2014-15 human services budget reinvests in Minnesotans

The 2014-15 state budget makes fundamental reforms to human services, reinvesting resources to improve the lives of Minnesotans. Initiatives proposed by Gov. Mark Dayton and approved by the Legislature provide health care to more Minnesotans, promote independence for people with disabilities and seniors, increase safety and wellness for children, and maximize the value of every tax dollar spent. Budget and related legislative changes are centered on six initiatives:

Affordable Care Act implementation
Changes approved this session leverage federal health reform to build on the best of Minnesota’s publicly funded health care system, creating a streamlined program that will serve as the next generation of MinnesotaCare. All told, the changes would provide health coverage to an additional 235,000 Minnesotans for a relatively small additional cost to the state. ($73.91 million in net state investment)

Reform 2020
An array of changes made this legislative session advance this comprehensive restructuring of the long-term care system for the elderly and people with disabilities. These changes are designed to expand consumer choice as well as consumer protections, improve outcomes, and meet the challenges of rising health care costs with a growing aging population. ($31.59 million initial net savings in FY 2014-15)

Safe and healthy development of children
The budget funds strategies proven to work for children, including a $19 million investment to increase access to quality child care for children with high needs, supporting permanent homes through a program called Northstar Care for Children, doubling access to school-based mental health services, and expanding the successful Parent Support Outreach Program statewide. ($52.91 million investments)

Behavioral health continuum of care
This initiative addresses gaps in the behavioral health continuum of care, especially for children and adults with complex needs. It shifts emphasis from an acute care model to one that emphasizes public health approaches and chronic disability management. This includes prevention, early intervention and care coordination. ($1.78 million net savings after redirecting $12.1 million to new investments)

Transition to the community
These changes will help more Minnesotans with serious mental illnesses move from Anoka-Metro Regional Treatment Center and the Minnesota Security Hospital to community settings. This includes new incentives for counties to support community placements as well as new community-based supports that will help people be successful. ($4.0 million redirected plus $8.21 new investment)

Program integrity
Changes will expand the department’s capacity to prevent and combat fraud by increasing resources devoted to program integrity for Medical Assistance and the Child Care Assistance Program, as well as the internal audits office. This work builds on creation of the Office of Inspector General and efforts of the Compliance Office to ensure the public can have confidence in the management of DHS programs. ($1.78 million in net state investment)

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Other key changes

- **Smart health purchasing**, including placing limits on allowable administrative expenditures managed care organizations can allocate to public health care programs.
- **Paying for quality**, including incentives for improving nursing homes, home and community-based services and for child care (as rated by the Parent Aware system).
- **Infrastructure improvements**, including development of a county performance management system, and invest in modernization of our computer systems to better serve clients.
- **Disparities reduction**, including a number of investments that help reduce disparities in outcomes among clients of diverse racial backgrounds, such as increased access to higher quality child care and mental health services to enhance capacity to deliver services.
- **Generation of additional revenues** through changes to provider surcharges.

Related information:

- Omnibus Health and Human Services bill: [https://www.revisor.mn.gov/laws/?id=108&doctype=Chapter&type=0&year=2013](https://www.revisor.mn.gov/laws/?id=108&doctype=Chapter&type=0&year=2013)
- DHS fact sheet page: [http://mn.gov/dhs/media/fact-sheets/index.jsp](http://mn.gov/dhs/media/fact-sheets/index.jsp)

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