mn.us.

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
Health Care Access					
Current Appropriation	305,604	365,269	365,269	365,269	730,538
Technical Adjustments					
Current Law Base Change			105,245	175,298	280,543
November Forecast Adjustment		(644)	(1,708)	15,530	13,822
Forecast Base	**305,604**	**364,625**	**468,806**	**556,097**	**1,024,903**
Expenditures by Fund					
Direct Appropriations					
Health Care Access	304,603	363,981	468,806	556,097	1,024,903
Statutory Appropriations					
Health Care Access	19,355	19,171	23,361	29,701	53,062
Federal	50,404	157,876	161,964	188,050	350,014
Total	**374,362**	**541,028**	**654,131**	**773,848**	**1,427,979**
Expenditures by Category					
Payments To Individuals	374,362	541,028	654,131	773,848	1,427,979
Total	**374,362**	**541,028**	**654,131**	**773,848**	**1,427,979**

Activity Description

Medical Assistance (MA) Basic Health Care Grants–Families and Children purchases health care services for the poorest Minnesotans. It is different than MinnesotaCare as its income guidelines are lower, it does not have premiums, and it pays retroactively for medical bills incurred. MA Basic Health Care Grants includes funding for the Minnesota Family Planning Program (MFPP).

Activity at a Glance

- Purchases preventive and primary health care for a monthly average of 356,000 enrollees in FY 2007
- Acts as a safety net health care program for the lowest income Minnesotans
- Is the state's largest publicly-funded health care program

Population Served

Local county agencies determine eligibility for MA within federal and state guidelines. MA Basic Health Care Grants–Families and Children serves:

- pregnant women with incomes at or below 275% of the federal poverty guidelines (FPG);
- infants under age two with incomes at or below 280% of the FPG;
- children ages two through 18 at or below 150% of the FPG; and
- parents, relative caretakers, and children ages 19 and 20 at or below 100% of the FPG.

Families and children with income over the MA limits may qualify through a spend-down provision if incurred medical bills exceed the difference between their income and 100% of the FPG.

Adults (except pregnant women) must also meet asset limits. A household size of one can own up to $10,000 in assets; a household size of two or more can own up to $20,000. Some assets, such as homestead property and burial funds, are not counted.

Enrollees who become ineligible for MA because of increased earned income or child/spousal maintenance may be eligible for transitional MA for four to twelve months.

MA provides retroactive coverage for medical bills incurred up to three months before the date of application.

The Department of Human Services (DHS) determines eligibility for the MFPP. Certified providers may determine temporary eligibility. The MFPP serves men and women between ages 15 and 50 with incomes at or below 200% of the FPG.

Services Provided

DHS purchases most services for this population through capitated rate contracts with health plans. In most areas of the state, MA parents and children have multiple health plans from which to choose. MA basic health care services include:

- physician services;
- ambulance and emergency room services, with a $6 co-pay on non-emergency, emergency room visits;
- laboratory and X-ray services;
- rural health clinics;
- chiropractic services;
- early periodic screening, diagnosis, and treatment;
- chemical dependency treatment;
- mental health services;
- inpatient and outpatient hospital care;
- eyeglasses and eye care;
- immunizations;
- medical transportation, supplies, and equipment;
- prescription drugs, with $3 co-pay on brand names, $1 co-pay on generic, and a $7 per month maximum;
- dental care;

- home care;
- hospice care;
- nursing home; and
- rehabilitative therapies.

The following people do not have to pay co-pays: pregnant women, children under age 21, people residing in or expecting to reside for more than 30 days in a nursing home or other long-term care facility, people receiving hospice care, MFPP enrollees, and people in the Refugee Medical Assistance Program.

Co-pays for enrollees with income at or below 100% of the FPG are limited to 5% of their monthly income.

Historical Perspective

In 1966, less than a year after Congress established the Medicaid program under Title XIX of the Social Security Act, Minnesota began receiving federal matching funds for the state's MA program. In 1998, federal matching funds were appropriated by Congress for the State-Children's Health Insurance Program (SCHIP) under Title XXI of the Social Security Act. In 1999, Minnesota began receiving SCHIP funds for coverage provided to some low-income children enrolled in MA and later for other health care expenditures as well.

By accepting federal matching funds, states are subject to federal regulations, but have some flexibility concerning coverage of groups, covered services, and provider reimbursement rates.

Minnesota's MA program has expanded since the mid-1980s. The expansions have focused primarily on low-income, uninsured, or under-insured children, as well as eligibility changes to better support seniors and people with disabilities in their own homes or in small, community-based settings. In 2002, the income limit for children was increased for children ages two through 18 to 175% of the FPG. This standard was reduced in 2003 to 150% of FPG.

Since the 1970s, Minnesota's approach to purchasing basic health care benefits under MA has evolved from strictly fee-for-service to increased use of contracts with health plans to deliver care for a fixed, or capitated, amount per person. Purchasing with capitated contracts provides more incentive for cost-effective and coordinated care and access to the same health care providers as the general public.

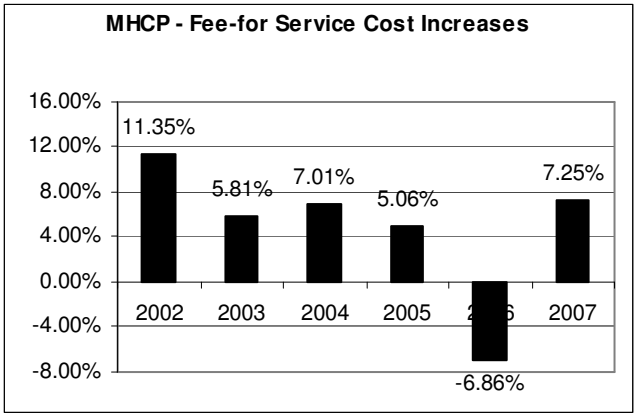
Key Program Goals

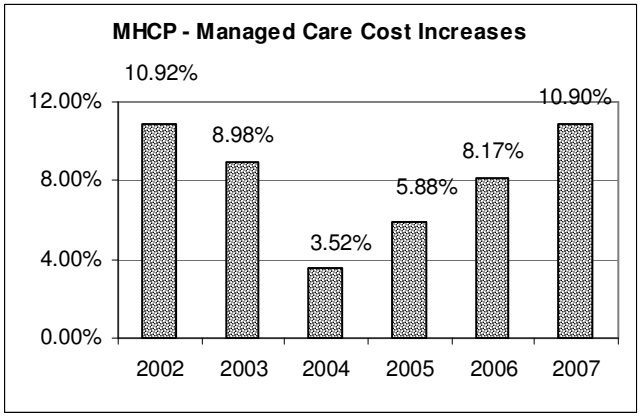
⇒ ***Minnesotans will be healthy.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).

⇒ ***Use the state's participation in the health care market to improve health care quality, access, outcomes, and affordability for all Minnesotans.*** For the health care and nursing home services that it purchases, the department will improve price and quality transparency, encourage the use of evidence-based care, and use the payment system to encourage quality and efficiency. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

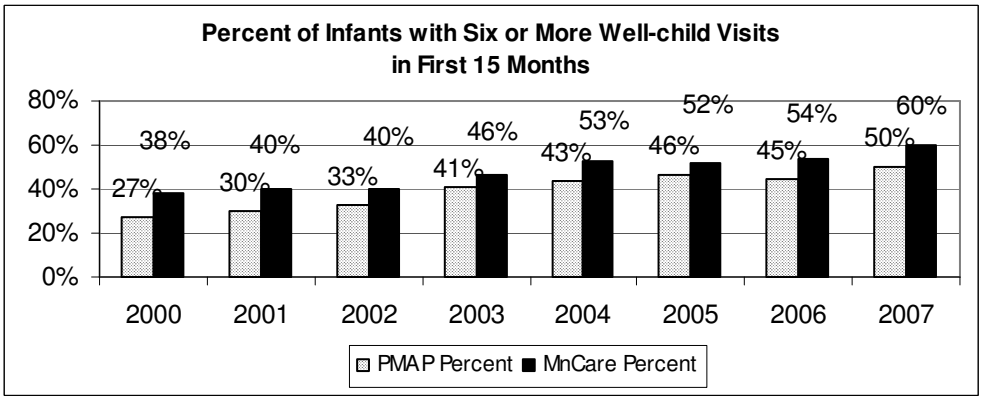
Key Measures

- ***Cost increases in Minnesota health care programs.***





- ***Percentage of children enrolled in Minnesota health care programs who receive the expected number of well-child visits.*** The 2007 data indicate that for children enrolled in the managed care Prepaid Medical Assistance Programs (PMAP), 50% of those in the first 15 months of life received the recommended number of well-child visits for their age group. The comparable number for children enrolled in the MinnesotaCare managed care program is 60%. The goal is to increase these rates. In general, publicly-funded managed care programs lag behind commercial managed care program performance on this measure. In 2006, he overall figure for commercial managed care plans in Minnesota was 76%.



More information on DHS measures and results is available on the web: www.departmentresults.state.mn.us/hs/index.html.

Activity Funding

MA Basic Health Care Grants–Families and Children is funded with appropriations from the General Fund and from federal Medicaid funds.

Contact

For more information about these grants, contact Health Care Administration, (651) 431-2478.

Information is on DHS programs is available on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT

Program: HEALTH CARE GRANTS

Activity: MA BASIC HEALTH CARE GRANT-F&C

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	753,482	824,942	824,942	824,942	1,649,884
Technical Adjustments					
Current Law Base Change			73,304	156,758	230,062
November Forecast Adjustment		67,080	142,769	198,490	341,259
Forecast Base	**753,482**	**892,022**	**1,041,015**	**1,180,190**	**2,221,205**
Health Care Access					
Current Appropriation	1,672	0	0	0	0
Forecast Base	**1,672**	**0**	**0**	**0**	**0**
Expenditures by Fund					
Direct Appropriations					
General	783,664	892,022	1,041,015	1,180,190	2,221,205
Statutory Appropriations					
General	13,409	60,892	58,585	58,232	116,817
Federal	1,028,562	1,085,268	1,202,603	1,358,261	2,560,864
Total	**1,825,635**	**2,038,182**	**2,302,203**	**2,596,683**	**4,898,886**
Expenditures by Category					
Payments To Individuals	1,813,327	2,038,182	2,302,203	2,596,683	4,898,886
Local Assistance	12,308	0	0	0	0
Total	**1,825,635**	**2,038,182**	**2,302,203**	**2,596,683**	**4,898,886**

Activity Description

Medical Assistance (MA) Basic Health Care Grants–Elderly and Disabled purchases preventive and primary health care services for Minnesota's low-income elderly (65 years or older), blind people, and people with disabilities. These funds also help many low-income Minnesotans pay Medicare premiums and co-payments.

Activity at a Glance

In FY 2007, the monthly averages included:

- Purchases of health care for approximately 55,000 elderly Minnesotans and 99,000 people with disabilities
- Help for 6,500 elderly and 2,500 people with disabilities with paying Medicare premiums and co-payments

Population Served

Local county agencies determine eligibility for MA within federal and state guidelines. Minnesotans eligible for full MA coverage include:

- elderly people and people with disabilities who have incomes at or below 100% of the federal poverty guidelines (FPG) (by family size) and
- people with incomes over the MA limit who may qualify if their incurred medical bills exceed the difference between their income and the spend-down standard of 75% of the FPG (by family size).

The asset limit is $3,000 for a single person and $6,000 for a couple. Some assets, such as homestead property and burial funds, are not counted.

MA provides coverage for medical bills incurred up to three months before the date of application.

Additionally, several thousand Minnesotans receive help paying Medicare costs only, rather than comprehensive MA coverage. MA covers all Medicare Part A and B cost-sharing, including premiums for Medicare enrollees with incomes at or below 100% of the FPG. MA covers the Medicare Part B premium for Medicare enrollees with incomes between 100% and 120% of the FPG. Medicare enrollees with incomes between 120% and 135% of the FPG, receive coverage of the Part B premium only. Higher asset limits apply to these enrollees: $10,000 for a single person and $18,000 for a couple.

Over 6,500 MA enrollees with disabilities receive full MA coverage under the Medical Assistance for Employed Persons with Disabilities (MA-EPD) program. To be eligible for MA-EPD, an individual must:

- be certified disabled by either the Social Security Administration or the State Medical Review Team;
- have gross monthly wages or countable self-employment earnings greater than $65 per month and have Medicare, Social Security, and applicable state and federal income taxes withheld by the employer or paid by the self-employed enrollee;
- be at least 16 but under 65 years of age;
- meet the $20,000 asset limit;
- pay a premium based on the enrollee's earned and unearned monthly income and family size; and
- pay an unearned income obligation equal to one-half percent of gross unearned income.

Since January 2004, all MA-EPD eligible enrollees pay premiums. In CY 2007, monthly premiums averaged $59. As of December 2007, a majority of enrollees had a monthly gross earned income of less than $800 per month.

Services Provided

The Department of Human Services (DHS) purchases services for people with disabilities and some elderly people. MA basic health care services include:

- physician services, with a $3 co-pay on non-preventive services;
- ambulance and emergency room services, with a $6 co-pay on non-emergency, emergency room visits;
- rural health clinics;
- chiropractic services;
- early periodic screening, diagnosis, and treatment;
- mental health services;

- chemical dependency treatment;
- inpatient and outpatient hospital care;
- eyeglasses and eye care;
- immunizations;
- medical supplies and equipment;
- prescription drugs, with a $3 brand name co-pay, $1 generic co-pay, and a $7 per month maximum;
- dental care;
- medical transportation;
- rehabilitation therapies, and;
- hospice care.

The following people do not have to pay co-pays: pregnant women, children under age 21, people residing in or expecting to reside for more than 30 days in a nursing home or other long-term care facility, people receiving hospice care, and people in the Refugee Medical Assistance Program.

Co-pays for enrollees with income at or below 100% of the FPG are limited to 5% of their monthly income.

Historical Perspective

Medical Assistance has long served as a health care safety net for people with disabilities and elderly residents who have low income or have medical expenses that can be used to reduce their income to the income limit for eligibility. For many, MA acts as a supplement to Medicare, helping low-income Medicare enrollees pay premiums and co-payments.

In 1966, less than a year after Congress established the Medicaid program under Title XIX of the Social Security Act, Minnesota began receiving federal matching funds for the state's Medical Assistance program. By accepting federal matching funds, states are subject to federal regulations concerning program administration, but have certain options concerning coverage of groups and services and provider reimbursement rates.

Prior to 2001, the income limits for most MA elderly and disabled people were about 69% of the FPG.

In July 1999, Minnesota added the MA-EPD program that allows people with disabilities to earn income and still qualify for or buy into MA. As of December 2005, 90% of enrollees have Medicare as their primary health care coverage, while MA-EPD covers additional services, such as prescription drugs and personal care services.

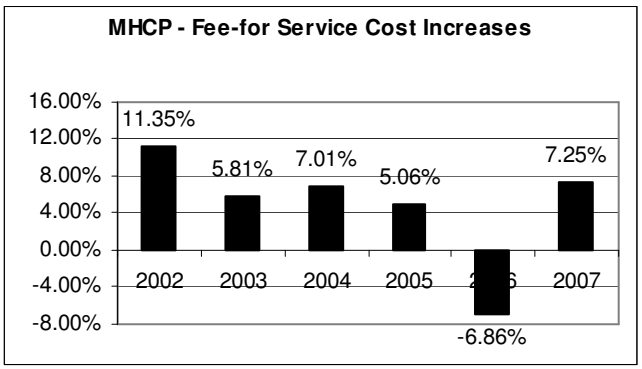
Since the 1970s, Minnesota's approach to purchasing basic health care benefits for seniors enrolled in MA has evolved from strictly fee-for-service to increased use of contracts with health plans to deliver care for a fixed, or capitated amount per person. Purchasing with capitated contracts provides more incentive for cost-effective and coordinated care and access to the same health care providers as the general public.

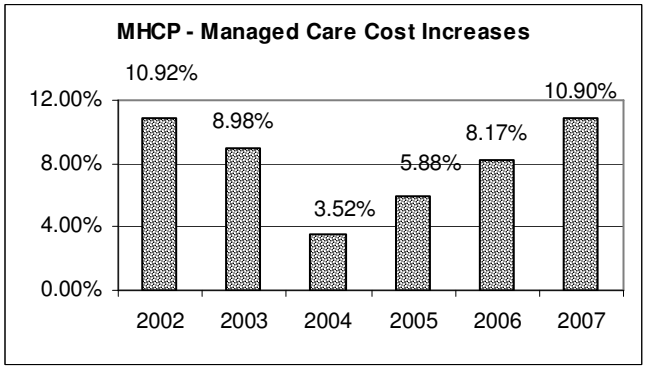
Key Program Goals

- ***Minnesotans will be healthy.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).
- ***Use the state's participation in the health care market to improve health care quality, access, outcomes, and affordability for all Minnesotans.*** For the health care and nursing home services that it purchases, the department will improve price and quality transparency, encourage the use of evidence-based care, and use the payment system to encourage quality and efficiency. This goal is from the Department of Human Services' *Priority Plans (*http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Measures

- ***Cost increases in Minnesota health care programs.***





For more information on DHS performance measures, see: www.departmentresults.state.mn.us/hs/index.html.

Activity Funding

MA Basic Health Care Grants—Elderly and Disabled is funded with appropriations from the general fund and from federal Medicaid funds. MA coverage of long-term care services, such as nursing home and waiver services, is funded through the Continuing Care portion of the department's budget.

Contact

For more information about MA Basic Health Care Grants–Elderly and Disabled, contact the Health Care Administration of DHS, (651) 431-2670.

Information on DHS programs is available on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT

Program: HEALTH CARE GRANTS

Activity: MA BASIC HEALTH CARE GRANT-E&D

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	979,240	1,097,501	1,097,501	1,097,501	2,195,002
Technical Adjustments					
Current Law Base Change			127,805	245,578	373,383
November Forecast Adjustment		(7,359)	(1,862)	1,995	133
Forecast Base	**979,240**	**1,090,142**	**1,223,444**	**1,345,074**	**2,568,518**
Expenditures by Fund					
Direct Appropriations					
General	967,080	1,090,142	1,223,444	1,345,074	2,568,518
Statutory Appropriations					
Federal	847,154	933,692	1,051,206	1,160,894	2,212,100
Total	**1,814,234**	**2,023,834**	**2,274,650**	**2,505,968**	**4,780,618**
Expenditures by Category					
Other Operating Expenses	76	0	0	0	0
Payments To Individuals	1,813,106	2,023,834	2,274,650	2,505,968	4,780,618
Local Assistance	1,052	0	0	0	0
Total	**1,814,234**	**2,023,834**	**2,274,650**	**2,505,968**	**4,780,618**

Activity Description

General Assistance Medical Care (GAMC) Grants pays for health care services for low-income Minnesotans who are ineligible for Medical Assistance (MA) or other state or federal health care programs—primarily low-income adults between the ages of 21 and 64 who do not have dependent children.

Activity at a Glance

- Has an average monthly enrollment of 34,000 based on FY 2007 services
- Pays for preventive and primary health care for Minnesotans not eligible for either MinnesotaCare or Medical Assistance
- Serves primarily low-income adults without children

Population Served

Local county agencies determine eligibility for GAMC within state guidelines. GAMC serves:

- primarily single adults between ages 21 and 64 who do not have dependent children and
- people receiving General Assistance (GA) cash grants.

Eligibility criteria include:

- household income may not exceed 75% of the federal poverty guidelines (FPG), except that people with incomes between 75% and 175% of the FPG may qualify for inpatient hospitalization costs and physicians' services incurred during the hospitalization and
- assets may not exceed $1,000 per household for full coverage, although some assets, such as homestead property and burial funds, are not counted. For hospital-only coverage, assets may not exceed $10,000 for a household of one person and $20,000 for a household of two or more persons.

Coverage is available for medical bills incurred no earlier than the date of application.

Services Provided

Department of Human Services (DHS) purchases services for over half of this population through capitated rate contracts with health plans. Services provided under GAMC include:

- inpatient and outpatient hospital care;
- prescription drugs, with a $3 brand name co-pay or $1 generic co-pay and a $7 per month maximum;
- physician services;
- immunizations;
- hearing aids;
- chemical dependency treatment;
- laboratory and X-ray services;
- medical equipment and supplies;
- mental health services;
- prosthetics;
- emergency-room services, with a $25 co-pay on non-emergency, emergency room visits;
- dental care;
- chiropractic services;
- medical transportation, only for emergencies and common carrier;
- rehabilitative services;
- eye exams and eyeglasses, and;
- public health nursing services.

