

**SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION**

S.F. No. 5282

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DATE
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13338 Introduction and first reading
Referred to Human Services

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to direct care and treatment; modifying the eligible recipients and funding
1.3 for mental health innovation programs; removing county responsibility for the
1.4 cost of care for a client awaiting transfer to another state-operated facility or
1.5 program or facility operated by the Department of Corrections; appropriating
1.6 money for direct care and treatment capacity and utilization; amending Minnesota
1.7 Statutes 2022, sections 245.4662; 246.18, subdivision 4a; 246.54, subdivision 3;
1.8 Minnesota Statutes 2023 Supplement, section 246.54, subdivisions 1a, 1b.

1.9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.10 Section 1. Minnesota Statutes 2022, section 245.4662, is amended to read:

1.11 **245.4662 MENTAL HEALTH INNOVATION GRANT PROGRAM.**

1.12 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
1.13 the meanings given them.

1.14 (b) "Community partnership" means a project involving the collaboration of two or more
1.15 ~~eligible applicants~~ counties or a partnership between a county and a community mental
1.16 health provider or hospital.

1.17 (c) "Eligible applicant" means an eligible county, ~~Indian tribe, mental health service~~
1.18 ~~provider, hospital,~~ or community partnership. Eligible applicant does not include a
1.19 state-operated direct care and treatment facility or program under chapter 246.

1.20 (d) "Intensive residential treatment services" has the meaning given in section 256B.0622.

1.21 (e) "Metropolitan area" means the seven-county metropolitan area, as defined in section
1.22 473.121, subdivision 2.

2.1 Subd. 2. **Grants authorized.** The commissioner of human services shall, in consultation
2.2 with stakeholders, award grants to eligible applicants to plan, establish, or operate programs
2.3 to improve accessibility and quality of community-based, outpatient mental health services
2.4 and reduce the number of clients admitted to ~~regional treatment centers and community~~
2.5 ~~behavioral health hospitals~~ and remaining in state-operated facilities or programs. The
2.6 commissioner shall award half of all grant funds to eligible applicants in the metropolitan
2.7 area and half of all grant funds to eligible applicants outside the metropolitan area. An
2.8 applicant may apply for and the commissioner may award grants for two-year periods. The
2.9 commissioner may reallocate underspending among grantees within the same grant period.
2.10 The mental health innovation account is established under section 246.18 for ongoing
2.11 funding.

2.12 Subd. 3. **Allocation of grants.** (a) An application must be on a form and contain
2.13 information as specified by the commissioner but at a minimum must contain:

2.14 (1) a description of the purpose or project for which grant funds will be used;

2.15 (2) a description of the specific problem the grant funds will address;

2.16 ~~(3) a letter of support from the local mental health authority;~~

2.17 ~~(4)~~ (3) a description of achievable objectives, a work plan, and a timeline for
2.18 implementation and completion of processes or projects enabled by the grant; and

2.19 ~~(5)~~ (4) a process for documenting and evaluating results of the grant.

2.20 (b) The commissioner shall review each application to determine whether the application
2.21 is complete and whether the applicant and the project are eligible for a grant. In evaluating
2.22 applications according to paragraph (c), the commissioner shall establish criteria including,
2.23 but not limited to: the eligibility of the project; the applicant's thoroughness and clarity in
2.24 describing the problem grant funds are intended to address; a description of the applicant's
2.25 proposed project; a description of the population demographics and service area of the
2.26 proposed project; the manner in which the applicant will demonstrate the effectiveness of
2.27 any projects undertaken; the proposed project's longevity and demonstrated financial
2.28 sustainability after the initial grant period; and evidence of efficiencies and effectiveness
2.29 gained through collaborative efforts. The commissioner may also consider other relevant
2.30 factors. In evaluating applications, the commissioner may request additional information
2.31 regarding a proposed project, including information on project cost. An applicant's failure
2.32 to provide the information requested disqualifies an applicant. The commissioner shall
2.33 determine the number of grants awarded.

