# Department of Human Services

## Impacts of the 2017 Omnibus Health and Human Services Proposals

<table>
<thead>
<tr>
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<th>Governor</th>
<th>Legislature</th>
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<tbody>
<tr>
<td><strong>OVERALL FUNDING</strong></td>
<td>Governor Dayton’s proposed budget includes a $311 million increase in all funds spending to DHS to make key reforms and continue the current level of services.</td>
<td>The Legislature makes a $540 million reduction in all funds spending to human services.</td>
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<td><strong>CORE FUNCTIONS</strong></td>
<td>The Governor’s budget includes a $45.1 million operating adjustment to ensure essential services continue to be provided to more than 1 million Minnesotans. Without these funds there will be a reduction in 300 full-time equivalent positions including 210 caring for 12,000 vulnerable people in Direct Care and Treatment.</td>
<td>The Legislature has no funding for an operating adjustment. The Legislature includes a $19.7 million (8.5 percent) reduction for DHS central office.</td>
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<td><strong>DIRECT CARE AND TREATMENT</strong></td>
<td>The Governor proposes $22.8 million to bring staffing levels at the Minnesota Security Hospital into line with national standards and an additional $70.2 million in bonding to replace unsafe facilities. The Governor also calls for $10.3 million to stabilize Minnesota State Operated Community Services (MSOCS) which serves 400 Minnesotans with developmental disabilities in 120 homes across the state.</td>
<td>The Legislature has no funding for the Security Hospital staffing levels and the MSOCS stabilization. The Senate has $57.6 million in bonding for the security hospital, while the House has no funding.</td>
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<td><strong>CHILD CARE</strong></td>
<td>The Governor’s budget invests $57.9 million to help 16,000 families and 30,000 children in the state’s Child Care Assistance Program and many of the 4,110 child care providers who serve them. It increases rates paid to providers, to help them stay in business and help parents find affordable, quality care. The Governor’s budget also brings the program integrity and licensing standards into line with federal requirements, including annual inspections of child care centers.</td>
<td>The Legislature provides $2.2 million for the At-Home Infant Child Care Program. The Legislature includes the program integrity but has no funding for annual inspections and licensing standards.</td>
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## CHILD WELFARE

The Governor proposes **$19.7 million** to improve child protection and foster care and help children who cannot return to their families find permanent homes more quickly, including 300 children under age 6. The Governor also proposes to provide full foster care benefits for children under 6. More than 30,000 children are reported to the child protection system annually; more than 13,000 are in foster care and other out-of-home care.

The Legislature has **no funding** for these proposals.

## SYSTEMS MODERNIZATION

The Governor’s budget includes a **$9 million investment** to update IT systems used to support the administration and delivery of critical human services programs; some of these systems are more than 20 years old.

The Legislature includes **no funding** for systems modernization. The House **eliminates $20 million** in state funding for health care program eligibility systems which results in an additional **$14 million loss** in federal funds.

## DISABILITIES SERVICES

The Governor’s budget includes reforms and important federal compliance changes to **home and community based services** to help people with disabilities live and work more independently.

The Governor also includes **$48.35 million investment** for a self-directed workforce initiative to begin to address the shortage of personal care assistants across the state.

The Governor proposes to **increase staffing for licensing and maltreatment investigations** for home and community based service providers.

The Legislature funds some but not all of **home and community base services** reforms. The Legislature also includes changes to **elderly waiver services** and **disability waiver rate setting** that are largely realized only in the next biennium.

The Legislature only includes the **complex care funding** for personal care assistants. They also make a 50 percent reduction in funding (**loss of $61.5 million**) for MnCHOICES, the assessment and service authorization process for people with disabilities.

The Legislature has **no funding** for this proposal.

## HEALTH CARE

The Governor proposes a MinnesotaCare option for the individual market, a **$12.9 million one-time investment** that would provide coverage for an estimated 100,000 additional Minnesotans.

The Legislature has **no funding** for this proposal.
The Governor also proposes a **5 percent rate increase** for preventive medical care and outpatient mental health services.

The Governor proposes to reduce costs and increase quality through expanding **integrated health partnerships**.

The Governor includes **federal compliance** provisions related to managed care, access, and pharmacy.

The Legislature has **no funding** for this proposal.

The Legislature includes an expansion of **integrated health partnerships**.

The Legislature only addresses **federal compliance** related to pharmacy.

### DENTAL CARE

The Governor proposes a **54 percent increase** in reimbursement rates for dental services to MinnesotaCare and Medicaid enrollees, increasing dental access for nearly 1.1 million people. This change is part of a reform package which has a net **savings of $4.8 million**.

The Legislature has **no funding** to improve dental services other than a time-limited grant program.

### MENTAL HEALTH

The Governor proposes redesign of intensive mental health services for children, a **$6.7 million** investment, to address a serious gap in services and reinvests in the county adult mental health infrastructure, a **$5.9 million** investment.

The Legislature funds the redesign of intensive mental health services for children at the same level.

The Legislature also invests an additional **$4.2 million** in school-linked children’s mental health grants and **$1.5 million** in grants to address first episode psychosis. The Legislature invests **$1.2 million** in children’s mental health collaboratives.

The Legislature includes about **$4 million** in “Mental Health Innovation Grants” and makes an additional one-time investment of **$6 million** in a variety of services.

### SUBSTANCE USE DISORDER TREATMENT

The Governor’s budget proposes reforms to substance use disorder treatment that streamline access to treatment and expand the continuum of care. These changes have a net **savings of $569,000**.

The Legislature funds the Governor’s proposed reforms to substance use disorder treatment at the same level.