The hospital-only (GHO) program covers:

- inpatient hospital services, with a $1,000 co-pay per admission;
- physicians' services received during the inpatient hospitalization, and;
- services of a certified registered nurse anesthetist (CRNA) for hospitals that have elected not to include these charges in the inpatient daily rate.

Historical Perspective

The legislature established the state-funded GAMC program in 1976. GAMC paid for the same broad range of medical services as MA until 1981, when coverage was restricted to seven major services: inpatient hospital care, outpatient hospital care, prescription drugs, physician services, medical transportation, dental care, and community mental health center day treatment. Since then, many services have been added back into coverage. In 1989, provisions were added that make a person who gives away certain property ineligible for GAMC for a designated penalty period. In 1995, the time during which such transfers are examined was increased from 30 to 60 months prior to application. Through 1990, the state paid 90% of the GAMC costs and counties paid 10%. Beginning in 1991, the state began reimbursing the 10% county share.

In 2003, the following eligibility provisions were eliminated:

- coverage for people with incomes over 75% of the FPG who incurred medical bills exceeding the difference between their income and this limit; this provision, known as spenddown, was replaced with the hospital-only option up to 175% of the FPG income cap;
- coverage for bills incurred before the date of application; coverage was previously available for bills incurred in the month before the application, and;
- coverage for undocumented and non-immigrant people.

Beginning in September 2006, certain GAMC applicants and enrollees are required to transition to MinnesotaCare. These applicants and enrollees will move from GAMC coverage to MinnesotaCare coverage with a six-month transition period. County agencies will pay MinnesotaCare premiums for these enrollees during the transition period. At the end of the six-month period, enrollees will be re-determined for MinnesotaCare and the county agency's obligation to pay the MinnesotaCare premium ends. During the six-month transition period, the program costs are funded from both the general fund and the health care access fund.

GAMC applicants and enrollees are exempt from the requirement to transition to MinnesotaCare and will remain on GAMC if they are otherwise eligible and they are

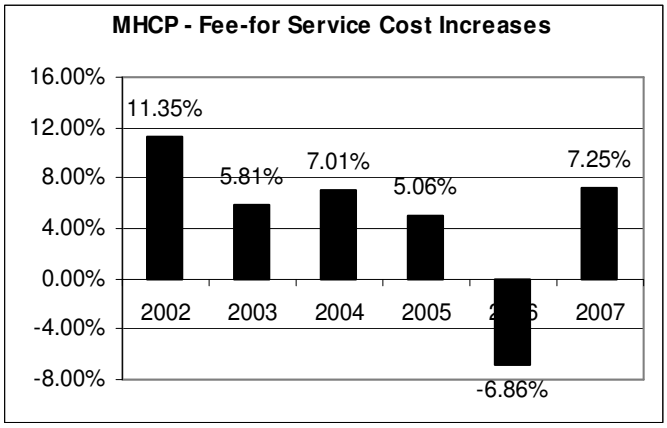
- recipients of General Assistance or Group Residential Housing payments;
- individuals who have applied for and are awaiting a determination of eligibility for Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI) by the Social Security Administration;
- individuals who have applied for and are awaiting a determination of blindness or disability from the State Medical Review Team;
- individuals who are homeless or who fail to meet permanent resident requirements of MinnesotaCare;
- individuals who have Medicare due to a diagnosis of end-stage renal disease;
- individuals who have private health insurance;
- individuals who are residents of the Minnesota Sex Offender Program;
- individuals who are incarcerated and meet the criteria for continued GAMC as an incarcerated person; and
- individuals who receive treatment through the Consolidated Chemical Dependency Treatment Fund.

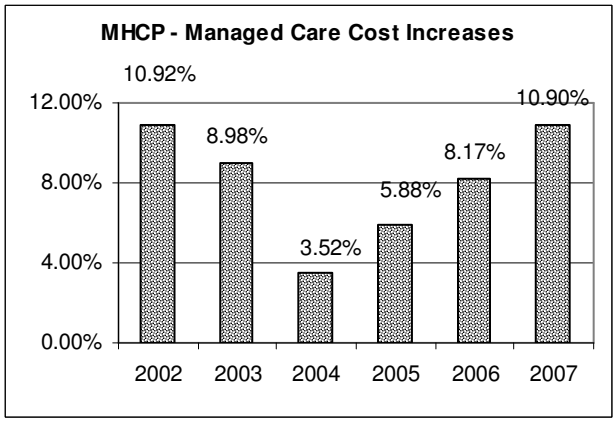
Key Program Goals

- ***Minnesotans will be healthy.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).
- ***Use the state's participation in the health care market to improve health care quality, access, outcomes, and affordability for all Minnesotans.*** For the health care and nursing home services that it purchases, the department will improve price and quality transparency, encourage the use of evidence-based care, and use the payment system to encourage quality and efficiency. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Activity Measures

- ***Cost increases in Minnesota health care programs.***





For more information on DHS performance measures, see: www.departmentresults.state.mn.us/hs/index.html.

Activity Funding

General Assistance Medical Care Grants is funded with appropriations from the General Fund.

Contact

For more information on General Assistance Medical Care Grants, contact Health Care Administration, (651) 431-2478.

Information on DHS programs is available on the department's website: http://www.dhs.state.mn.us.

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	257,664	280,346	280,346	280,346	560,692
Technical Adjustments					
Current Law Base Change			13,113	37,184	50,297
November Forecast Adjustment		11,862	50,461	70,002	120,463
Forecast Base	**257,664**	**292,208**	**343,920**	**387,532**	**731,452**
Expenditures by Fund					
Direct Appropriations					
General	262,835	292,208	343,920	387,532	731,452
Total	**262,835**	**292,208**	**343,920**	**387,532**	**731,452**
Expenditures by Category					
Other Operating Expenses	0	0	13,113	37,184	50,297
Payments To Individuals	262,835	292,208	330,807	350,348	681,155
Total	**262,835**	**292,208**	**343,920**	**387,532**	**731,452**

Activity Description

Other Health Care Grants contains seven elements:

- care coordination grants;
- outreach grants;
- state-wide toll-free number;
- patient incentives;
- Oral Health Pilot grant, one-time funding for the start-up costs of an oral health program;
- the Winona Community Foundation Dental Grant; and;
- monitor MA Prepaid Health Plan grants.

Activity at a Glance

- Provides funding for focused health care grants.

Population Served

This activity provides services to Medical Assistance (MA), General Assistance Medical Care (GAMC), and MinnesotaCare enrollees.

Services Provided

Care coordination grants create and fund multiple care coordination pilots for children and adults with complex health care needs.

Outreach grants assist public and private organizations in providing information and application assistance to potential Minnesota Health Care Program (MHCP) enrollees.

The Patient Incentive Health Program provides incentives to MHCP enrollees who have agreed to and have met personal health goals.

The Oral Health Pilot grant will assist a contractor to organize the care system to an oral health program designed to improve access to care and improve patient outcomes in a more cost-effective manner than the existing purchasing models for dental services.

The Winona Community Foundation grant is an income grant to the Department of Human Services (DHS). The foundation advances funds to DHS in amounts sufficient to keep a balance of about $75,000, until all grant funds ($600,000) are depleted. DHS matches these funds with federal funds in the same manner it matches legislatively-appropriated funds with federal funds. DHS makes add-on payments to any dentist in Winona County who sees MA patients. The amount of the add-on is 20% more than would otherwise be paid by DHS or the health plan for the service. This program is administered in tandem with the legislatively-appropriated Critical Access Dental Payment Program.

The Monitor MA Prepaid Health Plans grants include expenditures incurred through interagency agreements with the Minnesota Department of Health (MDH). State matching funds are provided by MDH while DHS claims 50% federal financial participation.

Historical Perspective

Prior to the 2005 legislative session, Minnesota Health Care Program Outreach grants and County Prepaid Medical Assistance Program (PMAP) grants operated out of this budget activity. The Health Care Program Outreach grants were eliminated in the 2005 legislative session; additional outreach grant funds were appropriated in the 2008 legislative session. County PMAP grants were phased out in the 2003 legislative session with grants to counties ending in FY 2004.

Funds for the U Special Kids Program (now Care Coordination Grants) were appropriated in the 2005 legislative session. Funds for the care coordination pilot grants were appropriate in the 2007 legislative session.

The Oral Health Pilot grants were appropriated in the 2005 legislative session. One-time funding to the Board of Dentistry was transferred to DHS to fund the Oral Health Pilot grant.

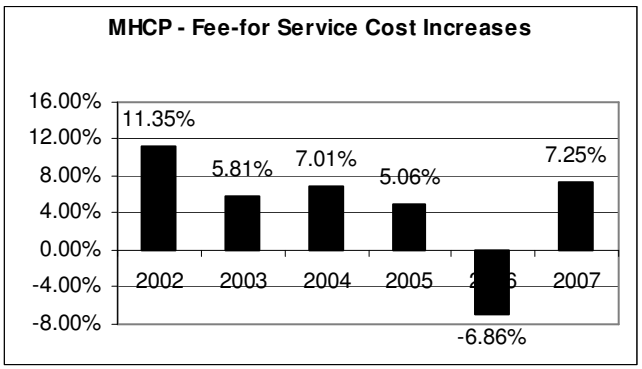
Funds for the patient incentive program and the statewide toll=free line were appropriated in the 2007 legislation session.

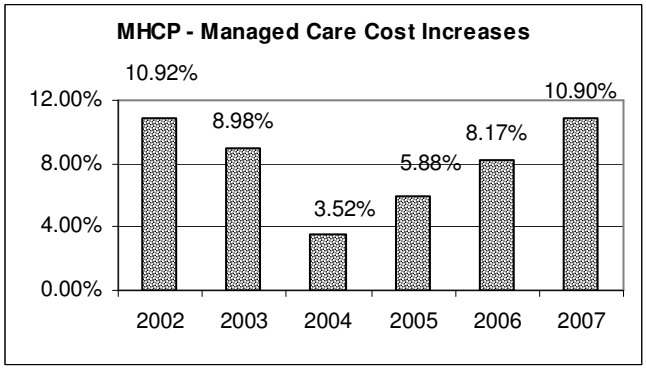
Key Program Goals

- ***Minnesotans will be healthy.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).
- ***Use the state's participation in the health care market to improve health care quality, access, outcomes, and affordability for all Minnesotans.*** For the health care and nursing home services that it purchases, the department will improve price and quality transparency, encourage the use of evidence-based care, and use the payment system to encourage quality and efficiency. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Activity Measures

- ***Cost increases in Minnesota health care programs.***





For more information on DHS performance measures, see: www.departmentresults.state.mn.us/hs/index.html.

Activity Funding

Other Health Care Grants is funded from appropriations from the General Fund and Health Care Access Fund, from private grants, and from federal funds.

Contact

For more information on Other Health Care Grants, contact the Health Care Programs office at (651) 431-2478.

Information on DHS programs is available on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: HEALTH CARE GRANTS
Activity: OTHER HEALTH CARE GRANTS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	421	904	904	904	1,808
Technical Adjustments					
Approved Transfer Between Appr			90	90	180
Transfers Between Agencies			(208)	(208)	(416)
Forecast Base	**421**	**904**	**786**	**786**	**1,572**
Health Care Access					
Current Appropriation	550	900	900	900	1,800
Technical Adjustments					
Approved Transfer Between Appr			40	40	80
Current Law Base Change			0	(750)	(750)
Forecast Base	**550**	**900**	**940**	**190**	**1,130**
Expenditures by Fund					
Direct Appropriations					
General	150	796	786	786	1,572
Health Care Access	1,250	900	940	190	1,130
Statutory Appropriations					
Miscellaneous Special Revenue	76,535	67,075	75	75	150
Federal	403	1,055	475	475	950
Total	**78,338**	**69,826**	**2,276**	**1,526**	**3,802**
Expenditures by Category					
Other Operating Expenses	395	1,055	475	475	950
Payments To Individuals	76,543	67,075	75	75	150
Local Assistance	1,400	1,696	1,726	976	2,702
Total	**78,338**	**69,826**	**2,276**	**1,526**	**3,802**

Program Description

Health Care Management is the administrative support component of Basic Health Care Grants. It is responsible for policy development and implementation, enrollment, purchasing, payment, and quality assurance for health care services. Health Care Management coordinates with Continuing Care Management on the Medicaid-funded activities within Continuing Care Grants.

Budget Activities

- Health Care Policy Administration
- Health Care Operations

HUMAN SERVICES DEPT

Program: HEALTH CARE MANAGEMENT

Program Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	32,195	34,133	34,133	34,133	68,266
Technical Adjustments					
Approved Transfer Between Appr			(4,646)	(5,146)	(9,792)
Current Law Base Change			(607)	(788)	(1,395)
Forecast Base	**32,195**	**34,133**	**28,880**	**28,199**	**57,079**
Health Care Access					
Current Appropriation	23,803	25,232	25,232	25,232	50,464
Technical Adjustments					
Approved Transfer Between Appr			623	837	1,460
Current Law Base Change			(275)	(928)	(1,203)
Forecast Base	**23,803**	**25,232**	**25,580**	**25,141**	**50,721**
Expenditures by Fund					
Direct Appropriations					
General	12,106	15,060	28,880	28,199	57,079
Health Care Access	18,766	20,728	25,580	25,141	50,721
Statutory Appropriations					
Miscellaneous Special Revenue	56,334	63,318	35,521	40,627	76,148
Federal	538	318	87	93	180
Total	**87,744**	**99,424**	**90,068**	**94,060**	**184,128**
Expenditures by Category					
Total Compensation	55,533	61,085	58,977	59,288	118,265
Other Operating Expenses	32,211	38,339	31,168	34,849	66,017
Transfers	0	0	(77)	(77)	(154)
Total	**87,744**	**99,424**	**90,068**	**94,060**	**184,128**
Expenditures by Activity					
Health Care Admin	4,625	5,865	7,361	7,178	14,539
Health Care Operations	83,119	93,559	82,707	86,882	169,589
Total	**87,744**	**99,424**	**90,068**	**94,060**	**184,128**
Full-Time Equivalents (FTE)	**910.1**	**830.1**	**776.2**	**724.2**	

Activity Description

Health Care Administration is responsible for developing and implementing health care policy related to Basic Health Care Grants.

Activity at a Glance

- Develops health care policy for services to approximately 662,000 people served by Minnesota Health Care Programs
- Negotiates with service providers on contracts to serve enrollees
- Determines rates for services and works with the health care marketplace to get best coverage at the most affordable prices
- Consults with the federal government to stay in compliance with federal law and negotiates waivers to current program rules
- Monitors health care outcomes for enrollees

Population Served

In an average month in FY 2007, approximately 662,000 Minnesotans were enrolled in Minnesota's publicly-funded health care programs.

Health Care Administration works with many entities to serve enrollees including:

- 100,000 health care providers, including nine managed health care plans;
- approximately 24 state health care professional organizations;
- the federal Centers for Medicare and Medicaid Services, and;
- Minnesota's counties and tribes.

Services Provided

Health Care Administration is responsible for:

- developing health care program policy and leading implementation of policy initiatives;
- developing payment policies, including fee-for-service and managed care rates, that promote cost-effective delivery of quality services to Medical Assistance (MA), General Assistance Medical Care (GAMC), and MinnesotaCare;
- monitoring health plans to ensure contract compliance, value, and access;
- conducting surveys and research to monitor quality of care provided and health status of program enrollees;
- working with the federal government to ensure compliance with Medicaid laws and rules;
- negotiating waivers to federal laws and rules to allow expanded access and coverage, payment initiatives, enhanced federal matching funds, and demonstration projects to improve care and services for various enrollee groups;
- working with various partners to plan and implement changes needed to comply with the federal Health Insurance Portability and Accountability Act (HIPAA);
- providing oversight of county and tribal administration of state policies and rules, and;
- planning and development of improved eligibility and enrollment systems, including an automated eligibility determination system, to make programs more accessible and administration more efficient.

Historical Perspective

Minnesota is consistently a national leader in promoting and implementing policy and payment initiatives that improve access, quality, and cost-effectiveness of services provided through publicly-funded health care programs. Federally mandated and state-initiated expansions to health care program eligibility over the past 15 years have improved access to health care for low-income, special need, and uninsured Minnesotans. At the same time, program eligibility requirements have become more complex requiring intense resources.

Changes in approaches to purchasing services for enrollees have evolved over the past two decades from strictly fee-for-service to more managed care contracting. This has changed the nature of management in this area to include sophisticated, capitated rate setting and risk adjustment, contract management, performance measurement, and more complex federal authority mechanisms, while continuing to improve fee-for-service rate setting and service coverage definition.

In the past decade, Department of Human Services (DHS) implemented two managed care demonstration programs for seniors and adults with physical disabilities to provide cost-effective, coordinated Medicare and Medicaid services. Both programs, the Minnesota Senior Health Options and Minnesota Disability Health Options, incorporate home- and community-based services to reduce the need for nursing home care.

Finally, as DHS increasingly contracts for day-to-day administration of primary health care services, more attention can be given to initiatives that better manage rapidly increasing health care costs. For example, the Health Care Administration has recently implemented unique volume-based purchasing agreements within fee-for-service.

Key Program Goals

- ***Minnesotans will be healthy.*** This goal is from *Minnesota Milestones (*http://server.admin.state.mn.us/mm/goal.html).
- ***Use the state's participation in the health care market to improve health care quality, access, outcomes, and affordability for all Minnesotans.*** For the health care and nursing home services that it purchases, the department will improve price and quality transparency, encourage the use of evidence-based care, and use the payment system to encourage quality and efficiency. This goal is from the Department of Human Services' *Priority Plans (*http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Measures

See key measures for Health Care Grants.

For more information on DHS performance measures see: www.departmentresults.state.mn.us/hs/index.html.

Activity Funding

Health Care Administration is funded with appropriations from the General Fund and Health Care Access Fund and from federal funds.

Contact

For more information on Health Care policies and programs, contact Health Care Administration, (651) 431-2478.

Information on DHS programs is available on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: HEALTH CARE MANAGEMENT
Activity: HEALTH CARE ADMIN

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	10,954	12,040	12,040	12,040	24,080
Technical Adjustments					
Approved Transfer Between Appr			(5,468)	(5,287)	(10,755)
Current Law Base Change			(353)	(534)	(887)
Forecast Base	**10,954**	**12,040**	**6,219**	**6,219**	**12,438**
Health Care Access					
Current Appropriation	1,788	2,734	2,734	2,734	5,468
Technical Adjustments					
Approved Transfer Between Appr			(1,676)	(1,492)	(3,168)
Current Law Base Change			79	(288)	(209)
Forecast Base	**1,788**	**2,734**	**1,137**	**954**	**2,091**
Expenditures by Fund					
Direct Appropriations					
General	3,657	4,691	6,219	6,219	12,438
Health Care Access	967	1,169	1,137	954	2,091
Statutory Appropriations					
Miscellaneous Special Revenue	1	5	5	5	10
Total	**4,625**	**5,865**	**7,361**	**7,178**	**14,539**
Expenditures by Category					
Total Compensation	3,213	3,787	3,755	3,572	7,327
Other Operating Expenses	1,412	2,078	3,606	3,606	7,212
Total	**4,625**	**5,865**	**7,361**	**7,178**	**14,539**
Full-Time Equivalents (FTE)	**43.2**	**45.9**	**45.9**	**45.9**	

Activity Description

Health Care Operations provides the infrastructure necessary for effective and efficient health care purchasing and delivery for Basic Health Care Grants. This includes administering the Medicaid Management Information System (MMIS), a centralized medical payment system. It also supports other department functions, including administering managed care contracts, conducting eligibility determinations, and conducting quality improvement and data analysis program management.

Activity at a Glance

- Processes approximately 43.4 million fee-for-service, encounter claims, and health plan capitation payments (2007 data)
- Collects or avoids costs amounting to $120.3 million from third-party insurers liable for some payment of services provided to program enrollees
- Operates MMIS
- Operates a Web-based portal that allows electronic claim submission by all providers
- Achieved a 0% claims processing error rate for the first federal Payment Error Rate Measurement
- Processes applications and determines eligibility for MinnesotaCare

Population Served

Health Care Operations makes payments to providers, health plans, and, in certain cases, counties for the more than 662,000 Minnesotans, per month on average, enrolled in Medical Assistance (MA), General Assistance Medical Care (GAMC), and MinnesotaCare. Health Care Operations works directly with:

- approximately 100,000 health care service providers, including inpatient and outpatient hospitals, nursing homes, dentists, physicians, mental health professionals, home care providers, personal care attendants, and pharmacists;
- approximately 24 health care provider professional organizations;
- financial and social services staff in Minnesota's 87 counties;
- health plans and other insurers; and
- the federal Centers for Medicare and Medicaid Services.