3.1 (c) Eligible applicants may receive grants under this section for purposes including, but
3.2 not limited to, the following:

3.3 (1) intensive residential treatment services providing time-limited mental health services
3.4 in a residential setting;

3.5 (2) the creation of stand-alone urgent care centers for mental health and psychiatric
3.6 consultation services, crisis residential services, or collaboration between crisis teams and
3.7 critical access hospitals;

3.8 (3) establishing new community mental health services or expanding the capacity of
3.9 existing services, including supportive housing; and

3.10 (4) other innovative projects that improve options for mental health services in community
3.11 settings and reduce the number of clients who remain in ~~regional treatment centers and~~
3.12 ~~community behavioral health hospitals~~ state-operated facilities or programs beyond when
3.13 discharge is determined to be clinically appropriate.

3.14 Sec. 2. Minnesota Statutes 2022, section 246.18, subdivision 4a, is amended to read:

3.15 Subd. 4a. **Mental health innovation account.** The mental health innovation account is
3.16 established in the special revenue fund. ~~Beginning in fiscal year 2018, \$1,000,000 of~~ The
3.17 revenue generated by collection efforts from the Anoka-Metro Regional Treatment Center
3.18 and community behavioral health hospitals under section 246.54 must annually be deposited
3.19 into the mental health innovation account. Money deposited in the mental health innovation
3.20 account is appropriated to the commissioner of human services for the mental health
3.21 innovation grant program under section 245.4662.

3.22 Sec. 3. Minnesota Statutes 2023 Supplement, section 246.54, subdivision 1a, is amended
3.23 to read:

3.24 Subd. 1a. **Anoka-Metro Regional Treatment Center.** (a) A county's payment of the
3.25 cost of care provided at Anoka-Metro Regional Treatment Center shall be according to the
3.26 following schedule:

3.27 (1) zero percent for the first 30 days;

3.28 (2) 20 percent for days 31 and over if the stay is determined to be clinically appropriate
3.29 for the client; and

3.30 (3) 100 percent for each day during the stay, including the day of admission, when the
3.31 facility determines that it is clinically appropriate for the client to be discharged.

4.1 (b) If payments received by the state under sections 246.50 to 246.53 exceed 80 percent
 4.2 of the cost of care for days over 31 for clients who meet the criteria in paragraph (a), clause
 4.3 (2), the county shall be responsible for paying the state only the remaining amount. The
 4.4 county shall not be entitled to reimbursement from the client, the client's estate, or from the
 4.5 client's relatives, except as provided in section 246.53.

4.6 ~~(e) Between July 1, 2023, and June 30, 2025, the county is not responsible for the cost~~
 4.7 ~~of care under paragraph (a), clause (3), for a person who is committed as a person who has~~
 4.8 ~~a mental illness and is dangerous to the public under section 253B.18 and who is awaiting~~
 4.9 ~~transfer to another state-operated facility or program. This paragraph expires June 30, 2025.~~

4.10 ~~(d)~~ (c) Notwithstanding any law to the contrary, the client is not responsible for payment
 4.11 of the cost of care under this subdivision.

4.12 (d) The county is not responsible for the cost of care under paragraph (a), clause (3), if
 4.13 the client is civilly committed and is awaiting transfer to another state-operated facility or
 4.14 program or facility operated by the Department of Corrections.

4.15 Sec. 4. Minnesota Statutes 2023 Supplement, section 246.54, subdivision 1b, is amended
 4.16 to read:

4.17 Subd. 1b. **Community behavioral health hospitals.** (a) A county's payment of the cost
 4.18 of care provided at state-operated community-based behavioral health hospitals for adults
 4.19 and children shall be according to the following schedule:

4.20 (1) 100 percent for each day during the stay, including the day of admission, when the
 4.21 facility determines that it is clinically appropriate for the client to be discharged; and

4.22 (2) the county shall not be entitled to reimbursement from the client, the client's estate,
 4.23 or from the client's relatives, except as provided in section 246.53.

