Department of Human Services Overview

Emily Piper | Commissioner

Human services system

- State Legislature
- Federal government
- Minnesota Department of Human Services
- Tribes
- Counties
- Providers
- Nonprofits
Minnesota ranks high

#1 Overall health system
#1 Long-term care home & community based services
#1 Overall child well-being
#4 Healthiest state for seniors
#4 Healthiest state

Our mission

The Minnesota Department of Human Services, working with many others, helps people meet their basic needs so they can live in dignity and achieve their highest potential.
Who we are

- Largest state agency
- Approximately 6,100 employees at 200-plus sites
- Administrations
  - Health Care – 646 FTEs
  - Continuing Care for Older Adults – 121 FTEs
  - Community Supports – 269 FTEs
  - Direct Care and Treatment – 4,224 FTEs
  - Children and Family Services – 286 FTEs
  - Policy and Operations – 553 FTEs
FY 2016 (all fund) spending

- Total — $16.2 billion
  - Forecasted programs — $12.815 billion
  - Grant programs — $1.124 billion
  - Direct Care and Treatment — $406 million
  - Policy — $488 million
  - Technical activities — $688 million
  - Fiduciary activities — $648 million

Source: Minnesota Management & Budget BPAS reports

DHS funding overview FY 2012-16

- 97% of agency budget spent on programs and services
- 3% spent on admin

---|---|---|---|---
$0 | $2,000,000 | $4,000,000 | $6,000,000 | $8,000,000 | $10,000,000 | $12,000,000 | $14,000,000 | $16,000,000 | $18,000,000

Administration | Programs and Services

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Who we serve

Children and families
People with disabilities
Older Minnesotans

Who we serve: By the numbers

FY 2016 actuals

- Medicaid average monthly eligible ................................................................. 1,079,407
- MinnesotaCare average monthly enrollees ...................................................... 115,197
- LTC facilities average monthly recipients ....................................................... 16,251
- HCBS waiver & alternative care avg. monthly recipients ........................... 62,389
- MFIP average monthly persons .................................................................. 91,159
- SNAP recipients (average monthly for FY 2013) ........................................ 453,187
- People with disabilities under state guardianship .................................. 2,000
Who we serve: By the numbers, continued

FY 2016 actuals

- Children in out-of-home care: 8,311
- Child care (MFIP/BSF) average monthly families: 15,112
- Licensed family child care: 9,079
- All DHS licensed providers: 22,000
- Background studies conducted in calendar year: 327,000
- Children under state guardianship: 866

Health Care overview

- 646 employees (FTEs)
- All funds – $654 million (non-MA)
- Major programs
  - Medical Assistance
  - MinnesotaCare
Health Care opportunities and challenges

• Integrated Health Partnership
• Reducing uninsured rate at 4.5%
• Getting better value through purchasing strategies
• Carry forward our legacy of bipartisan innovation
• Threat of Affordable Care Act repeal
• Provider tax sunset

Children and Families overview

• 286 employees (FTEs)
• All funds – $1.5 billion
• Major programs
  • Economic Assistance and Employment Supports
    • Minnesota Family Investment Program
    • Food Support
  • Child Safety and Permanency
  • Child Support
  • Community Partnerships and Child Care Services
Children and Families opportunities and challenges

- Created uniformity among all of MN economic assistance programs
- Reforms to Child Support
- Supplemental Nutrition Assistance Program’s Employment and Training Program federal dollars leveraged
- Child protection funding
- Child Care Reauthorization

Direct Care and Treatment overview

- 4,224 employees (FTE)
- All funds – $406 million
- Major programs
  - Mental Health and Substance Abuse Treatment Services (MHSATS)
  - Community Based Services (CBS)
  - Forensic Services
  - Minnesota Sex Offender Program (MSOP)
Direct Care and Treatment opportunities and challenges

- Improving safety and quality of care
- Licensing and compliance progress at MSH and AMRTC
- Improving access to psychiatric beds
- Stabilizing funding
- Staffing, recruitment and retention
- Community placements for many of our forensic and MSOP clients.