Services Provided

Health Care Operations is responsible for:

- operating MMIS, a centralized payment system, for MA, MinnesotaCare, and GAMC;
- maintaining health care provider enrollment agreements;
- supporting enrollee communication and outreach efforts;
- maintaining online system availability for claims operation, customer services, and eligibility verification for 100,000 providers;
- supporting enhanced electronic claim activity to increase processing efficiency and decrease administrative costs, including maintaining a viable point-of-sale system for pharmacy;
- developing an automated eligibility determination system;
- operating a Web-based electronic commerce environment for health care claim submission and other government-to-business electronic transactions;
- supporting the collection of premiums for MinnesotaCare and MA for Employed Persons with Disabilities (MA-EPD), spenddowns for Minnesota Senior Health Options and Minnesota Disability Health Options, and development of financial control programs capable of supporting additional premium-based health care purchasing concepts;
- identifying all liable third parties required to pay for medical expenses before expenditure of state funds and recovering costs from other insurers, which includes maximizing Medicare participation in the cost of all services for dually-eligible enrollees, with emphasis on long-term care and home health services, and;
- administering the medical care surcharge to ensure maximum receipt of surcharge funds from nursing care facilities and inpatient hospitals in compliance with federal laws and regulations.

Historical Perspective

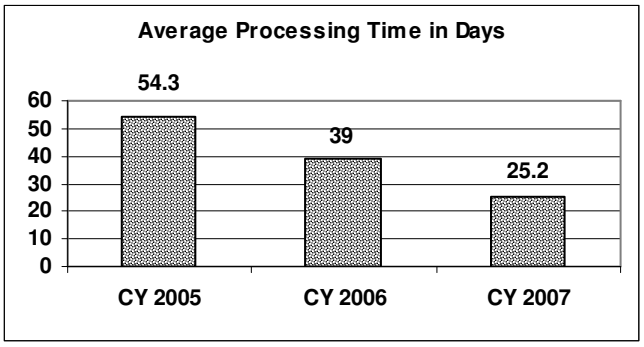
The current MMIS was implemented in 1994, replacing a system that had been operational since 1974. The current system processes 38 million fee-for-service claims and encounter transactions (record of service provided by prepaid health plans), with 97% received electronically. Complexity in health care delivery strategies and in eligibility criteria to ensure focused eligibility for very specific populations has required that MMIS be flexible and scalable. In addition, the accelerated rate of change in computing technology and the movement toward electronic government services for citizens has required ongoing strategic investments in health care systems.

Key Program Goals

- ***Minnesotans will be healthy.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).
- ***Use the state's participation in the health care market to improve health care quality, access, outcomes, and affordability for all Minnesotans.*** For the health care and nursing home services that it purchases, the department will improve price and quality transparency, encourage the use of evidences-based care, and use the payment system to encourage quality and efficiency. This goal is from the Department of Human Services' *Priority Plans (*http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Measures

- ***MinnesotaCare new application processing time.*** DHS is taking steps to improve the amount of time it takes to make an initial eligibility determination for MinnesotaCare. The number of days it takes for this determination to be made was reduced by over 60% between 2005 and 2007.



For more information on DHS performance measures, see: www.departmentresults.state.mn.us/hs/index.html.

Activity Funding

Health Care Operations is funded primarily with appropriations from the General Fund and Health Care Access Fund and from federal funds.

Contact

For more information on this budget activity, contact Health Care Operations, (651) 431-3050.

Information on DHS programs is available on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: HEALTH CARE MANAGEMENT
Activity: HEALTH CARE OPERATIONS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	21,241	22,093	22,093	22,093	44,186
Technical Adjustments					
Approved Transfer Between Appr			822	141	963
Current Law Base Change			(254)	(254)	(508)
Forecast Base	**21,241**	**22,093**	**22,661**	**21,980**	**44,641**
Health Care Access					
Current Appropriation	22,015	22,498	22,498	22,498	44,996
Technical Adjustments					
Approved Transfer Between Appr			2,299	2,329	4,628
Current Law Base Change			(354)	(640)	(994)
Forecast Base	**22,015**	**22,498**	**24,443**	**24,187**	**48,630**
Expenditures by Fund					
Direct Appropriations					
General	8,449	10,369	22,661	21,980	44,641
Health Care Access	17,799	19,559	24,443	24,187	48,630
Statutory Appropriations					
Miscellaneous Special Revenue	56,333	63,313	35,516	40,622	76,138
Federal	538	318	87	93	180
Total	**83,119**	**93,559**	**82,707**	**86,882**	**169,589**
Expenditures by Category					
Total Compensation	52,320	57,298	55,222	55,716	110,938
Other Operating Expenses	30,799	36,261	27,562	31,243	58,805
Transfers	0	0	(77)	(77)	(154)
Total	**83,119**	**93,559**	**82,707**	**86,882**	**169,589**
Full-Time Equivalents (FTE)	**866.9**	**784.2**	**730.3**	**678.3**	

Program Description

Continuing Care Grants serve over 350,000 people. Some receive ongoing personal care services, including the 31,300 people per month who are at risk of institutional placement and instead receive waiver services in the community, the 21,400 people who receive mental health case management, and the 26,000 people who receive home and community-based services through community services/services development grants. Other people need only occasional assistance, such as the 70,000 people who call the Senior Linkage Line® each year or the 78,000 people who receive congregate or home-delivered meals.

Continuing Care Grants pays for chronic health care services, long-term care in residential settings, at-home care, mental health services, chemical dependency treatment, and social services for older Minnesotans and people with disabilities. The state partners with counties, health plans, community-based public agencies, private nonprofit agencies, private for-profit agencies, and others to deliver services. Continuing Care Grants also pays for mental health services for over 47,000 adults and chemical dependency treatment for nearly 29,000 people.

Continuing Care Grants provides an important health care safety net for some of Minnesota's most vulnerable people. These grants also provide information and resources to older Minnesotans and those with disabilities so they can be independent, retain or improve their quality of life, and contribute to their communities. Continuing Care Grants is coordinated with the department's Health Care Grants and is supported by over $3 billion in state and federal funds each fiscal year.

Budget Activities

- Aging and Adult Services Grants
- Alternative Care Grants
- MA (Medical Assistance) Long Term Care Facilities Grants
- MA Long Term Care Waivers and Home Care Grants
- Adult Mental Health Grants
- Deaf and Hard of Hearing Grants
- Chemical Dependency Entitlement Grants
- Chemical Dependency Non-Entitlement Grants
- Other Continuing Care Grants

HUMAN SERVICES DEPT

Program: CONTINUING CARE GRANTS

Program Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	1,655,822	1,792,471	1,792,471	1,792,471	3,584,942
Technical Adjustments					
Approved Transfer Between Appr			18,672	18,672	37,344
Current Law Base Change			121,977	220,819	342,796
November Forecast Adjustment		(36,705)	(7,144)	15,561	8,417
Forecast Base	**1,655,822**	**1,755,766**	**1,925,976**	**2,047,523**	**3,973,499**
Health Care Access					
Current Appropriation	750	750	750	750	1,500
Forecast Base	**750**	**750**	**750**	**750**	**1,500**
Federal Tanf					
Current Appropriation	150	150	150	150	300
Technical Adjustments					
Current Law Base Change			(150)	(150)	(300)
Forecast Base	**150**	**150**	**0**	**0**	**0**
Lottery Cash Flow					
Current Appropriation	1,933	1,633	1,633	1,633	3,266
Technical Adjustments					
Current Law Base Change			(125)	(125)	(250)
Forecast Base	**1,933**	**1,633**	**1,508**	**1,508**	**3,016**
Expenditures by Fund					
Direct Appropriations					
General	1,545,053	1,683,847	1,925,977	2,047,524	3,973,501
Health Care Access	750	750	750	750	1,500
Federal Tanf	150	150	0	0	0
Lottery Cash Flow	1,846	1,633	1,508	1,508	3,016
Statutory Appropriations					
General	30,279	16,806	16,995	17,307	34,302
Miscellaneous Special Revenue	127,660	136,746	51,765	55,950	107,715
Federal	1,467,633	1,578,316	1,683,064	1,784,628	3,467,692
Total	**3,173,371**	**3,418,248**	**3,680,059**	**3,907,667**	**7,587,726**
Expenditures by Category					
Other Operating Expenses	3,247	601	531	448	979
Payments To Individuals	3,018,143	3,254,857	3,519,074	3,748,989	7,268,063
Local Assistance	151,981	162,790	160,454	158,230	318,684
Total	**3,173,371**	**3,418,248**	**3,680,059**	**3,907,667**	**7,587,726**

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Expenditures by Activity					
Aging And Adult Services Gr	33,464	36,042	35,007	34,876	69,883
Alternative Care Grants	29,726	33,411	40,112	46,456	86,568
Ma Ltc Facilities Grants	1,031,266	1,041,839	1,054,304	1,056,247	2,110,551
Ma Ltc Waivers & Home Care Gr	1,828,292	2,044,937	2,257,410	2,463,265	4,720,675
Adult Mental Health Grants	73,955	87,133	87,509	87,144	174,653
Deaf & Hard Of Hearing Grants	1,866	2,195	2,208	2,208	4,416
Cd Entitlement Grants	123,813	129,459	162,666	179,861	342,527
Cd Non-Entitlement Grants	15,562	19,680	15,204	14,764	29,968
Other Continuing Care Grants	35,427	23,552	25,639	22,846	48,485
Total	**3,173,371**	**3,418,248**	**3,680,059**	**3,907,667**	**7,587,726**

Activity Description

Aging and Adult Services Grants provides non-medical social services and supports for older Minnesotans and their families to enable them to stay in their own homes and avoid institutionalization.

Population Served

To be eligible for most of the services paid through these grants, people must be age 60 or older. Although not means-tested, services are targeted to people with the greatest social and economic needs. This conforms to eligibility criteria under the Older Americans Act (OAA), which also provides federal funding for a number of these services.

State Community Service/Services Development (CS/SD) and Caregiver Respite and Support (Caregiver) programs increase services availability and service choice for older Minnesotans in both urban and rural communities, providing greater opportunity for Minnesotans to age-in-place.

Activity at a Glance

- Provides congregate dining to 63,000 people and home-delivered meals to 15,000 people annually
- Provides social service support services to 234,000 people, health care promotion to 8,000 people, and caregiver supports to 23,000 annually
- Supports nearly 17,000 participants per year who provide services through the Retired and Senior Volunteer Program (RSVP), Foster Grandparents, and Senior Companions
- Provides more than 70,000 callers per year with one-to-one information and counseling through the Senior LinkAge Line®
- Funds home and community-based service options for more than 26,000 people and increased capacity by 12,000 volunteers in FY 2007 through the Community Service/Service Development grant program

Services Provided

Aging and Adult Services grants provide

- nutritional services including meals, grocery delivery, and nutrition education counseling;
- transportation, chore services, and other services that help people stay in their own homes;
- diabetes, blood pressure screening, falls prevention, and other health promotion services;
- mentoring of families and children through older adult volunteer community services projects;
- care and one-on-one attention for special needs children (through the Foster Grandparents Program);
- assistance with daily activities for frail older adults;
- information and assistance through Senior LinkAge Line,® the online database http://www.Minnesotahelp.org/public/, and web-based long-term care planning tools;
- counseling about Medicare, supplemental insurance, and long-term care insurance options;
- comprehensive prescription drug expense assistance, including Medicare Part D, to Minnesotans of all ages;
- respite and other supportive services to family caregivers, including the option for consumer-directed supports;
- expansion and development of more home and community services and housing options; and
- caregiver services to support family caregivers and their care receivers.

Historical Perspective

The OAA was passed by Congress in 1965 at the same time the Medicaid program, which began federal funding for nursing home care, was established. The OAA's purpose was to assist elderly people to live as independently as possible and avoid premature institutionalization. Federal OAA funds in Minnesota are administered through the Minnesota Board on Aging to provide less formal, community-based services, including volunteer-based services. Federal funding for these programs and services has remained relatively static since 2002. During this same time period, the population of older persons in Minnesota has increased about 7%. State funds have been appropriated to supplement the federal OAA funds as well as to promote the state's goal of rebalancing the state's long-term care system. in 2003 state funding for most of these grants was reduced by 15%. However, $125,000 per year was restored during the 2007 legislative session for the senior nutrition grant and the volunteer grants.

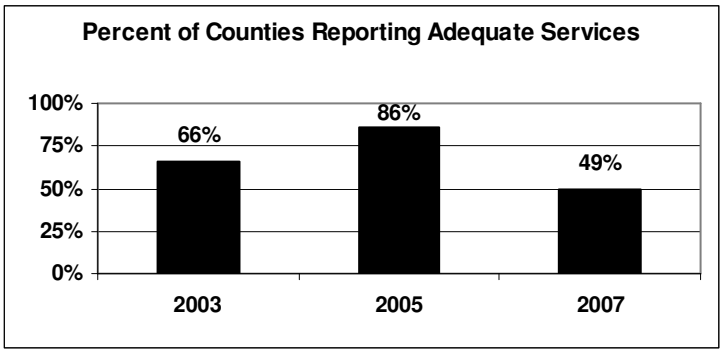
From FY 2002 through FY 2007, state CS/SD and Caregiver funds have been awarded to 213 projects increasing the supply of in-home supports and serving more than 169,000 people in 87 counties, as well as using more than 39,000 volunteers.

Key Program Goals

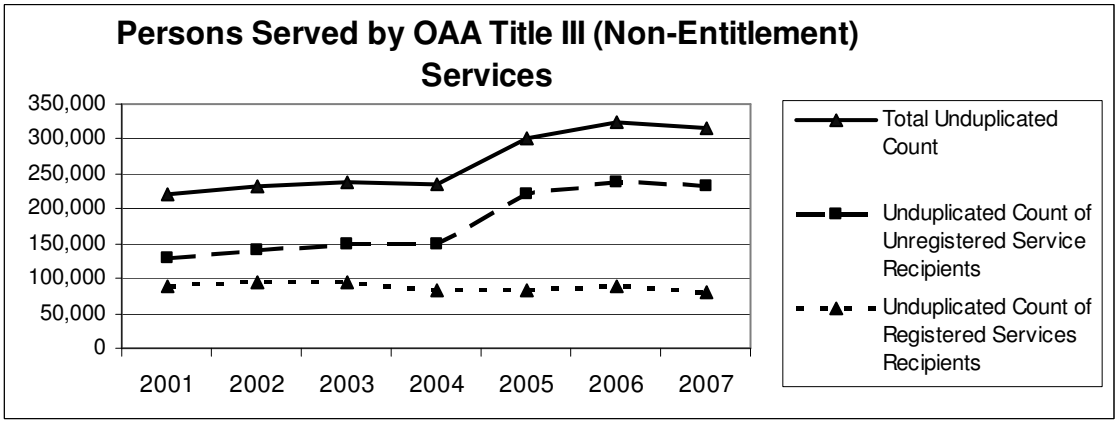
- ***Help older Minnesotans receive the long-term care services they need in their homes and communities, choose how they receive services, and have more options for using their personal resources to pay for long-term care.*** Funds in this grant area increase the availability of non-institutional service options for older persons and their families. Competitive grants promote evidence-based models that leverage local private funds and in-kind contributions to promote affordable services that are both dependable and sustainable. This goal is from *Departmental Results* (http://www.departmentresults.state.mn.us/hs/index.html).

Key Activity Measures

- ***Percentage of Minnesota counties reporting adequate home and community-based services for rebalancing long-term care.*** "Rebalancing" refers to shifting services to home and community-based services from institutional care.



- ***Number of people served by the Older American's Act Title III services (non-entitlement)***



A "registered service" requires a detailed client profile and is for more specified needs, such as personal care, homemaker, chore, home delivered meals, adult day care, case management, assisted transportation (need an escort), congregate meals, and nutrition counseling. A "non-registered service" does not require a client profile and includes such services as transportation, information and referral, outreach, nutrition education, and legal assistance.

For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Aging and Adult Services Grants is funded with appropriations from the general fund and from federal funds.

Contact

For more information on these grants, contact Aging and Adult Services Division at (651) 431-2600.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	14,357	14,390	14,390	14,390	28,780
Technical Adjustments					
Current Law Base Change			118	242	360
Forecast Base	**14,357**	**14,390**	**14,508**	**14,632**	**29,140**
Expenditures by Fund					
Direct Appropriations					
General	14,356	14,390	14,508	14,632	29,140
Statutory Appropriations					
Miscellaneous Special Revenue	305	347	347	347	694
Federal	18,803	21,305	20,152	19,897	40,049
Total	**33,464**	**36,042**	**35,007**	**34,876**	**69,883**
Expenditures by Category					
Local Assistance	33,464	36,042	35,007	34,876	69,883
Total	**33,464**	**36,042**	**35,007**	**34,876**	**69,883**

Activity Description

Alternative Care (AC) is a state-funded program that pays for at-home care and community-based services for older adults who are at risk of becoming eligible for Medical Assistance (MA) nursing facility care within four-and-one-half months. It provides eligible older adults with in-home and community-based services and supports similar to federally-funded home and community-based programs.

Activity at a Glance

- Pays for in-home, community-based services for low-income elderly Minnesotans.
- Helps adults 65 years and older stay in their own homes longer by providing an alternative to nursing home care.
- Serves an average of 3,307 persons per month.
- Costs an average of $698 per person per month, compared to $3,376 per person in a nursing facility.

Population Served

To be eligible for AC, a person must be age 65 or older, assessed as needing nursing facility level of care, and have income and assets inadequate to fund nursing facility care for more than 135 days. The person must also be capable of paying a monthly program participation fee and have needs that can be met within available resources.

In FY 2007, the AC program provided services for an average of 3,307 elderly persons per month at an average monthly cost of $698 per person. This compared to a $3,376 average monthly cost of nursing facility care during the same time period.

Services Provided

Alternative Care provides funding for:

- respite care, both in-home and at approved facilities, to provide a break for caregivers;
- case management to ensure that program access and services planned, authorized, and provided are appropriate;
- adult day care;
- personal care services to assist with activities of daily living;
- homemaker services;
- companion service;
- caregiver training and education to provide caregivers with the knowledge and support necessary to care for an elderly person;
- chore services to provide assistance with heavy household tasks such as snow shoveling;
- home health nursing and aide services;
- transportation to AC-related services and community activities;
- nutrition services;
- AC service-related supplies and equipment;
- tele-homecare services, and;
- other authorized consumer-directed services and discretionary services that are part of the person's plan of care.

Historical Perspective

The AC program was implemented in 1981. Its purpose is to provide low-income (but not yet MA eligible), older adults at risk of nursing facility placement with in-home and community-based services to assist them to remain at home. Funding is allocated to local lead agencies to provide services under individual service plans. The local agencies are responsible for managing their allocations to serve eligible persons. There were three major legislative changes made to the program effective August 2005 and January 2006 that resulted in nearly a 30% caseload reduction during FY 2006. The changes eliminated assisted living, adult foster care, and residential services from the AC service menu, repealed liens, and reduced financial program eligibility criteria. After several years of significant decreases, AC monthly recipients and expenditures were leveling off in FY 2007.

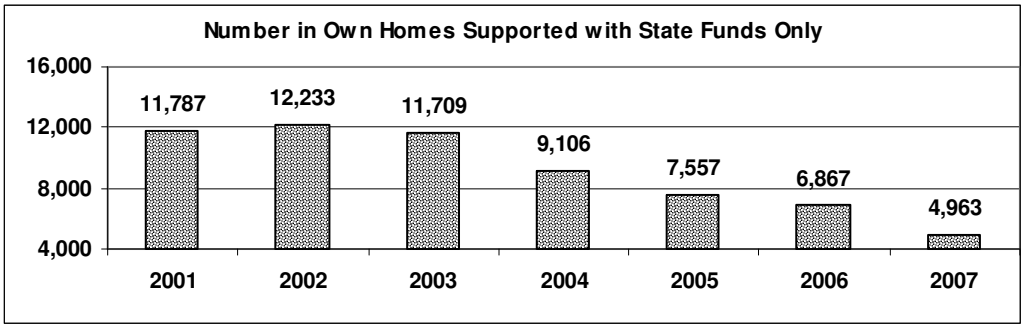
Key Program Goals

- ***Older Minnesotans will receive the long-term care services they need in their homes and communities, will be able to choose how they receive services, and will have more options for using their personal resources to pay for long-term care.*** This goal is from *Department Results (*http://www.departmentresults.state.mn.us/hs/index.html).
- ***People in need will receive support that helps them live as independently as they can.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).