4.24 ~~(b) Between July 1, 2023, and June 30, 2025, the county is not responsible for the cost~~
 4.25 ~~of care under paragraph (a), clause (1), for a person committed as a person who has a mental~~
 4.26 ~~illness and is dangerous to the public under section 253B.18 and who is awaiting transfer~~
 4.27 ~~to another state-operated facility or program. This paragraph expires June 30, 2025.~~

4.28 ~~(e)~~ (b) Notwithstanding any law to the contrary, the client is not responsible for payment
 4.29 of the cost of care under this subdivision.

4.30 (c) The county is not responsible for the cost of care under paragraph (a), clause (1), if
 4.31 the client is civilly committed and is awaiting transfer to another state-operated facility or
 4.32 program or facility operated by the Department of Corrections.

5.1 Sec. 5. Minnesota Statutes 2022, section 246.54, subdivision 3, is amended to read:

5.2 Subd. 3. **Administrative review of county liability for cost of care.** (a) The county of
5.3 financial responsibility may submit a written request for administrative review by the
5.4 commissioner of the county's payment of the cost of care when a delay in discharge of a
5.5 client from a regional treatment center, state-operated community-based behavioral health
5.6 hospital, or other state-operated facility results from the following actions ~~by the facility or~~
5.7 circumstances:

5.8 (1) the facility did not provide notice to the county that the facility has determined that
5.9 it is clinically appropriate for a client to be discharged;

5.10 (2) the facility's notice to the county that the facility has determined that it is clinically
5.11 appropriate for a client to be discharged was communicated on a holiday or weekend;

5.12 (3) the facility did not complete the required documentation or procedures for discharge
5.13 ~~were not completed~~ in order for the discharge to occur in a timely manner; ~~or~~

5.14 (4) the facility disagrees with the county's discharge plan; or

5.15 (5) the county does not have the authority to approve a new placement for the client
5.16 upon the client's discharge from a state-operated facility.

5.17 (b) The county of financial responsibility may not appeal the determination that it is
5.18 clinically appropriate for a client to be discharged from a regional treatment center,
5.19 state-operated community-based behavioral health hospital, or other state-operated facility.

5.20 (c) The commissioner must evaluate the request for administrative review and determine
5.21 if the facility's actions listed in paragraph (a) caused undue delay in discharging the client.
5.22 If the commissioner determines that the ~~facility's actions~~ circumstances listed in paragraph
5.23 (a) caused undue delay in discharging the client, the county's liability must be reduced to
5.24 the level of the cost of care for a client whose stay in a facility is determined to be clinically
5.25 appropriate, effective on the date the circumstance arose or the date of the facility's action
5.26 or failure to act that caused the delay. The commissioner's determination under this
5.27 subdivision is final and not subject to appeal.

5.28 (d) If a county's liability is reduced pursuant to paragraph (c), a county's liability must
5.29 return to the level of the cost of care for a client whose stay in a facility is determined to no
5.30 longer be appropriate effective on the date the facility rectifies the action or failure to act
5.31 that caused the delay under paragraph (a).

6.1 (e) Any difference in the county cost of care liability resulting from administrative review
6.2 under this subdivision must not be billed to the client or applied to future reimbursement
6.3 from the client's estate or relatives.

6.4 Sec. 6. **DIRECT CARE AND TREATMENT CAPACITY AND UTILIZATION.**

6.5 \$..... in fiscal year 2025 is appropriated from the general fund to the commissioner of
6.6 human services to increase capacity and access to direct care and treatment services for all
6.7 levels of care. The commissioner must prioritize expanding capacity within the Forensic
6.8 Mental Health Program, Anoka Metro Regional Treatment Center, and community behavioral
6.9 health hospitals through reallocation of facility space and beds and maximization of staffing
6.10 levels. The commissioner must also use money appropriated under this section to examine
6.11 the utilization of beds at the Forensic Mental Health Program to identify opportunities for
6.12 most effective utilization of secured programming, and to develop and fund direct care and
6.13 treatment transitional support resources.