Community Supports overview

- 269 employees (FTEs)
- All funds – $530.6 million
- Major programs
  - Mental Health Services
  - Alcohol and Drug Abuse
  - Disabilities Services
  - Deaf & Hard of Hearing Services
  - Housing Support Services
Community Supports opportunities and challenges

• Strengthen the chemical health continuum of care
• Increase direct access to affordable housing choices
• 24/7 access to crisis services
• Workforce shortages
• HCBS Final Rule

Continuing Care for Older Adults overview

• 121 employees (FTEs)
• All funds – $105.7 million
• Divisions
  • Aging & Adult services
  • Nursing Facility Rates & Policy
  • Planning and Aging 2030
  • Fiscal Analysis and Performance Measurement
  • Operations and Central Functions
Continuing Care for Older Adults opportunities and challenges

• Return to Community
• Report cards that measure quality
• Value-Based Reimbursement for nursing facilities
• Demographics are shifting
• Lack of affordable housing
• Workforce shortages
• Regulations

Policy and Operations overview

• 553 employees (FTEs)
• All funds – $879.4 million
• Major programs
  • Office of Inspector General (Licensing, Financial Fraud Investigations, Background Studies)
  • Compliance Office (Appeals, Internal Audits, Legal Management)
  • External Relations Office (Communications, Legislative, County, Federal and Community Relations & Office of Indian Policy)
  • Office of Equity, Performance, and Development
  • Office of the Chief Financial Officer (Reports and Forecasts)
  • Human Resources
Policy and Operations opportunities and challenges

- Fraud investigations
- Consistent application of county delegated licensing functions
- Compliance with the Child Care and Development Block Grant reauthorization of 2014
- Clarification of Minnesota’s authority to access FBI Background Study checks
- IT
- Operating adjustment

Financial Overview

Dave Greeman | Budget Director
2016-2017 biennium – All funds enacted budget

Data from MMB 2016 Enacted Budget (August 2016)

TOTAL STATE ESTIMATED EXPENDITURES: $87.1B

Human Services budget – Actual FY2016 spending by fund

SPENDING BY FUND: $16.181B – ALL FUNDS

Numbers in thousands

Enterprise Funds
$124,460

Federal TANF
$2,370

Federal
$8,421,760

Other
$657,187

General Fund
$5,344,071

Special Revenue Funds
$637,889

Health Care Access Fund
$763,823
Human Services budget – Actual FY2016 spending by program

SPENDING BY PROGRAM:
$16.181B – ALL FUNDS

Total DHS expenditures trends – All funds

Numbers in thousands
DHS total actual SFY2016 funding sources

- Direct appropriations, 41%
- Federal statutory funding, 54%
- Other statutory funding, 5%

November 2016 Forecast Base Budget – all funds

FTEs by fund – SFY2016 budget

- General Fund: 3,390
- Enterprise Fund (DCT): 1,553
- Special Revenue: 577
- Lottery: 1
- SGSR: 36
- TANF: 12
- HCAF: 332

TOTAL FTES: 6,098
FTEs by program—SFY2016 budget

TOTAL FTES = 6,098

Total DHS FTEs—All funds

Total FTEs

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Direct Care and Treatment – Actual FY2016 spending

SPENDING BY PROGRAM

$416.1 million – all funds

1/11/2017

Direct Care and Treatment FTEs – 2016

TOTAL FTES = 4,224

1/11/2017

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Forecasted programs – November 2016 forecast

Medical Assistance actual SFY2016
Long-term care forecast trends

Annual Forecasted Spending for LTC – all funds

Overall growth represents a shift from the institutional care to home and community based services. In HCBS, growth is attributable about 60% to increases in numbers of recipients and 40% to average cost of care.

Basic care forecast trends

Basic Care Forecast– all funds

Note: There are payment delays in FY11, FY13, FY15, FY17 that cause fluctuations in growth.

Elderly and Disabled Basic Care growth is attributable to about 50% enrollment and 50% cost of care increases. Families with kids and adults without kids growth from FY14-FY21 is mainly a result of enrollment growth under the Affordable Care Act.
MinnesotaCare forecast trends

Annual Forecasted Spending – Total $

FY12 shows the full impact of shifting 50,000 adults without children to MA. Further reductions in FY14-FY16 also reflect shifts to MA.

Non-MA forecast trends

Non-MA Forecasted Spending

1/11/2017  1/11/2017
Conclusion

• Spending on Central Office/Operations is small – the vast majority of our spending is on programs and services.

• Direct Care and Treatment has 65% of our FTEs that provide care for over 12,000 people annually.

• The forecast for Medical Assistance – with the majority of funding in long term care and home and community based services – is driving the majority of the growth in spending.

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