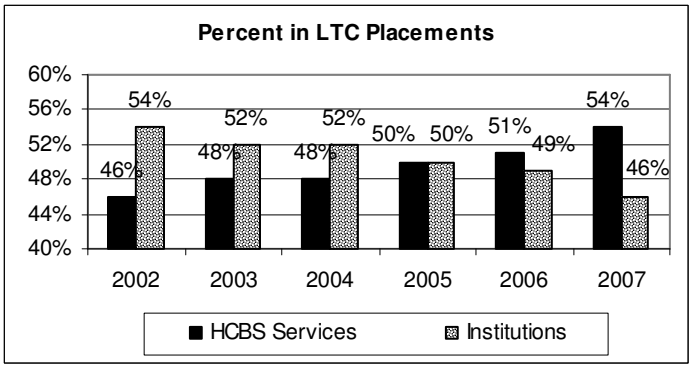
Funds for Alternative Care Grants increase the availability of non-institutional service options for very low income, older persons and their families. The recent legislative changes have ensured that these persons are supported to remain in their own homes.

Key Activity Measures

- ***Number of low-income people (who are not eligible for Medical Assistance) supported through a state-only funding source so that they can remain in their own homes.*** From 2001 to 2007, the number of AC recipients declined nearly 60%; 30% was due to instituting liens and estate recovery in 2003 and the remaining 30% was due to elimination of assisted living, adult foster care, and residential services in 2006. During this time, the number of EW participants nearly doubled.



- ***Proportion of elders served in institutional vs. community settings***



"HCBS" refers to home- and community-based services.

For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Alternative Care Grants is funded with appropriations from the general fund and with enrollee premiums.

Contact

For more information on Alternative Care Grants, contact the Aging and Adult Services Division at (651) 431-2600.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: CONTINUING CARE GRANTS
Activity: ALTERNATIVE CARE GRANTS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	49,858	51,560	51,560	51,560	103,120
Technical Adjustments					
Current Law Base Change			560	717	1,277
Forecast Base	**49,858**	**51,560**	**52,120**	**52,277**	**104,397**
Expenditures by Fund					
Direct Appropriations					
General	28,013	31,571	38,064	44,200	82,264
Statutory Appropriations					
General	1,713	1,840	2,048	2,256	4,304
Total	**29,726**	**33,411**	**40,112**	**46,456**	**86,568**
Expenditures by Category					
Payments To Individuals	29,726	33,411	40,112	46,456	86,568
Total	**29,726**	**33,411**	**40,112**	**46,456**	**86,568**

Activity Description

Medical Assistance (MA) Long-Term Care (LTC) Facilities Grants pays for nursing facility (NF) care, intermediate care facilities for people with developmental disabilities (ICFs/MR), and day training and habilitation (DT&H) for people who are ICF/MR residents.

Activity at a Glance

- Provides nursing facility and boarding care home services to 32,000 people per month
- Provides ICF/MR services to 1,900 residents per month
- Provides DT&H services to 13,000 people per year

Population Served

MA enrollees who require nursing facility or ICF/MR services must apply and be deemed eligible for LTC services. There are 608 long-term care facilities that serve about 33,900 people per month. The following data are from reporting year 2007 for nursing facilities and from FY 2007 for ICFs/MR:

- There are 390 MA-certified NF and boarding care homes with 33,989 beds serving an average of 32,000 people per month at an average daily rate of $156. Of these residents, 59% receive Medical Assistance and 41% privately pay for their care, receive Medicare, or have other payment means.
- There are 218 MA-certified ICFs/MR. Of these facilities, 147 are six beds or fewer and 71 have more than six beds. ICFs/MR served an average of 1,864 recipients per month receiving an average payment of $6,234 per resident. In FY 2007, no ICFs/MR's were closed and eight additional beds were decertified due to downsizing.

Funding for DT&H services is contained in three different budget activities: MA Long-Term Care Facilities Grants for those people residing in ICFs/MR, MA Long-Term Care Waivers and Home Care Grants for waiver recipients with developmental disabilities, and Children and Community Services Grants available to all eligible people. There are 275 DHS-licensed DT&H services sites in Minnesota serving approximately 13,000 people with developmental disabilities. These sites served an average of 1,486 ICF/MR recipients per month receiving an average MA payment of $1,761 per person.

People who reside in an ICF/MR have the flexibility and choice to receive an alternative option to DT&H, called "service during the day." This means that recipients with developmental disabilities have a choice of day services, as do people who receive a home and community-based waiver.

Services Provided

Nursing facilities provide 24-hour care and supervision in an institutional-based setting. Housing and all other services are provided as a comprehensive package including, but not limited to, nursing care, help with activities of daily living and other care needs, housing, meals, medication administration, activities and social services, supplies and equipment, housekeeping, linen and personal laundry, and therapy services (at an extra cost).

ICFs/MR, located in 59 of the state's 87 counties, provide 24-hour care, active treatment, training, and supervision to persons with developmental disabilities. They range in size from four beds to 64 beds. Some ICFs/MR are less medically oriented than nursing facilities and provide outcome-based services for personal needs. Many facilities now provide services for persons with aging conditions, such as Alzheimer's, and also contract for in-home hospice care. All ICFs/MR must provide functional skill development, opportunities for development of decision making skills, opportunities to participate in the community, and reduced dependency on care providers. Like nursing facilities, an ICF/MR provides a package of services which includes housing and food.

DT&H services are licensed supports providing persons with developmental disabilities help to develop and maintain life skills, participate in the community, and engage in productive and satisfying activities. DT&H services include supervision, training, and assistance in self-care; communication, socialization, and behavior management; supported employment and work-related activities; training in community survival skills and money management; therapeutic activities that increase adaptive living skills; and community-based activities including the use of leisure and recreation time.

Historical Perspective

Use of NFs grew rapidly with the establishment of the federal Medicaid program in the 1960s. Federal matching funds for the state's publicly-funded health care programs provided an incentive for investment in the development of nursing homes. Medicaid expenditures grew as people who qualified for NF services accessed this entitlement. In the 1980s, a moratorium was placed on development of new NFs and efforts were made to develop less expensive home and community-based alternatives. Today, older adults are choosing to receive services in their own homes. NF utilization has been declining and NFs are more often used for short-term care and rehabilitation following hospitalization. Recent efforts to "rightsize" the industry and to provide financial stability include provisions for bed layaway, higher rates for short lengths of stay, planned bed closures, and creation of single-bed rooms.

Efforts to improve the quality of nursing home services have now expanded beyond the historic regulatory approach and include measuring quality, publicly disclosing rankings based on those measures, and using the quality measures as a factor in determining payment rates. The quality measures used include:

- resident face-to-face surveys on quality of life and satisfaction;
- level of direct care staffing;
- retention of direct care staff;
- use of staff from temporary agencies;
- Minnesota quality indicators based on assessments of residents;
- deficiency finding from Minnesota Department of Health inspections, and;
- proportion of beds in single-bed rooms.

ICFs/MR are another Medicaid-funded entitlement service. Before the 1970s, virtually all public services for people with developmental disabilities were paid for with state funds and delivered in large state institutions. In 1971, Congress authorized Medicaid funding for ICF/MR services. To qualify for Medicaid reimbursement, ICFs/MR had to be MA-certified and comply with federal standards. Smaller ICFs/MR developed in the 1970s and early 1980s to aid in deinstitutionalizing people with disabilities from large state-run institutions. After a moratorium was placed on the development of new ICFs/MR in the mid-1980s, people began receiving services in their own homes. Since that time, the number of people served in ICFs/MR has been steadily declining.

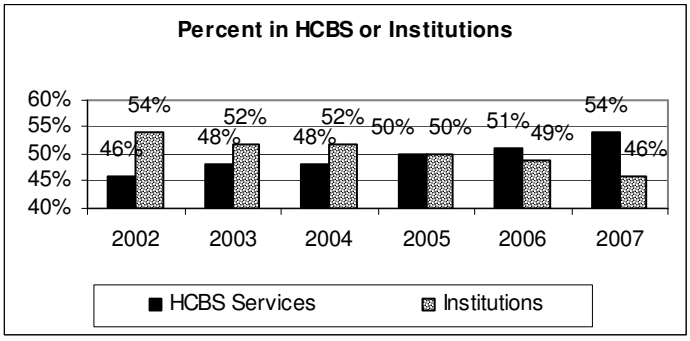
DT&H services have been operating for over 35 years and currently provide an average of 230 days of service per year.

Key Program Goals

- ***The Continuing Care Administration strives to improve the dignity, health, and independence of the people it services.*** By doing so, Minnesotans will live as independently as possible; enjoy health, with quality access to health care; have safe, affordable places to live; be contributing and valued members of their communities; and participate in rewarding daily activities, including gainful employment. This goal is derived from the Continuing Care Administration's mission and vision statements.
- ***Help older Minnesotans receive the long-term care services they need in their homes communities, choose how they receive services, and have more options for using their personal resources to pay for long-term care.*** This goal is from DHS' *Department Results* (http://www.departmentresults.state.mn.us/hs/index.html).
- ***Improve home and community-based services for the elderly and people with disabilities by establishing and using provider performance measures and standards.*** The department will improve the provider performance data it collects for home and community-based services so that consumers and government can make more informed purchasing decisions. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

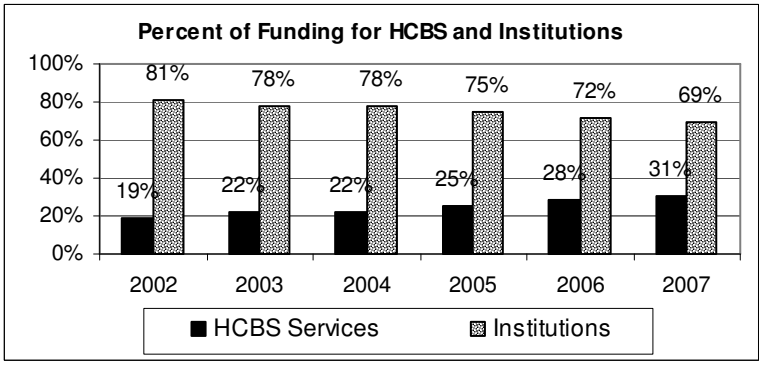
Key Measures

- ***Percentage of elderly receiving publicly-funded long-term care who live in the community versus an institutional setting.***



"HCBS" refers to home and community based services which are designed to help elderly people remain in their own community.

- ***Percentage of public long-term care dollars expended for seniors in community versus institutional settings.***



"HCBS" refers to home and community based services which are designed to help elderly people remain in their own community.

Both of these measures capture the extent to which the long-term care system is able to support the elderly and people with disabilities in the community and allow them to live independently.

For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

MA Long Term Care Facilities Grants is funded with appropriations from the general fund and from federal Medicaid funds.

Contact

For more information on MA LTC Facility Grants, contact:

- Nursing Facilities Rates and Policy, (651) 431-2280
- Disabilities Services Division, (651) 431-2400.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: CONTINUING CARE GRANTS
Activity: MA LTC FACILITIES GRANTS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	483,628	500,453	500,453	500,453	1,000,906
Technical Adjustments					
Current Law Base Change			1,312	(5,511)	(4,199)
November Forecast Adjustment		(6,089)	4,483	18,102	22,585
Forecast Base	**483,628**	**494,364**	**506,248**	**513,044**	**1,019,292**
Expenditures by Fund					
Direct Appropriations					
General	493,737	514,353	520,305	521,122	1,041,427
Statutory Appropriations					
General	28,566	14,716	14,947	15,051	29,998
Federal	508,963	512,770	519,052	520,074	1,039,126
Total	**1,031,266**	**1,041,839**	**1,054,304**	**1,056,247**	**2,110,551**
Expenditures by Category					
Payments To Individuals	1,031,266	1,041,839	1,054,304	1,056,247	2,110,551
Total	**1,031,266**	**1,041,839**	**1,054,304**	**1,056,247**	**2,110,551**

Activity Description

Medical Assistance (MA) Long-Term Care (LTC) Waivers and Home Care Grants pays for a collection of medical, continuing care, and health care-related support services that enable low-income Minnesotans, who are elderly or who have disabilities, to live as independently as possible in their communities. LTC waivers refer to home and community-based services available under a federal Medicaid waiver as an alternative to institutional care. Home Care grants fund personal care assistance, private duty nursing, home health aides, and skilled nursing, as well as physical, occupational, speech, and respiratory therapy.

Activity at a Glance

- Supports 31,300 people per month who are at risk of placement in an institution in the community through long-term care waivers
- Provides MA personal care and private duty nursing to 11,700 people per month
- Provides home health care services to 5,300 people per month

Population Served

Home care grants and LTC waivers serve MA-enrolled people of all ages, including infants and older adults. These programs serve an average of approximately 48,300 people per month.

To receive LTC waivers, a person must be eligible for Medicaid and would otherwise receive care in an institution. Each of the LTC waivers is targeted at a certain group of recipients. To participate, individuals must meet the specific eligibility criteria. Below are the five MA LTC Waivers administered by the department:

- *Developmental Disabilities (DD)*: Formerly known as the Mental Retardation and Related Conditions (MR/RC) Waiver, this waiver is for individuals with developmental disabilities who need the level of care provided at intermediate care facilities for people with mental retardation or related condition (ICF/MR). In FY 2007, the waiver served an average of 14,100 recipients monthly at a cost of $5,322 per month.
- *Elderly Waiver (EW)*: This waiver is for individuals who are over 65 years old and need the level of care provided at a nursing facility. In 2007, the waiver served 5,700 recipients monthly at a cost of $1,312 per month and 11,200 managed care recipients monthly at a cost of $1,024 per month. The managed care payment amounts are included in the MA Basic Health Care—Elderly and Disabled budget activity.
- *Community Alternative for Disabled Individuals (CADI)*: The CADI Waiver serves individuals who have a disability and require the level of care provided in a nursing home. In FY 2007, the waiver served 10,100 recipients monthly at a cost of $1,846 per month.
- *Traumatic Brain Injury (TBI)*: This waiver is for individuals with a traumatic or acquired brain injury who need the level of care provided in a nursing home or neurobehavioral hospital. In FY 2007, the waiver served 1,200 recipients monthly at a cost of $5,289 per month.
- *Community Alternative Care (CAC)*: CAC serves individuals who are chronically ill and need the level of care provided at a hospital. In FY 2007, the waiver served 240 recipients monthly at a cost of $4,733 per month.

Services Provided

Home care includes a range of medical care and support services provided in a person's home and community. MA home care services are authorized based on medical necessity. MA home care services include assessments by public health nurses; home health aide visits; nurse visits; private duty nursing services; personal care services; occupational, physical, speech, and respiratory therapies; and medical supplies and equipment.

LTC waivers, which are also known as home and community-based waiver programs, provide a variety of services that assist people to live in the community instead of going into or staying in an institutional setting. In addition to case management and caregiver supports, waivers can offer in-home, residential, medical, and behavioral supports; customized day services, including employment supports; transitional services when leaving an institution; transportation; home modifications; and other goods and services based upon the assessed needs of the person.

Consumer-Directed Community Supports (CDCS) is a waiver service that provides Minnesotans increased flexibility in determining and designing supports that best meet their needs. In March 2004, the Centers for

Medicare and Medicaid Services approved the CDCS service across all LTC waivers. Implementation in all Minnesota counties began in April 2005.

Historical Perspective

Home and community-based waivers were established under section 1915 of the federal Social Security Act of 1981. These waivers are intended to correct the institutional bias in Medicaid by allowing states to offer a broad range of home and community-based services to people who may otherwise be institutionalized.

In 1999, the United States Supreme County in Olmstead v. L. C. clarified that Title II of the Americans with Disabilities Act (ADA) includes supporting people in the most integrated settings possible. The decision applies to people of any age who have a disability, including mental illness. During 2007, CADI and TBI waivers helped 12,900 individuals either to relocate from an institution to the community or to remain in their homes or communities with support services. This number includes almost 5,200 individuals with a mental health diagnosis who might otherwise receive supports in an institution.

Also in 1999, the legislature required the state to increase the MR/RC waiver caseload until all forecasted funds appropriated to the waiver were expended. In accordance with this legislation, the state allowed "open enrollment" for a three-month period in FY 2001. Over 5,000 recipients were added to the program during the open enrollment period.

In 2003, the legislature required a phase-in of Elderly Waiver services and 180 days of nursing facility care to the basic Medicaid managed care package. The new product for seniors is Minnesota Senior Care Plus.

In 2004, the federal Centers for Medicare and Medicaid Services (CMS) approved statewide expansion of Minnesota Senior Health Options (MSHO). MSHO, which has been operating in Minnesota since 1997, is a voluntary alternative for dual eligible seniors ages 65 and older. MSHO plans assume full risk for both Medicare and Medicaid services: primary, acute, and long-term care (including 180 days of nursing home care); the full menu of EW services in the community; and more recently the Medicare Part D drug benefit.

As of June 2008, 82% of EW recipients are receiving services through MSHO or Minnesota Senior Care Plus, which are managed by health plans. Fee-for-services EW services, which are managed by the counties, comprise 18% of EW clients.

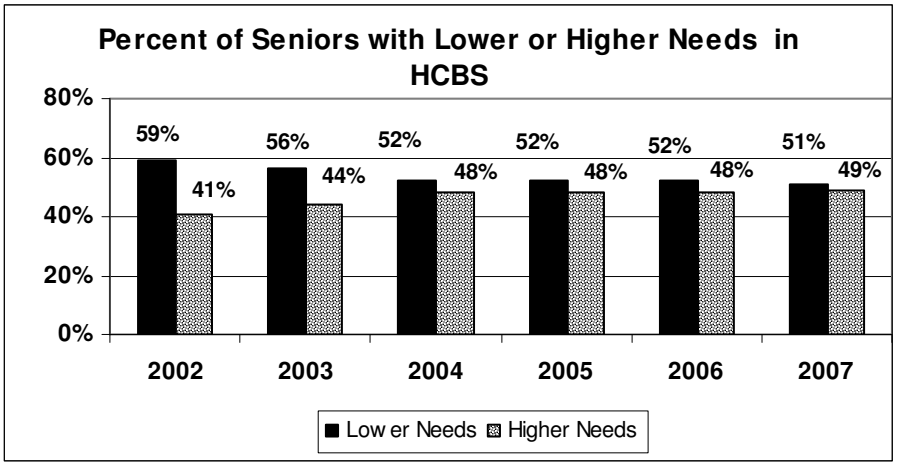
The 2006 legislature provided additional CADI and TBI slots for eligible individuals who were receiving personal care assistance services from a provider who was billing for a service delivery model other than individual or shared care on 03-01-06. With this legislation, 114 individuals moved from PCA services to either the CADI or TBI Waiver.

Key Program Goals

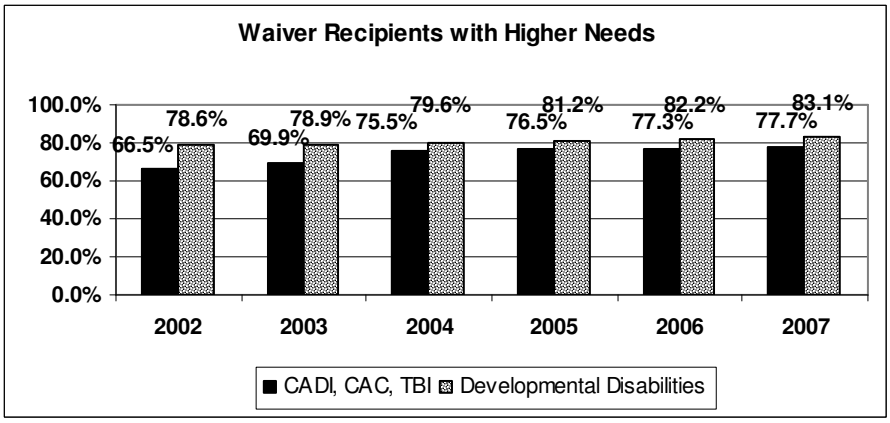
- ***The Continuing Care Administration strives to improve the dignity, health, and independence of the people it serves.*** By doing so, Minnesotans will live as independently as possible, enjoy health, with quality access to health care; have safe, affordable places to live; be contributing and valued members of their communities; and participate in rewarding daily activities, including gainful employment. This goal is derived from the Continuing Care Administration's mission and vision statements.
- ***All people will be welcomed, respected, and able to participate fully in Minnesota's communities and economy.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).
- ***Improve home and community-based services for the elderly and people with disabilities by establishing and using provider performance measures and standards.*** Efforts in this area include integration of all quality activities statewide into a comprehensive quality system for home and community-based services. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Measures

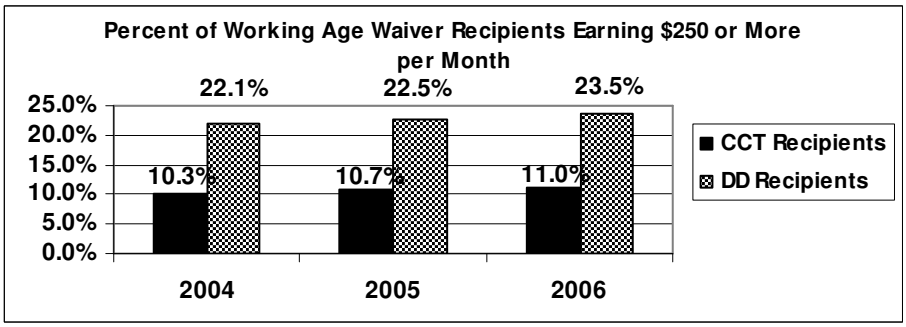
- ***Percentage of elders receiving home and community-based services who have higher needs.***



- ***Percentage of people with disabilities receiving CAC,CADI, TBI, and DD services who have higher needs.***



- ***Percentage of people with disabilities receiving CAC, CADI, TBI, and DD services who are working age and earning at least $250 per month.***



Working age means 22-64 years old. "CCT recipients" is persons on the CADI, CAC, or TBI waiver programs. In 2006, there were 11,735 CCT waiver recipients, with 9,870 (84%) of working age. "DD recipients" is persons on the DD Waiver. For 2006, there were 14,193 DD Waiver recipients with 9,861 (69%) of working age.

These three measures capture the extent to which DHS home and community-based services are allowing people with higher needs to stay in the community and, where appropriate, to work.

For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

MA LTC Waivers and Home Care Grants are funded with appropriations from the general fund and from federal funds.

Contact

For more information on MA LTC Waivers and Home Care Grants, contact:

- Disability Services Division, (651) 431-2400
- Aging and Adult Services Division, (651) 431-2600.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	938,536	1,050,833	1,050,833	1,050,833	2,101,666
Technical Adjustments					
Current Law Base Change			101,368	198,529	299,897
November Forecast Adjustment		(20,769)	(15,400)	(8,777)	(24,177)
Forecast Base	**938,536**	**1,030,064**	**1,136,801**	**1,240,585**	**2,377,386**
Expenditures by Fund					
Direct Appropriations					
General	914,019	1,030,064	1,136,801	1,240,585	2,377,386
Statutory Appropriations					
Federal	914,273	1,014,873	1,120,609	1,222,680	2,343,289
Total	**1,828,292**	**2,044,937**	**2,257,410**	**2,463,265**	**4,720,675**
Expenditures by Category					
Payments To Individuals	1,828,292	2,044,937	2,257,410	2,463,265	4,720,675
Total	**1,828,292**	**2,044,937**	**2,257,410**	**2,463,265**	**4,720,675**

Activity Description

Adult Mental Health Grants serves Minnesotans with mental illness, spurs development of non-institutional treatment options, and pays for mental health services for people when they cannot afford to pay. This activity supports the overall objective of promoting assistance for people to live independently, when possible, and, when not, to live in treatment settings that are clean, safe, caring, and effective. These grants are used in conjunction with other funding, particularly Medical Assistance (MA) and Group Residential Housing.

Activity at a Glance

- Provides mental health case management to 21,300 adults annually.
- Provides community support services to 20,600 people annually.
- Provides residential treatment to 1,900 people annually.
- Provides Assertive Community Treatment (ACT) to 1,800 people annually.
- Provides crisis services to 5,500 people and crisis housing to 420 people annually.
- Provides compulsive gambling treatment to 1,100 people annually.

Population Served

Approximately 211,000 Minnesota adults have a serious mental illness (SMI). This compares to about 47,000 people who actually received these services in 2007 (based on county reports to the Community Mental Health Reporting System).

These grants serve primarily adults with serious mental illness. (This definition does not include people with developmental disabilities or chemical dependency unless these conditions co-exist with mental illness.) This grant area includes a few grants that serve both adults and children. (Grants that serve solely children are in the Children's Mental Health Grants budget activity.)

Services Provided

Mental Health Grants supports a variety of services:

- *Adult Mental Health Initiative/Integrated Fund* supports the expansion and ongoing implementation of community-based services and development of alternative service delivery models to reduce reliance on facility-based care. As part of this initiative, regional treatment center staff are integrating into the community mental health delivery system. In most of the state, this also includes integration of the separate grants listed below. Integration of grants at the county level allows administration to be more effective and efficient. During the past year, all Adult Mental Health Initiatives (serving 87 counties) have received new *Crisis Services Grants* to build capacity for mobile crisis teams and crisis stabilization services and provide ongoing funding for crisis services for individuals who are under- or uninsured.
- *Grants for Community Support Services for Adults with Serious and Persistent Mental Illness (Adult Rule 78)* are awarded to counties for client outreach, medication monitoring, independent living skills development, employability skills development, psychosocial rehabilitation, day treatment, and case management if MA is inadequate or not available. These funds are allocated by formula, primarily based on a county's population and are used primarily to provide these services to eligible individuals who are uninsured or underinsured.
- *Adult Residential Grants (Rule 12)* pay the non-MA share of the program component of intensive residential treatment facilities for people with mental illness. These grants are now fully integrated into the Adult Mental Health Initiative/Integrated Fund.
- *Crisis Housing* provides financial help when people are hospitalized and need help to maintain their current housing. Eligible people need to be in inpatient care for up to 90 days and have no other source of income to pay housing costs.
- *Regional Treatment Center (RTC) Alternatives* pays for non-MA, extended inpatient, psychiatric services ("contract beds") in community hospitals for people who are committed or who would be committed if these community services were not available. This is part of a package of expanded community mental health services for the area formerly served by non-metro RTCs.
- *Federal Mental Health Block Grant* funds are used to demonstrate innovative approaches based on best practices that, based on evaluation results, could be implemented statewide. Of the federal block grant, Minnesota has allocated about half for children's mental health. At least 25% is used for Indian mental health services, not more than 15% for planning and evaluation, and not more than 5% for statewide administration.

Grants provided for Indian mental health services fund nine projects on reservations and two in the metro area.

- *Projects for the Homeless (PATH)* funds, from the federal McKinney Act, are provided to counties to address mental illness among the homeless. Grants to counties are made in combination with Rule 78 Community Support Program funds.
- *Compulsive Gambling Treatment and Education* funds inpatient and outpatient treatment programs on an individual client, fee-for-service basis. The program also pays for research, public education and awareness efforts, in-service training for treatment providers, and a statewide toll-free, 24-hour helpline. In FY 2007, the helpline received 2,260 calls for assistance with compulsive gambling problems.
- *Mental Health Infrastructure Grants* are provided to counties and non-profit providers to develop housing with support services, culturally-competent services, provider skills, implementation and capacity to use evidence-based and research-informed practices in direct service, and capacity building for individuals with SMI who have served in jails or who interface with law enforcement.

Historical Perspective

Federal restrictions that prohibit the use of MA for adults in Institutions for Mental Diseases (IMDs) have required the state to rely on state general fund grant programs to a much larger degree than programs serving other populations, such as the elderly or developmentally disabled. During the past several years, Minnesota has made progress in expanding the range of non-residential community mental health services and maximizing federal reimbursement for these services. Intensive Residential Treatment, Crisis Response Services, Adult Rehabilitative Mental Health Services, and Assertive Community Treatment have been added as benefits under the MA program. These services are intended to assist with reducing reliance on more costly institutional care.

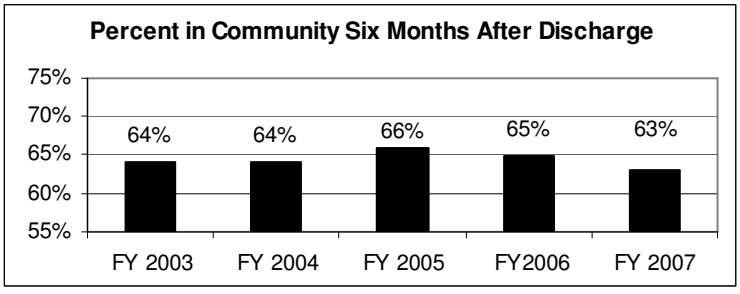
Over 80% of the funds in this activity are used by counties to pay for staff providing direct services to adults with serious mental illness.

Key Program Goals

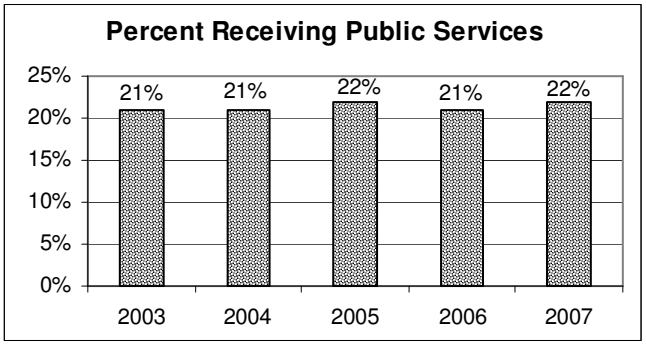
- ***Develop effective and accountable mental health and chemical health systems.*** The Department of Human Services (DHS) is implementing steps to support research-informed practices in chemical and mental health services, systematically monitor outcomes, and integrate chemical, mental, and physical health systems. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Measures

- ***Percent of adults with serious mental illness who remained in the community six months after discharge from an inpatient psychiatric setting.*** This measure gives an indication of the robustness of the community-based system to provide the range of services that allow individuals to be as independent as possible in the community.



- ***Percent of adults with serious mental illness who are receiving public mental health services.*** This indicator, often referred to as the "penetration rate," measures access to needed services.



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Mental Health Grants is funded with appropriations from the general fund, lottery fund, and special revenue fund, as well as from federal funds.

Contact

For further information about Mental Health Grants, please contact Chemical and Mental Health Services, (651) 431-2225.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: CONTINUING CARE GRANTS
Activity: ADULT MENTAL HEALTH GRANTS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	59,632	57,394	57,394	57,394	114,788
Technical Adjustments					
Approved Transfer Between Appr			18,279	18,279	36,558
Current Law Base Change			2,066	2,066	4,132
Forecast Base	**59,632**	**57,394**	**77,739**	**77,739**	**155,478**
Health Care Access					
Current Appropriation	750	750	750	750	1,500
Forecast Base	**750**	**750**	**750**	**750**	**1,500**
Lottery Cash Flow					
Current Appropriation	1,933	1,633	1,633	1,633	3,266
Technical Adjustments					
Current Law Base Change			(125)	(125)	(250)
Forecast Base	**1,933**	**1,633**	**1,508**	**1,508**	**3,016**
Expenditures by Fund					
Direct Appropriations					
General	64,646	75,729	77,739	77,739	155,478
Health Care Access	750	750	750	750	1,500
Lottery Cash Flow	1,846	1,633	1,508	1,508	3,016
Statutory Appropriations					
Miscellaneous Special Revenue	65	653	418	418	836
Federal	6,648	8,368	7,094	6,729	13,823
Total	**73,955**	**87,133**	**87,509**	**87,144**	**174,653**
Expenditures by Category					
Other Operating Expenses	2,354	160	114	60	174
Local Assistance	71,601	86,973	87,395	87,084	174,479
Total	**73,955**	**87,133**	**87,509**	**87,144**	**174,653**

Activity Description

Deaf and Hard of Hearing Grants provides core services that enable Minnesotans who are deaf, deafblind, or hard of hearing to gain and maintain the ability to live independently and participate in their communities.

There are approximately 67,000 Minnesotans who are deaf and 497,000 with some hearing loss. These grants serve:

- people in need of sign language interpreting services;
- children and adults who have a sensory loss of hearing and vision (deafblind);
- people who have a dual hearing loss and a mental illness;
- children, ages 0-21, with a hearing loss, in need of specialized psycho-social assessments; and
- people in need of captioning services in order to access live local television news.

Activity at a Glance

- Serves 21,000 people a year
- Pays for specialized services that allow some of the most vulnerable Minnesotans, including those who are deafblind and those who are seriously mentally ill, to live in their communities.
- Provides access to sign language interpreters and other services that allow people to access essential services, including emergency and crisis services and live local news programming.

Services Provided

Sign language interpreter referral and interpreter-related services allow deaf, hard of hearing, and deafblind Minnesotans to access core services, such as courts, educational programs, mental health services, law enforcement, and medical care. Services include coordination and placement of qualified sign language, oral, cued-speech, and emergency on-call interpreters and training to increase the number of qualified and certified interpreters throughout Minnesota. Disparities in service access and outcomes affect not only people of color and minority ethnic backgrounds but also people who are deaf.

Deafblind grants support adults who are both deaf and blind so they can live independently and stay in their own homes. Grants also provide deafblind children and their families with services that result in enhanced community integration and teach siblings and parents the skills needed to support the deafblind child within their families. Services include one-to-one supports and assistive technology for deafblind adults and deafblind children and their families and training to counties and senior citizen service providers on effective services to deafblind individuals. Services are provided by community-based, specialized service providers and through a consumer-directed service program.

Specialized mental health services assist deaf, hard of hearing, and deafblind Minnesotans with behavior disorders or mental illness to live in their communities. Grants provide community supports consisting of residential support/outreach services and drop-in centers; inpatient therapy, outpatient therapy, and family counseling with service providers who are skilled in communicating with deaf, blind, hard of hearing, and deafblind adults and children; specialized children's psychological assessments that serve as the foundation for determining needed service and intervention strategies; and educational opportunities for families, schools, and mental health providers.

Mentor services are provided to families that have a child with hearing loss and want to use American Sign Language (ASL) for family communication. Mentors teach ASL to parents and family members, help parents learn about Deaf culture, and introduce families to local deaf community members. Effective communication within families is critical to creating a safe and permanent home.

Real-time television captioning grants allow deaf, deafblind, and hard of hearing consumers in greater Minnesota to access live local news programming from some public and commercial television stations. Access to information is a key factor in reducing isolation and promoting community involvement.

Historical Perspective

In the early 1980s, the Hearing-Impaired Services Act (now called the Deaf and Hard of Hearing Services Act) was created to ensure that deaf, deafblind, and hard of hearing people have access to appropriate human

services statewide. This act established regional offices throughout Minnesota to provide direct services to individuals, families, and agencies regarding issues related to hearing loss. The Deaf and Hard of Hearing regional offices also house the Telephone Equipment Distribution (TED) program. TED provides adaptive equipment to people with a hearing or speech loss or mobility impairment who need such equipment to access the telephone system. The TED program is funded by special revenues through an interagency agreement with the Department of Commerce. In addition to the regional offices, the legislature appropriated grant funds to address highly specialized service needs for certain deaf, hard of hearing, and deafblind populations.

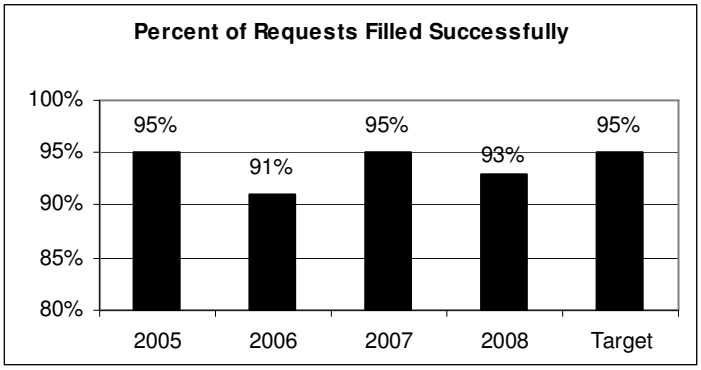
In 1985 the Minnesota Legislature created the Minnesota Commission Serving Deaf and Hard of Hearing (MCDHH), now called the Commission of Deaf, Deafblind, and Hard of Hearing Minnesotans. The primary focus of this commission is to advocate for equal opportunity for Minnesotans who are deaf, hard of hearing, and deafblind. Unlike the Deaf and Hard of Hearing Services regional offices and grant programs that offer direct services to consumers, the MCDHH's purpose is to convene stakeholders; identify barriers that prevent success and access to services; propose policy and program solutions; and make recommendations to the governor, legislature, and state departments. MCDHH is a fifteen-member, governor-appointed board supported by state staff.

Key Program Goals

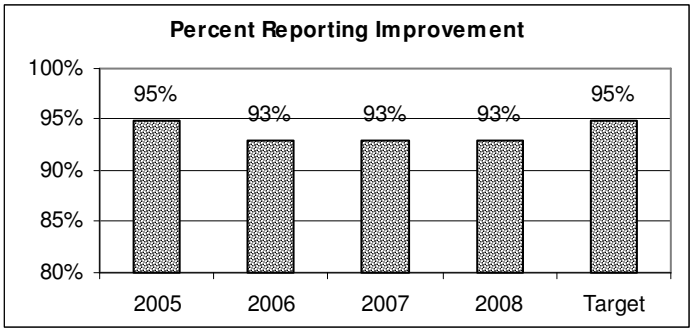
- ***People in need will receive support that helps them live as independently as they can.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).
- ***Reduce disparities in service access and outcomes.*** This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Measures

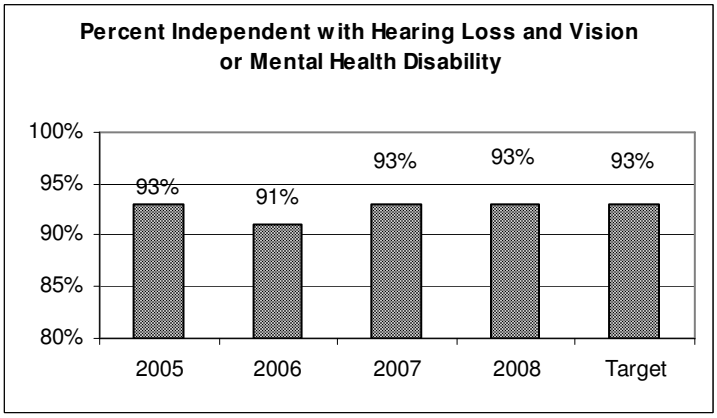
- ***Percentage of interpreter requests in greater Minnesota that are successfully filled, including requests received in less than 24 hours*** Interpreting services are critical for people who are deaf to be able to live independently, be self-sufficient, and access core services. Because of the vast geographic area of greater Minnesota and the relatively short supply of skilled interpreters, state grant funding supplements a referral service to ensure that interpreting services are available outside the Twin Cities area.



- ***Percentage of families who report improvement in their deaf child's emotional, behavioral, and/or social skills.*** Children with hearing loss and an additional disability of vision loss and/or mental health issues often face difficulty developing appropriate emotional, behavioral, and social skills. The specialized psychological assessment services, therapy, and family counseling services, deafblind children's services offered through this grant activity focus on the same outcomes: to improve the child's emotional, behavioral, and social skills within the home and community.



- ***Percentage of adults with a hearing loss and a vision or mental health disability who maintain or increase their level of independence.*** Adults who have hearing loss and an additional disability of vision loss and/or mental health issues need supports provided by specially trained staff with experience in dual disabilities. Deaf and Hard of Hearing Grants offers services and supports to these low incidence/high need subpopulation groups that are intended to accomplish one main outcome to allow individuals to live as independently as possible and integrate into their communities.



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Deaf and Hard of Hearing Grants is primarily funded with appropriations from the general fund. Television captioning and the TED program are both funded by special revenue accounts through interagency agreements with the Department of Commerce's Telecommunications Access Minnesota.

Contact

For more information on Deaf and Hard of Hearing Grants, contact the Deaf and Hard of Hearing Services Division, 651-431-2355.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: CONTINUING CARE GRANTS
Activity: DEAF & HARD OF HEARING GRANTS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	1,730	1,964	1,964	1,964	3,928
Technical Adjustments					
Current Law Base Change			4	4	8
Forecast Base	**1,730**	**1,964**	**1,968**	**1,968**	**3,936**
Expenditures by Fund					
Direct Appropriations					
General	1,723	1,964	1,968	1,968	3,936
Statutory Appropriations					
Miscellaneous Special Revenue	118	231	240	240	480
Federal	25	0	0	0	0
Total	**1,866**	**2,195**	**2,208**	**2,208**	**4,416**
Expenditures by Category					
Other Operating Expenses	2	0	0	0	0
Local Assistance	1,864	2,195	2,208	2,208	4,416
Total	**1,866**	**2,195**	**2,208**	**2,208**	**4,416**

Activity Description

The purpose of the Chemical Dependency Entitlement Grants activity is to provide treatment to eligible people who have been assessed as in need of treatment for chemical abuse or dependency. This activity is administered through the Consolidated Chemical Dependency Treatment Fund (CCDTF).

Activity at a Glance

- Provided placement in addiction treatment services for 28,800 people in FY 2007.
- Average cost per admission is $3,665.
- 318 treatment programs participate in the CCDTF.
- Approximately 50% of all treatment admissions in the state are paid for by the CCDTF.
- The number of treatment admissions increased by an average of 6% per year during CY 2004-2006.

Population Served

Chemical dependency (CD) treatment services are provided to anyone who is found by an assessment to be in need of care and is financially eligible, unless the needed services are to be provided by a managed care organization in which the person is enrolled.

The CCDTF has three tiers of eligibility, although this budget activity covers only Tier I:

- Tier I is the entitlement portion. Eligible individuals are people who are enrolled in Medical Assistance (MA) or General Assistance Medical Care (GAMC), receive Minnesota Supplemental Assistance (MSA), or meet the MA, GAMC, or MSA income limits (100% of federal poverty guidelines).
- Tier II was last funded in 2003.
- Tier III was last funded in 1990.

Services Provided

For those people who meet financial and clinical eligibility, the CCDTF provides residential and outpatient addiction treatment services.

Approximately 50% of all state treatment admissions for Minnesota residents are paid for through the CCDTF. The local county social service agency or American Indian tribal entity assesses a person's need for chemical dependency treatment. A treatment authorization is made based on uniform statewide assessment and placement criteria outlined in the Department of Human Services (DHS) Rule 25 (M.R. parts 9580.6300 to 9530.7030). Most treatment providers in the state accept CCDTF clients.

Under the Prepaid Medical Assistance Program (PMAP), primary inpatient and outpatient chemical dependency treatment are covered services. For PMAP recipients, CCDTF payments are limited to halfway house placements and extended care treatment, which are not included in managed care contracts.

Eligible patients enrolled in prepaid health plans receive the same services as CCDTF patients.

Under a new assessment standard implemented in January 2008, individuals are assessed according to a new, uniform, standardized assessment tool that applies criteria derived by the American Society of Addiction Medicine.

Historical Perspective

The CCDTF was created in 1988 to consolidate a variety of funding sources for chemical dependency treatment services for low-income, chemically-dependent Minnesota residents. The CCDTF combines previously separated funding sources – MA, GAMC, General Assistance, state appropriations, and federal block grants - into a single fund with a common set of eligibility criteria. Counties pay at least 15% of CD treatment costs to maintain a local maintenance of effort.

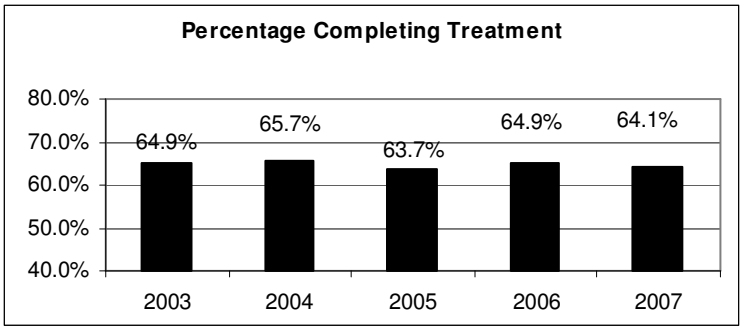
Key Program Goals

- ***Develop effective and accountable chemical health systems.*** The Department of Human Services (DHS) is implementing steps to support research-informed practices in chemical dependency treatment and

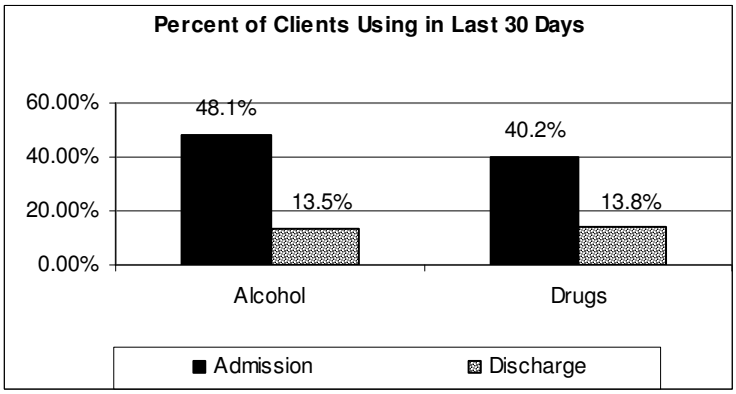
prevention, systematically monitor outcomes, and integrate chemical, mental, and physical health services. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Measures

- ***Percentage of clients completing chemical dependency treatment.*** Treatment completion has been found to be a strong indicator of continued sobriety after treatment. The DHS Drug and Alcohol Abuse Normative Evaluation System (DAANES) collects a number of data elements from all chemical dependency programs regardless of the admission's funding source. Below are completion results of all statewide treatment admissions in previous years:



- ***Percentage of CD clients using alcohol or illicit drugs in the previous 30 days – at admission and discharge (2007).***



This chart reflects the positive effects of treatment in terms of reducing drug and alcohol use.

More information on DHS measures is on the Web: www.departmentresults.state.mn.us/hs/index.html.

Activity Funding

Chemical Dependency Entitlement Grants is funded with appropriations from the general fund and from federal funds.

Contact

For more information on CD Entitlement Grants, contact the Chemical Health Division, (651) 431-2460

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: CONTINUING CARE GRANTS
Activity: CD ENTITLEMENT GRANTS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	89,319	99,851	99,851	99,851	199,702
Technical Adjustments					
Current Law Base Change			11,582	22,129	33,711
November Forecast Adjustment		(9,847)	3,773	6,236	10,009
Forecast Base	**89,319**	**90,004**	**115,206**	**128,216**	**243,422**
Expenditures by Fund					
Direct Appropriations					
General	0	0	115,206	128,216	243,422
Statutory Appropriations					
Miscellaneous Special Revenue	123,813	129,459	47,460	51,645	99,105
Total	**123,813**	**129,459**	**162,666**	**179,861**	**342,527**
Expenditures by Category					
Payments To Individuals	120,927	127,035	159,621	176,494	336,115
Local Assistance	2,886	2,424	3,045	3,367	6,412
Total	**123,813**	**129,459**	**162,666**	**179,861**	**342,527**

Activity Description

Chemical Dependency (CD) Non-entitlement Grants pays for statewide prevention, intervention, treatment support, recovery maintenance, and case management services, including culturally appropriate services and support. A combination of state and federal dollars supports this activity.

Activity at a Glance

- Provides prevention services to more than 28,500 youth each year.
- Provides intervention and case management services to 1,700 pregnant women and women with children annually.
- Provides intervention and case management services, including treatment supports and recovery maintenance, to an additional 7,000 individuals in special populations each year.
- Provides training for 2,700 chemical dependency professionals annually.

Population Served

CD Non-Entitlement Grants serve:

- people who receive prevention services with a focus on youth and families;
- individuals who receive intervention and case management services, including pregnant women, women with dependent children, and other special populations who receive intervention and case management services, and;
- chemical dependency treatment professionals and prevention specialists who receive training on best practices.

Services Provided

State-funded non-entitlement grants support:

- community drug and alcohol abuse prevention for American Indians, and;
- treatment support and recovery maintenance services for American Indians.

Federally-funded non-entitlement grants support:

- community drug and alcohol abuse prevention for communities of color;
- women's treatment supports including subsidized housing, transportation, child care, parenting education, and case management;
- intervention and case management services, including treatment supports and recovery maintenance services for the following special populations: elderly, disabled, individuals with dual diagnoses of mental illness and chemical dependency, individuals experiencing chronic homelessness, and people involved in the criminal justice system;
- a statewide prevention resource center that provides alcohol and other drug abuse education, information, and training to Minnesota counties, tribes, local communities, and organizations, and;
- annual inspection of tobacco retailers and law enforcement agency survey to measure the degree of compliance with state laws prohibiting the sale of tobacco products to youth.

Beginning in 2006, statewide prevention activities are delivered through a seven-region prevention system. Regional Prevention Coordinators in each region will be responsible for assessing community needs and readiness for prevention activities. They will also be assisting the state in planning and implementing evidence-based prevention programs to reduce substance abuse and related problems through training, technical assistance, and coalition building.

Non-entitlement funds also support the dissemination of approximately 550,000 pieces of prevention material, over 260,000 Web hits on alcohol, tobacco, and other drug abuse prevention, 30,300 requests for information handled by prevention resource centers, over 1,200 pieces of alcohol, tobacco, and other drug prevention material translated into Spanish, Hmong, Lao, and Somali, and over 200 public service announcements developed and disseminated to over 2,000 outlets.

Historical Perspective

The Consolidated Chemical Dependency Treatment Fund (CCDTF) has three tiers of eligibility. Tier I is funded through the CD Entitlement Grants budget activity. Tier II includes people who are not eligible for Medical

Assistance (MA) or General Assistance Medical Care (GAMC), do not receive Minnesota Supplemental Assistance (MSA), but whose income does not exceed 215% of federal poverty guidelines.

CD Non-entitlement Grants historically funded Tier II and Tier III of the Consolidated Chemical Dependency Treatment Fund (CCDTF), which provided treatment services for low-income individuals not eligible for entitlement-based treatment. Tier II was last funded in 2003. Tier III includes individuals with incomes between 215% and 412% of federal poverty guidelines. Tier III was last funded in 1990. As a result, current CD Non-Entitlement Grants are outside of the CCDTF.

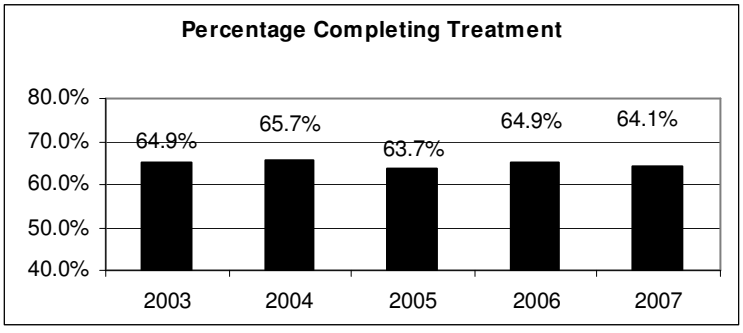
Over the last decade, as research studies indicated that the prevalence of substance abuse was higher for certain populations or that some groups did not succeed in chemical dependency treatment at the same rate as the general population, specific improvement efforts were established. These efforts were designed to build prevention strategies and treatment support services that focus on the unique strengths and needs of these various populations. The need for these specialized models of prevention and treatment has grown as counties and tribes recognize the role substance abuse plays in difficult Temporary Assistance to Needy Families and Child Welfare cases.

Key Program Goals

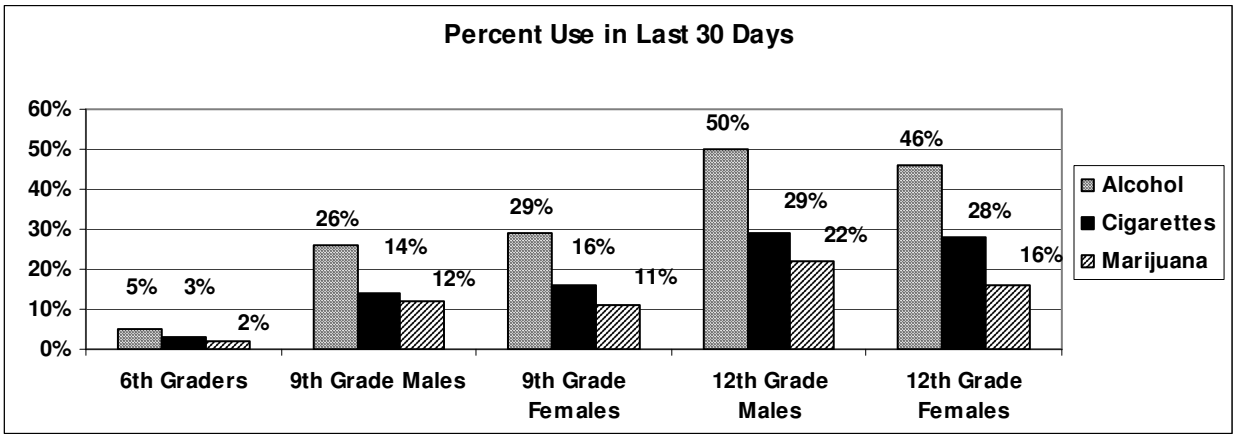
- ***Develop effective and accountable chemical health systems.*** The Department of Human Services (DHS) is implementing steps to support research-informed practices in chemical dependency treatment and prevention, systematically monitor outcomes, and integrate chemical mental, and physical health services. This goal is from the Department of Human Services' *Priority Plans*, which is available on the web: http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG.

Key Measures

- ***Percentage of clients completing chemical dependency treatment.*** Treatment completion has been found to be a strong indicator of continued sobriety after treatment. The Minnesota Department of Human Services Drug and Alcohol Abuse Normative Evaluation System (DAANES) collects a number of data elements from all chemical dependency programs regardless of the admission's funding source. Below are completion results of all statewide treatment admissions in previous years:



- ***Percentage of youth using alcohol, marijuana and tobacco in the past 30 days.*** The Minnesota Student Survey is conducted every three years and was last administered in the spring of 2004 to public school students in Grades 6, 9, and 12. Of the 342 public operating districts, 301 (88%) agreed to participate. `Student participation was voluntary and administered anonymously. Across the state, approximately 77% of public school sixth graders, 73% of public school ninth graders, and 49% of public school twelfth graders participated in the 2004 Minnesota Student Survey. Overall participation across the three grades was approximately 66%. Below are the results of the survey:



More information on DHS measures and results is available on the Web: www.departmentresults.state.mn.us/hs/index.html.

Activity Funding

Chemical Dependency Non-Entitlement Grants are funded with appropriations from the general fund and from federal funds.

Contact

For more information on Chemical Dependency Non-Entitlement Grants, contact the Chemical Health Division, (651) 431-2460.

Information on DHS programs is available on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: CONTINUING CARE GRANTS
Activity: CD NON-ENTITLEMENT GRANTS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	1,655	3,772	3,772	3,772	7,544
Technical Adjustments					
Approved Transfer Between Appr			393	393	786
Current Law Base Change			(2,436)	(2,436)	(4,872)
Forecast Base	**1,655**	**3,772**	**1,729**	**1,729**	**3,458**
Federal Tanf					
Current Appropriation	150	150	150	150	300
Technical Adjustments					
Current Law Base Change			(150)	(150)	(300)
Forecast Base	**150**	**150**	**0**	**0**	**0**
Expenditures by Fund					
Direct Appropriations					
General	1,753	3,772	1,729	1,729	3,458
Federal Tanf	150	150	0	0	0
Statutory Appropriations					
Miscellaneous Special Revenue	1,483	1,500	1,500	1,500	3,000
Federal	12,176	14,258	11,975	11,535	23,510
Total	**15,562**	**19,680**	**15,204**	**14,764**	**29,968**
Expenditures by Category					
Other Operating Expenses	467	130	130	130	260
Payments To Individuals	1,245	1,300	1,300	1,300	2,600
Local Assistance	13,850	18,250	13,774	13,334	27,108
Total	**15,562**	**19,680**	**15,204**	**14,764**	**29,968**

Activity Description

Other Continuing Care Grants includes a variety of programs:

- Family Support Grants (FSG) provides cash assistance to families to purchase supports for a child with a disability.
- Consumer Support Grants (CSG) helps people with functional limitations and their families purchase supports needed to live as independently as possible.
- Semi-Independent Living Skills (SILS), which are administered through each county, assist adults with developmental disabilities live successfully in their community.
- HIV/AIDS grants cover services specifically for HIV-infected people to help maintain insurance coverage and provide early intervention and cost-effective care. As payer of last resort, the stop-gap services are provided to individuals who are not eligible for similar benefits through Minnesota Health Care Programs, such as Medical Assistance (MA) or General Assistance Medical Care (GAMC).
- Disability Linkage Line (DLL) grants fund a specialized statewide information and assistance system to provide information about state and federal eligibility requirements, benefits, and options, make referrals to appropriate support entities, deliver information and assistance based on national and state standards, assist people to make well-informed decisions, and support the timely resolution of service access and benefit issues.
- Minnesota Region 10 Quality Assurance (QA) is a community-based alternative licensing system that fosters continuous improvement in the services and assistance provided to people with disabilities. This is done by implementing a comprehensive, value-based approach to quality assessment that provides not only licensing recommendations and basic quality assurance for the state, but also evidence-based strategies and action plans for continuous improvement.

Activity at a Glance

- The FSG program serves 1,650 children at an annual average cost of $2,483 per child (CY 2006).
- The CSG program serves 1,340 individuals at an annual average cost of $9,270 per recipient (CY 2008).
- SILS serves 1,600 adults with disabilities at an annual average cost of $4,920 per recipient (CY2006).
- HIV/AIDS programs help 1,500 people living with HIV/AIDS pay for HIV-related prescription drugs, insurance costs, dental, nutritional, mental health, case management, and other support services. The program serves over 25% of the people with known HIV infection in Minnesota.
- DLL managed 8,929 sessions (cases) which included over 25,387 calls in and out to help people resolve issues, get information they need, and successfully connect to services; a 24% increase from 2006.
- Region 10QA provides alternative quality-based licensing of programs in five SE Minnesota counties and person-centered service quality and value assessments in 23 counties statewide.

Population Served

- FSG serves families whose annual adjusted gross income is less than $88,170 and who have a child with a certified disability.
- CSG is available for people who are eligible for MA and for some people eligible for FSG.
- SILS serves people who are at least 18 years old, have a developmental disability, require a level of support that is not at a level that would put them at risk of institutionalization, and require systematic instruction or assistance to manage activities of daily living.
- HIV/AIDS programs serve people living with HIV who have incomes under 300% of the federal poverty guideline (FPG) and cash assets under $25,000.
- DLL serves people with disabilities and chronic illnesses and their families, caregivers, or service providers. No caller is turned away from service.
- Region 10 QA alternative licensing serves people who live in Fillmore, Houston, Mower, Olmsted, and Winona counties and receive services through the state's Developmental Disabilities (DD) Medicaid waiver program. Through recent expansion, Region 10 QA has made its person-centered assessments of service quality and value available to individuals with DD and other disabilities in 23 counties statewide.

Services Provided

- FSG provides cash to families to offset the higher-than-average cost of raising a child with a certified disability. Families with more than one child with a disability may apply for a grant for each eligible child. The maximum grant per family is $3,060 per year per eligible child. Allowable expenses include computers, day care, educational services, medical services, respite care, specialized clothing, special dietary needs, special equipment, and transportation.
- CSG helps families purchase home care, adaptive aids, home modifications, respite care, and other assistance with the tasks of daily living. Recipients receive a grant amount less than or equal to the state share of the amount of certain long-term care services they would receive under MA or FSG.
- SILS is used by adults with developmental disabilities to purchase instruction or assistance with nutrition education, meal planning and preparation, shopping, first aid, money management, personal care and hygiene, self-administration of medications, use of emergency resources, social skill development, home maintenance and upkeep, and transportation skills.
- HIV/AIDS programs assist enrollees with premiums to maintain private insurance, co-payments for HIV-related medications, counseling, dental services, the cost of enteral nutrition, and case management.
- DLL provides information about state and federal eligibility requirements, benefits, and options, makes referrals to appropriate support entities, delivers information and assistance based on national and state standards, assists people to make well-informed decisions, and supports the timely resolutions of service access and benefit issues.
- Region 10 QA combines traditional compliance-based provider reviews with VOICE, an innovative, person-centered assessment of the value and quality of services received and experienced by individuals with disabilities. Through active inclusion in this process, people with disabilities and their communities benefit by participating in regional guidance and oversight of quality improvement efforts undertaken by service providers and participating counties.

Historical Perspective

Beginning in 1983 with SILS and FSG, Minnesota established programs that emphasize self reliance, personal responsibility, and consumer direction for people with disabilities. In 1995, Minnesota took another step by offering the CSG program, which lets people choose to access state MA funds through a cash and counseling model. These programs have laid the ground work for the consumer-directed options now available across all Minnesota long-term care waivers.

The HIV/AIDS program began in 1987. At the core of its creation was the desire to keep private insurance policies in place for HIV+ people and at the same time provide access to a limited scope of additionally needed services and products. Demand for the program continues to climb as the number of people living with HIV in Minnesota increases.

New infections, longer life spans for infected individuals, increases in infections among people younger than 25, and growing uninsured rates all contribute to rising program enrollment. Epidemiological studies show that people contracting HIV are increasingly likely to be poor, women, people of color, and people with more complex needs and fewer resources. Continually evolving treatments and research make HIV an ever-changing and complex disease to manage. It is also a disease with escalating treatment costs.

To make access to services more streamlined at the state level, responsibility for case management of services to people with HIV was consolidated at the Department of Human Services (DHS) in 2001. In 2004, in response to increasing budget pressures, the HIV/AIDS program implemented a cost-sharing requirement for individuals enrolled in the program. By May 2006, more than 450 individuals were assessed a cost share, with only eight people being deemed programmatically ineligible due to failure to pay. A tightening of policies, staff commitment, and client follow-through have supported the cost-sharing strategies in bringing fiscal balance to the program through FY 2008. On 12-01-07, cost share was suspended due to a funding increase from the federal Ryan White HIV/AIDS Treatment Modernization Act of 2006. The suspension is temporary and cost sharing may be resumed when necessary.

In 2001 DHS' Disability Services Division conducted a planning initiative to assess what changes were needed in Minnesota to better support community living for people with disabilities. The resounding feedback from all participant groups was that a major redesign of the information system for people with disabilities was needed. Because the information system was fragmented, consumers were not aware of their options, could not make informed decision, and were at greater risk of ending up in institutional settings. In response, Disability Linkage Line was created to build a statewide network and call center for all disability-related questions. Pilot services were launched in the summer of 2004. DLL services were expanded statewide in the spring of 2005.

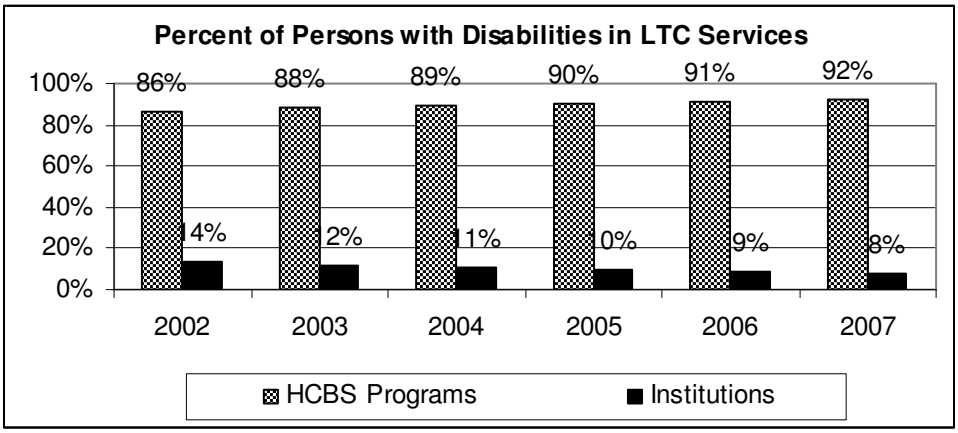
In 1995, stakeholders from the 11 counties in southeastern Minnesota (Region 10) held a meeting to discuss the service system for persons with disabilities. A priority for the stakeholders was to assure the quality of services to persons with disabilities despite whatever changes were made at the state or federal level. The stakeholders worked with state lawmakers to develop and pass legislation that allows counties to participate in an alternative QA licensing system that focuses on quality and value-based outcomes of service providers versus minimal licensing requirements. A Region 10 QA Commission, composed of members drawn from the community of stakeholders, was established to oversee the development and ongoing implementation of this QA system. Five of the eleven Region 10 counties participate in the formal alternative licensing process. Expansion activities are underway in another 18 counties throughout the state. In 1997, Region 10 QA received approval from DHS to implement an alternative set of quality assurance standards and related licensing procedures that replaces current compliance-based rules and regulations for licensed providers supporting people with developmental disabilities. As of 07-01-07, legislation granted counties permission to expand the QA system to include programs for persons with other disabilities and older adults.

Key Program Goals

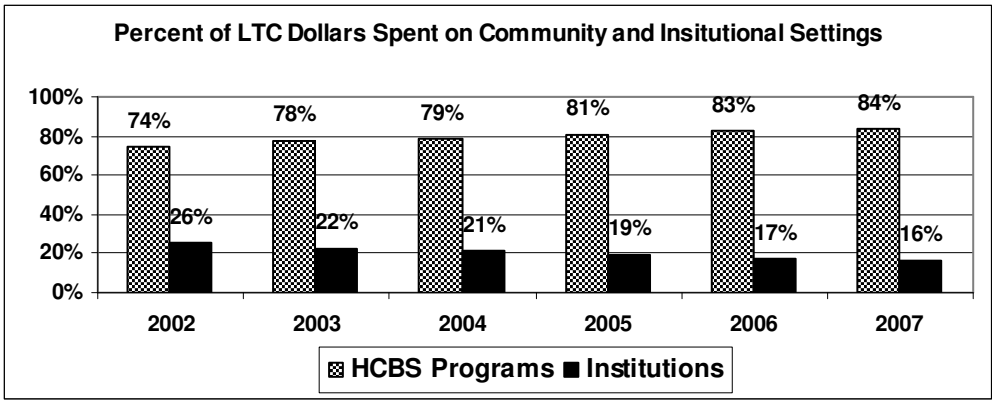
- ***The Continuing Care Administration strives to improve the dignity, health, and independence of the people it serves.*** By doing so, Minnesotans will live as independently as possible; enjoy health, with access to quality health care; have safe, affordable places to live; be contributing and valued members of their communities; and participate in rewarding daily activities, including gainful employment. This goal is derived from the Continuing Care Administration's mission and vision.
- ***Improve home and community-based services for the elderly and people with disabilities by establishing and using provider performance measures and standards.*** Effective and appropriate home and community-based services allow people with disabilities to choose to live in the community rather than in an institutional setting. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Measures

- Percentage of people with disabilities receiving publicly-funded long-term care who live in the community versus institutional settings.



Percentage of public long-term care dollars expended in community versus institutional settings for people with disabilities.



Both of these measures capture the extent to which the long-term care system is able to support people with disabilities in the community and allow them to live independently.

For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

Other Continuing Care Grants is funded with appropriations from the general fund and from federal funds.

Contact

For more information on Continuing Care Grants, contact the Disabilities Services Division, (651) 431-2400.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT

Program: CONTINUING CARE GRANTS

Activity: OTHER CONTINUING CARE GRANTS

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	17,107	12,254	12,254	12,254	24,508
Technical Adjustments					
Current Law Base Change			7,403	5,079	12,482
Forecast Base	**17,107**	**12,254**	**19,657**	**17,333**	**36,990**
Expenditures by Fund					
Direct Appropriations					
General	26,806	12,004	19,657	17,333	36,990
Statutory Appropriations					
General	0	250	0	0	0
Miscellaneous Special Revenue	1,876	4,556	1,800	1,800	3,600
Federal	6,745	6,742	4,182	3,713	7,895
Total	**35,427**	**23,552**	**25,639**	**22,846**	**48,485**
Expenditures by Category					
Other Operating Expenses	424	311	287	258	545
Payments To Individuals	6,687	6,335	6,327	5,227	11,554
Local Assistance	28,316	16,906	19,025	17,361	36,386
Total	**35,427**	**23,552**	**25,639**	**22,846**	**48,485**

Program Description

Continuing Care Management is the administrative component for the service areas funded by Continuing Care Grants. It also coordinates with Health Care Management on the Medicaid-funded Continuing Care Grant activities.

Program at a Glance

- Performs statewide human services planning and develops and implements policy
- Obtains, allocates, and manages resources, contracts, and grants
- Sets standards for services development and delivery and monitors for compliance and evaluation
- Provides technical assistance and training to county agencies and supports local innovation and quality improvement efforts
- Assures a statewide safety net capacity

Population Served

This program serves elderly Minnesotans and citizens with disabilities who need long-term care, including persons with physical and cognitive disabilities, deafness or hearing loss, emotional disturbances, mental illness, HIV/AIDS, and chemical dependency.

Services Provided

Department of Human Services (DHS) Continuing Care Grants staff administers programs and services that are used by over 350,000 Minnesotans. This work is accomplished by working with citizens, counties, legislators, grantees, other state agencies, and providers.

In addition to the normal management functions, which apply to all people served, Continuing Care Management performs unique specialized activities. Direct constituent services include:

- statewide regional service centers which help deaf, deafblind, and hard-of-hearing people access community resources and the human services system;
- the Telephone Equipment Distribution Program, which helps people with hearing loss or communication disabilities access the telephone system with specialized equipment;
- HIV/AIDS programs which help people obtain and maintain needed health care coverage, and;
- ombudsman services for older Minnesotans which assist consumers in resolving complaints and preserving access to services.

Staff assistance and administrative support are provided to a number of councils and boards including:

- The Commission Serving Deaf, Deaf/Blind and Hard of Hearing Minnesotans;
- The Minnesota Board on Aging;
- The State Advisory Council on Mental Health;
- Alcohol and Other Drug Abuse Advisory Council;
- American Indian Advisory Council on Alcohol and Other Drug Abuse;
- American Indian Advisory Council on Mental Health, and;
- Traumatic Brain Injury Service Integration Advisory Committee.

Historical Perspective

Historically, most people needing long-term care services received them in institutions. Over the years, priorities, values, and expectations changed. Today, people have more individualized and better quality options.

Staff in Continuing Care Management administer a broad array of services for this diverse population. In addition to administering ongoing operations of programs and services, some recent achievements include:

- redesigning highly specialized mental health services for individuals who have both a hearing loss and mental illness by shifting resources from institutional care under State Operated Services to a statewide technical assistance/consultation model;
- describing the demographic realities of the state's aging population and working with many constituencies to prepare responses to these profound changes;
- implementing strategies of the long-term care task force that reform Minnesota's long-term care system for the elderly, which includes administering the voluntary, planned closure of nursing facility beds and expanding use of home and community-based services through grants and other mechanisms to develop community capacity;

- implementing a range of new and expanded community-based mental health services in partnership with counties, consumers, family members, providers, and other key stakeholders to provide services closer to the person's home community;
- working with community partners in the public and private sectors through the Minnesota Mental Health Action Group to transform the mental health system to one that is accessible and responsive to consumers and guided by clear goals and outcomes;
- taking actions necessary to increase flexibility, reduce access barriers, and promote consumer choice and control with the home care and waivered services covered by Medical Assistance;
- managing cost growth in home and community based waiver programs while reducing reliance on hospital and institutional care;
- working with consumers, family members, county agencies, provider organizations, and advocates to develop community options for younger persons with disabilities who are currently residing in institutional settings;
- developing the Minnesota Senior Health Options (MSHO) and Minnesota Disability Health Options (MDHO) projects that integrate health and long-term care for elderly and younger persons with disabilities who are eligible for both Medicaid and Medicare;
- working with American Indian stakeholders to clarify desired outcomes of culturally appropriate substance abuse and mental health services;
- working with members of the Ethiopian, Oromo, Somali, and Southeast Asian communities in Minnesota to obtain federal grant funds to improve resettled refugees' access to mainstream continuing care services;
- publishing the Minnesota Nursing Home Report Card online, in collaboration with the Minnesota Department of Health, and;
- working with the Senior LinkAge Line and Disability Linkage Line staff to assist the Centers for Medicare and Medicaid with enrollment in Medicare Part D plans and solving problems for individuals who are dually eligible.

Key Program Goals

- ***Develop effective and accountable mental health and chemical health systems.*** DHS is implementing steps to support research-informed practices in chemical and mental health services, systematically monitor outcomes, and integrate chemical, mental, and physical health services.
- ***Reform long-term care options for elderly Minnesotans.*** DHS strives to increase the availability of non-institutional service options for older persons and their families. Competitive grants in this area promote evidence-based models that leverage local private funds and in-kind contributions to promote affordable services that are both dependable and sustainable.
- ***Streamline and manage home and community-based waiver services.*** DHS will provide consistent services across all home and community-based waivers through development of a common services menu and a common screening tool. The department will target use of long-term care waivered services to the highest risk clients, strengthening program and fiscal integrity of each waiver program.

More information on goals is in the Department of Human Services' *Priority Plans* http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG.

Key Program Measures

See key measures for budget activities within the Continuing Care Grants program.

For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Program Funding

Continuing Care Management is funded with appropriations from the general fund, state government special revenue fund, miscellaneous special revenue funds, lottery fund, and from federal funds.

Contact

For more information on Continuing Care Management, contact Continuing Care for Persons with Disabilities at (651) 431-2400.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).

This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

HUMAN SERVICES DEPT

Program: CONTINUING CARE MANAGEMENT

Program Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	19,387	19,699	19,699	19,699	39,398
Technical Adjustments					
Approved Transfer Between Appr			(317)	(342)	(659)
Current Law Base Change			(169)	(79)	(248)
Forecast Base	**19,387**	**19,699**	**19,213**	**19,278**	**38,491**
State Government Spec Revenue					
Current Appropriation	122	125	125	125	250
Forecast Base	**122**	**125**	**125**	**125**	**250**
Health Care Access					
Current Appropriation	293	0	0	0	0
Forecast Base	**293**	**0**	**0**	**0**	**0**
Lottery Cash Flow					
Current Appropriation	252	157	157	157	314
Forecast Base	**252**	**157**	**157**	**157**	**314**
Expenditures by Fund					
Direct Appropriations					
General	17,629	19,884	19,213	19,278	38,491
State Government Spec Revenue	126	125	125	125	250
Health Care Access	140	944	0	0	0
Lottery Cash Flow	252	157	157	157	314
Statutory Appropriations					
Miscellaneous Special Revenue	3,852	4,077	3,581	3,581	7,162
Federal	17,961	23,225	23,164	17,823	40,987
Miscellaneous Agency	191	352	250	250	500
Gift	4	23	23	23	46
Total	**40,155**	**48,787**	**46,513**	**41,237**	**87,750**
Expenditures by Category					
Total Compensation	24,450	26,136	26,534	24,025	50,559
Other Operating Expenses	15,469	22,427	19,817	17,050	36,867
Local Assistance	236	224	162	162	324
Total	**40,155**	**48,787**	**46,513**	**41,237**	**87,750**
Expenditures by Activity					
Continuing Care Management	40,155	48,787	46,513	41,237	87,750
Total	**40,155**	**48,787**	**46,513**	**41,237**	**87,750**
Full-Time Equivalents (FTE)	**338.3**	**339.4**	**339.4**	**339.4**	

Program Description

State Operated Services: State Operated Services (SOS) provides treatment and support services to persons with mental illness, acquired brain injury, chemical addiction, and developmental disabilities. Services for these individuals are provided by the department at community and campus-based programs, and residences, located throughout Minnesota.

SOS also provides treatment to those committed by the courts as mentally ill and dangerous and persons committed as developmentally disabled and who a court has determined pose a risk to public safety. These services are referred to as state operated forensic services and are located in St. Peter and Cambridge.

Minnesota Sex Offender Program: In CY 2008, the administration of the Minnesota Sex Offender Program (MSOP) was separated from State Operated Services. The MSOP provides direct care services in Moose Lake and St. Peter to individuals who have been committed by the courts as a sexual psychopathic personality or a sexually dangerous person. The MSOP is a sex offender treatment program that operates in a secure environment. Safety, security, treatment, and programming are the primary goals of the MSOP.

Budget Activities

- Mental Health Services
- Minnesota Sex Offender Program
- Enterprise Services
- Minnesota Security Hospital and the Minnesota Extended Treatment Options Program

HUMAN SERVICES DEPT

Program: STATE OPERATED SERVICES

Program Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	278,069	254,281	266,281	266,281	532,562
Technical Adjustments					
Approved Transfer Between Appr			(18,699)	(18,699)	(37,398)
Current Law Base Change			(2,329)	(2,329)	(4,658)
Forecast Base	**278,069**	**254,281**	**245,253**	**245,253**	**490,506**
Expenditures by Fund					
Direct Appropriations					
General	274,626	237,628	245,253	245,253	490,506
Statutory Appropriations					
Miscellaneous Special Revenue	11,785	20,434	18,304	18,304	36,608
Miscellaneous Agency	3,686	3,046	3,045	3,045	6,090
Gift	5	7	7	7	14
Endowment	1	2	2	2	4
Revenue Based State Oper Serv	81,587	81,605	81,605	81,605	163,210
Mn Neurorehab Hospital Brainer	17,474	13,244	12,965	12,965	25,930
Dhs Chemical Dependency Servs	21,093	23,065	22,465	22,465	44,930
Materials Distribution	0	500	500	500	1,000
Total	**410,257**	**379,531**	**384,146**	**384,146**	**768,292**
Expenditures by Category					
Total Compensation	327,555	308,472	317,896	317,896	635,792
Other Operating Expenses	76,228	65,605	60,797	60,797	121,594
Capital Outlay & Real Property	616	1,045	1,045	1,045	2,090
Payments To Individuals	5,710	4,409	4,408	4,408	8,816
Local Assistance	150	0	0	0	0
Other Financial Transactions	(2)	0	0	0	0
Total	**410,257**	**379,531**	**384,146**	**384,146**	**768,292**
Expenditures by Activity					
Mental Health	124,290	121,262	118,474	118,474	236,948
Mn Sex Offender Program	76,415	56,995	61,570	61,570	123,140
Enterprise Services	120,202	117,956	117,042	117,042	234,084
Mn Sec Hosp & Mn Ext Trmt Opt	89,350	83,318	87,060	87,060	174,120
Total	**410,257**	**379,531**	**384,146**	**384,146**	**768,292**
Full-Time Equivalents (FTE)	**4,942.8**	**4,642.7**	**4,574.6**	**4,442.6**	

Activity Description

State Operated Services' (SOS) Mental Health Services provides specialized treatment and related supports for persons with serious mental illness (SMI). These services are provided in community behavioral health hospitals (CBHHs), the Anoka-Metro Regional Treatment Center (RTC), and intensive residential treatment centers through direct outreach services to people.

Activity at a Glance

- SOS mental health services provided inpatient and residential services to approximately 3,300 people in FY 2007.
- Approximately 130,000 services were provided to persons in these programs.
- The programs ended FY 2008 with an average daily population of 245.

Population Served

Mental Health Services provides treatment to adults with serious mental illness.

Services Provided

Mental Health Services includes inpatient psychiatric services at community-based behavioral health hospitals. By serving patients as close as possible to their home communities, their natural support structures can aid and support treatment. Each patient receives an assessment of their mental, social, and physical health by a variety of medical professionals; an individual treatment plan, including medication management and 24-hour nursing care; and individualized discharge planning for transitioning back to an appropriate setting in the community. These hospitals are currently located in Bemidji, Wadena, Baxter, Alexandria, Fergus Falls, St. Peter, Rochester, Annandale, Cold Spring, Willmar, and the Anoka-Metro RTC.

Additional services are also provided in partnership with county social service agencies and mental health providers. These include:

- *Adult Rehabilitative Mental Health Services (ARMHS);*
  - ⇒ These services instruct, assist, and support individuals in such areas as relapse prevention, transportation, illness management, and life skills.
- *Assertive Community Treatment (ACT) Teams,* and;
  - ⇒ These teams which provide intensive, around-the-clock supports to persons with SMI in their homes, at work, and elsewhere in the community. Multidisciplinary treatment teams help stabilize an individual, allowing the individual to avoid entering a treatment facility.
- *Crisis Response.*
  - ⇒ This service provides mobile crisis teams to short-term crisis stabilization beds to assist those individuals experiencing a crisis and requiring specialized treatment.

Historical Perspective

Minnesota's policy for serving people with disabilities has emphasized a broad array of community-based treatment and support options enabling people to access the most appropriate care as close to their home community and natural support system as possible. This policy direction has resulted in the reduction in the care provided in large institutions and creation of CBHHs. Other services developed in the community include ARMHS, ACT, and Crisis Response services.

Key Program Goals

- ***Develop effective and accountable mental health and chemical health systems.*** Mental Health Services programs operated by DHS help to ensure the health of Minnesotans and to ensure that our communities will be safe. Providing services through community-based alternatives, such as ARMHS, ACT, Crisis Response, and CBHHs, ensures that services are focused on clients. These services are part of an effective and accountable mental health system. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Measures

- ***Percentage of patients readmitted to CBHHs compared with the national average.*** This measure is under development. It will provide an indication of the community-based service system's ability to support adults with serious mental illness in independent community settings.
- ***Average length of stay for adults with serious mental illness (SMI) in an acute care or intensive residential treatment setting.*** *This measure is under development.* The average length of stay will provide an indication of the community-based service system's ability to support adults with SMI in independent community living.

For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

This activity is funded by appropriations from the General Fund.

Contact

For more information on State Operated Services, contact SOS Support, (651) 431-3676.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: STATE OPERATED SERVICES
Activity: MENTAL HEALTH

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	115,960	119,207	119,207	119,207	238,414
Technical Adjustments					
Approved Transfer Between Appr			(18,699)	(18,699)	(37,398)
Forecast Base	**115,960**	**119,207**	**100,508**	**100,508**	**201,016**
Expenditures by Fund					
Direct Appropriations					
General	113,292	101,522	100,508	100,508	201,016
Statutory Appropriations					
Miscellaneous Special Revenue	10,609	19,419	17,646	17,646	35,292
Miscellaneous Agency	389	321	320	320	640
Total	**124,290**	**121,262**	**118,474**	**118,474**	**236,948**
Expenditures by Category					
Total Compensation	108,174	107,576	106,112	106,112	212,224
Other Operating Expenses	15,135	12,722	11,399	11,399	22,798
Capital Outlay & Real Property	394	525	525	525	1,050
Payments To Individuals	440	439	438	438	876
Local Assistance	150	0	0	0	0
Other Financial Transactions	(3)	0	0	0	0
Total	**124,290**	**121,262**	**118,474**	**118,474**	**236,948**
Full-Time Equivalents (FTE)	**1,418.4**	**1,282.4**	**1,239.9**	**1,204.0**	

Activity Description

Separated from the administration of State Operated Services in CY 2008, the Minnesota Sex Offender Program (MSOP) operates independently and continues to provide specialized treatment in a secure treatment setting for individuals committed by the courts as either a sexual psychopathic personality (SPP) or a sexually dangerous person (SDP).

Activity at a Glance

- During FY 2008, MSOP provided services to 573 individuals who were on a court hold order or committed to the program for care and treatment.
- At the end of FY 2008, the Minnesota Sex Offender Program had a census of 483.

Population Served

The MSOP serves persons who have been committed as SPP or SDP. The majority of persons committed to this program have been referred by the Department of Corrections (DOC), upon completion of their criminal sentences, to individual counties for consideration of civil commitment.

Services Provided

Once individuals are civilly committed, they receive intensive inpatient sex offender treatment. The philosophy of treatment is based on cognitive-behavioral techniques and includes strategies to prevent individual sex offenders from relapsing. Group therapy is the main form of treatment. Within the MSOP, populations are subdivided by level of functioning, willingness to participate in treatment, and avoidance of criminal-type activity. This is to encourage individuals to participate in treatment and segregate others who are hindering progress.

MSOP services are in the process of being transitioned gradually from the St. Peter campus to Moose Lake. The majority of this population will be transitioned to the new modified "K" building on the MSOP-Moose Lake campus once construction is completed in the spring of 2009. Specialized units will continue to operate on the St. Peter campus until construction is completed.

Historical Perspective

Over the past several years, the MSOP has experienced significant population growth, undergone extensive modifications in the treatment program, and transitioned to a new administration. Efforts continue to enhance treatment methods and security and to create operational efficiencies to assure that cost effective services are provided.

Key Program Goals

⇒ ***Our communities will be safe, friendly, and caring.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).

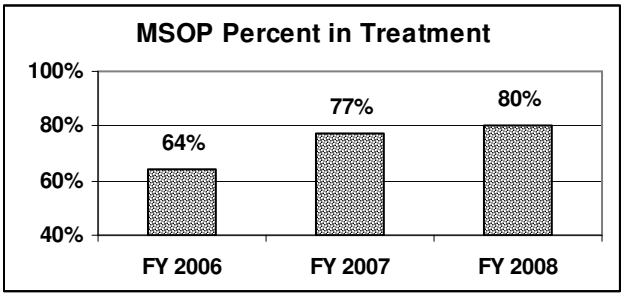
⇒ ***Develop effective and accountable mental health and chemical health systems.*** This goal is from the Department of Human Services' *Priority Plans (*http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

MSOP has a variety of program objectives associated with enhancing the security and safety of the public, staff, and the patients while providing treatment and programming for patients.

Key Measures

- ***Percentage of MSOP population in work service.*** Sex offender treatment involves work services, education, recreation, and treatment. Work service is a critical part of the sex offender treatment program and is one of four components in the MSOP program (work, education, recreation, and treatment).

- ***Percentage of MSOP population participating in sex offender treatment.***



For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

The MSOP is funded by appropriations from the general fund.

Contact

For more information on MSOP, contact the MSOP Chief Executive Office, (651) 431-2148.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

HUMAN SERVICES DEPT
Program: STATE OPERATED SERVICES
Activity: MN SEX OFFENDER PROGRAM

Budget Activity Summary

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	75,614	54,569	62,569	62,569	125,138
Technical Adjustments					
Current Law Base Change			(2,329)	(2,329)	(4,658)
Forecast Base	**75,614**	**54,569**	**60,240**	**60,240**	**120,480**
Expenditures by Fund					
Direct Appropriations					
General	74,993	55,465	60,240	60,240	120,480
Statutory Appropriations					
Miscellaneous Special Revenue	252	200	0	0	0
Miscellaneous Agency	1,170	830	830	830	1,660
Materials Distribution	0	500	500	500	1,000
Total	**76,415**	**56,995**	**61,570**	**61,570**	**123,140**
Expenditures by Category					
Total Compensation	53,933	38,858	45,882	45,882	91,764
Other Operating Expenses	21,314	17,487	15,038	15,038	30,076
Capital Outlay & Real Property	0	450	450	450	900
Payments To Individuals	1,168	200	200	200	400
Total	**76,415**	**56,995**	**61,570**	**61,570**	**123,140**
Full-Time Equivalents (FTE)	**891.3**	**770.0**	**819.5**	**795.9**	

Activity Description

State Operated Services' (SOS) Enterprise Services operate in the marketplace with other providers, funded solely through revenues collected from third-party payment sources. As such, these services do not rely on a state appropriation for funding. Services focus on providing treatment and residential care for adults and children with chemical dependency, acquired brain injury, behavioral health issues, and developmental disabilities.

Activity at a Glance

In FY 2008:

- Provided treatment to 2,650 persons with chemical dependency;
- Provided services to 160 clients with acquired brain injuries;
- Provided treatment to 300 children and adolescents with emotional disturbances;
- Provided services to 850 people in community residential sites or through the use of assistive technologies; and
- Provided day treatment and habilitation to 850 people with developmental disabilities.

Population Served

Enterprise Services programs serve:

- people with chemical abuse or dependency problems;
- people with acquired brain injuries;
- children and adolescents with severe emotional disturbances, and;
- people who are developmentally disabled (DD).

Services Provided

Enterprise Services includes a variety of programs:

- Chemical Addiction Recovery Enterprise (C.A.R.E.) programs provide inpatient and outpatient treatment to persons with chemical dependency and substance abuse problems. Programs are operated in Anoka, Brainerd, Carlton, Fergus Falls, St. Peter, and Willmar.
- The Minnesota Neurorehabilitation Services (MNS), located at Brainerd, provides outreach and intensive rehabilitation services to people with acquired brain injury who have challenging behaviors. The MNS program serves the entire state of Minnesota.
- Child and Adolescent Behavioral Health Services (CABHS) provide an array of services ranging from in-home crisis intervention to hospital level of care. CABHS does this with its own staff and by partnering with other caregivers and contracting with private providers. This is a statewide program providing hospital-level care in Willmar.
- SOS community-based residential services for people with disabilities typically are provided in four-bed group homes. Individual service agreements are negotiated with the counties for each client based on his/her needs. Clients take advantage of and are integrated into the daily flow of their community.
- Day Training and Habilitation (DT&H) programs provide vocational support services to people with disabilities and include evaluation, training, and supported employment. Individual service agreements are negotiated for each client.

Historical Perspective

Changes in the funding structure for chemical dependency treatment moved SOS chemical dependency programs into enterprise services in 1988. In 1999, the legislature adopted statutory language that allowed SOS to establish other enterprise services. These services are defined as the range of services, which are delivered by state employees, needed by people with disabilities, and are fully funded by public or private third-party health insurance or other revenue sources. SOS specializes in providing these services to vulnerable people for whom no other providers are available or for whom SOS may be the provider selected by the payer. As such, these services fill a need in the continuum of services for vulnerable people with disabilities by providing services not otherwise available.

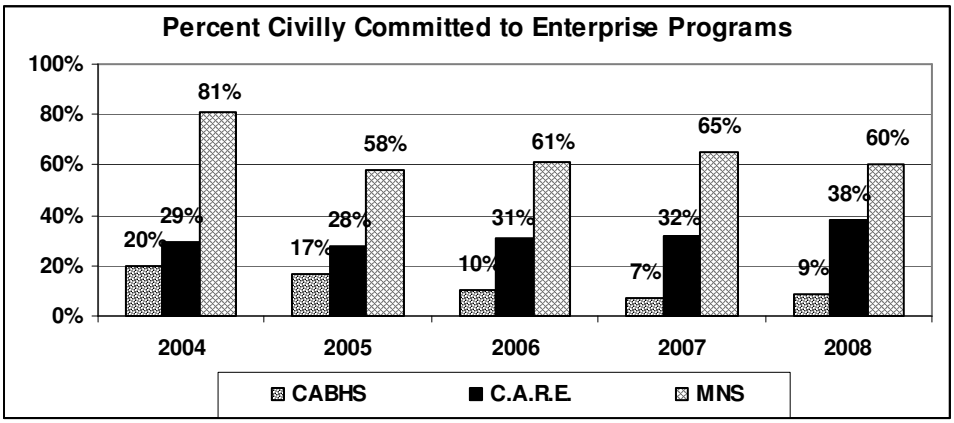
Key Program Goals

- ***Our communities will be safe, friendly, and caring.*** This goal is from *Minnesota Milestones* (http://server.admin.state.mn.us/mm/goal.html).
- ***Develop effective and accountable mental health and chemical health systems.*** This goal is from the Department of Human Services' *Priority Plans (*http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Enterprise Services, operated by the Department of Human Services, help to ensure the health of Minnesotans and to ensure that our communities will be safe. These services are focused on providing high quality client care.

Key Measures

- ***Percent of people civilly committed to enterprise programs versus those who voluntarily received services in these programs.*** Enterprise services were developed to meet the needs of underserved areas of the state and/or populations that other community providers have refused to serve. This measure will indicate the number of individuals who could have been served by community providers if there were willing providers available.



"CABHS" is Child and Adolescent Behavioral Health Services.
"C.A.R.E." is Chemical Addiction Recovery Enterprise.
"MNS" is Minnesota Neurorehabilitation Services.
Note: C.A.R.E. data are on adult inpatients only.

More information on DHS performance measures, see: www.departmentresults.state.mn.us/hs/index.html.

Activity Funding

Enterprise Services operates without a state appropriation and is supported solely through collections from third party payment sources including:

- commercial and private insurance;
- publicly funded payers (such as counties, Medical Assistance, Medicare, or the Consolidated Chemical Dependency Treatment Fund), and;
- individual or self-pay.

Contact

For more information on Enterprise Services contact SOS Support, (651) 431-3676.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Expenditures by Fund					
Statutory Appropriations					
Miscellaneous Special Revenue	45	35	0	0	0
Gift	3	7	7	7	14
Revenue Based State Oper Serv	81,587	81,605	81,605	81,605	163,210
Mn Neurorehab Hospital Brainer	17,474	13,244	12,965	12,965	25,930
Dhs Chemical Dependency Servs	21,093	23,065	22,465	22,465	44,930
Total	**120,202**	**117,956**	**117,042**	**117,042**	**234,084**
Expenditures by Category					
Total Compensation	94,906	95,894	95,894	95,894	191,788
Other Operating Expenses	24,320	20,973	20,059	20,059	40,118
Capital Outlay & Real Property	32	70	70	70	140
Payments To Individuals	943	1,019	1,019	1,019	2,038
Other Financial Transactions	1	0	0	0	0
Total	**120,202**	**117,956**	**117,042**	**117,042**	**234,084**
Full-Time Equivalents (FTE)	**1,619.9**	**1,609.3**	**1,562.6**	**1,517.5**	

Activity Description

The Minnesota Security Hospital (MSH), the Minnesota Extended Treatment Options (METO) program, and the Forensics Nursing Facility (FNF) are operated by State Operated Services (SOS). These programs provide specialized treatment and related supports for persons committed by the courts.

Activity at a Glance

In 2008:

- MSH programs provided services to 314 individuals.
- MSH ended FY 2008 with a census of 245, with an additional 76 individuals in the Transition Program.
- The FNF served 22 people.
- The METO program provided services to 230 individuals, ending the fiscal year with a census of 41.

Population Served

This budget activity serves:

- persons who are committed as mentally ill and dangerous (MI&D);
- people who have been committed as MI&D, sexual psychopathic personality (SPP), a sexually dangerous person (SDP), and those on medical release from the Minnesota Department of Corrections (DOC), who are in need of nursing home level of care;
- persons who are committed as developmentally disabled who *may* pose a public safety risk, and;
- persons who have received a court-ordered evaluation of their competency, or court-ordered treatment to restore competency prior to standing trial for an offense.

Services Provided

Services for those committed by the courts as MI&D are provided at the Minnesota Security Hospital (MSH) in St. Peter. The MSH is a secure treatment facility that provides multi-disciplinary treatment serving adults and adolescents from throughout the state, who are admitted pursuant to judicial or other lawful orders, for assessment and/or treatment of acute and chronic major mental disorders. MSH also provides comprehensive, court-ordered forensic evaluations; including competency to stand trial and pre-sentence mental health evaluations. The MSH operates a transition program that provides a supervised residential setting offering social rehabilitation treatment to increase self-sufficiency and build the skills necessary for a safe return to the community. In addition, the MSH operates a forensic nursing facility which provides services to those individuals who are in need of nursing home level of care and are committed as MI&D, SPP, SDP, or those on medical release from the DOC.

Services for individuals committed as DD who may pose a public safety risk are provided at the METO program in Cambridge. METO provides specialized services for adults from across the state with the focus of treatment on changing client behavior and identifying necessary supports that will permit them to return safely to the community. In addition, staff provide technical assistance, provider training and education, and crisis intervention services for these clients.

Historical Perspective

Over the past several years, the services provided by the MSH and METO have seen significant population growth. Efforts are underway to enhance treatment methods and security, to create operational efficiencies, and to ensure that cost effective services are provided.

Key Program Goals

- ***Develop effective and accountable mental health and chemical health systems.*** The services provided by MSH, the FNF, and METO help ensure the health of Minnesotans and that our communities will be safe. These services are part of an effective and accountable mental health system. This goal is from the Department of Human Services' *Priority Plans* (http://edocs.dhs.state.mn.us/lfserver/Legacy/DHS-4694-ENG).

Key Measures

- ***Percent of patients who are qualified for community-based treatment and supervision and are receiving community-based treatment and supervision.*** SOS continues to develop community-based treatment options for patients who no longer need the level of security and supervision in the MSH and METO programs. This measure is under development.

For more information on DHS performance measures, see: http://departmentresults.state.mn.us/hs/index.html.

Activity Funding

The MSH and the METO programs are funded by appropriations from the general fund.

Contact

For more information on SOS Services contact SOS Support, (651) 431-3676.

Information on DHS programs is on the department's website: http://www.dhs.state.mn.us.

Dollars in Thousands

	Current		Forecast Base		Biennium
	FY2008	FY2009	FY2010	FY2011	2010-11
Direct Appropriations by Fund					
General					
Current Appropriation	86,495	80,505	84,505	84,505	169,010
Forecast Base	**86,495**	**80,505**	**84,505**	**84,505**	**169,010**
Expenditures by Fund					
Direct Appropriations					
General	86,341	80,641	84,505	84,505	169,010
Statutory Appropriations					
Miscellaneous Special Revenue	879	780	658	658	1,316
Miscellaneous Agency	2,127	1,895	1,895	1,895	3,790
Gift	2	0	0	0	0
Endowment	1	2	2	2	4
Total	**89,350**	**83,318**	**87,060**	**87,060**	**174,120**
Expenditures by Category					
Total Compensation	70,542	66,144	70,008	70,008	140,016
Other Operating Expenses	15,459	14,423	14,301	14,301	28,602
Capital Outlay & Real Property	190	0	0	0	0
Payments To Individuals	3,159	2,751	2,751	2,751	5,502
Total	**89,350**	**83,318**	**87,060**	**87,060**	**174,120**
Full-Time Equivalents (FTE)	**1,013.2**	**981.0**	**952.6**	**925.2**	

Dollars in Thousands

	Actual FY2008	Budgeted FY2009	Current Law FY2010	Current Law FY2011	Biennium 2010-11
Non Dedicated Revenue:					
Departmental Earnings:					
General	64,824	58,460	61,430	61,400	122,830
Grants:					
General	3,224	3,000	3,000	3,000	6,000
Other Revenues:					
General	111,460	118,228	114,129	113,579	227,708
Health Care Access	6,141	7,341	6,374	6,374	12,748
Taxes:					
General	214,999	214,989	223,742	226,603	450,345
Total Non-Dedicated Receipts	**400,648**	**402,018**	**408,675**	**410,956**	**819,631**
Dedicated Receipts:					
Departmental Earnings (Inter-Agency):					
Miscellaneous Special Revenue	5,459	4,987	4,987	4,987	9,974
Departmental Earnings:					
General	4,265	4,440	4,648	4,856	9,504
Health Care Access	19,356	19,171	23,361	29,701	53,062
Miscellaneous Special Revenue	13,165	21,215	21,628	21,628	43,256
Federal	16,929	22,062	22,465	22,465	44,930
Revenue Based State Oper Serv	81,448	82,114	82,114	82,114	164,228
Mn Neurorehab Hospital Brainer	16,131	12,995	12,995	12,995	25,990
Dhs Chemical Dependency Servs	19,639	22,795	22,795	22,795	45,590
Materials Distribution	0	500	500	500	1,000
Grants:					
General	48,657	42,015	36,318	35,145	71,463
Miscellaneous Special Revenue	113,561	104,324	41,445	44,359	85,804
Federal	4,278,068	4,865,089	5,089,773	5,544,146	10,633,919
Other Revenues:					
General	34,455	37,343	40,964	41,888	82,852
Health Care Access	29	0	0	0	0
Miscellaneous Special Revenue	110,212	116,237	106,945	109,548	216,493
Federal	29,946	29,687	29,687	29,687	59,374
Miscellaneous Agency	659,836	662,848	662,349	662,349	1,324,698
Gift	27	30	31	36	67
Endowment	3	2	2	2	4
Revenue Based State Oper Serv	1,056	1,186	1,186	1,186	2,372
Mn Neurorehab Hospital Brainer	141	110	110	110	220
Dhs Chemical Dependency Servs	117	150	150	150	300
Other Sources:					
Miscellaneous Agency	3,332	181,942	181,942	181,942	363,884
Total Dedicated Receipts	**5,455,832**	**6,231,242**	**6,386,395**	**6,852,589**	**13,238,984**
Agency Total Revenue	**5,856,480**	**6,633,260**	**6,795,070**	**7,263,545**	**14,058,615**