
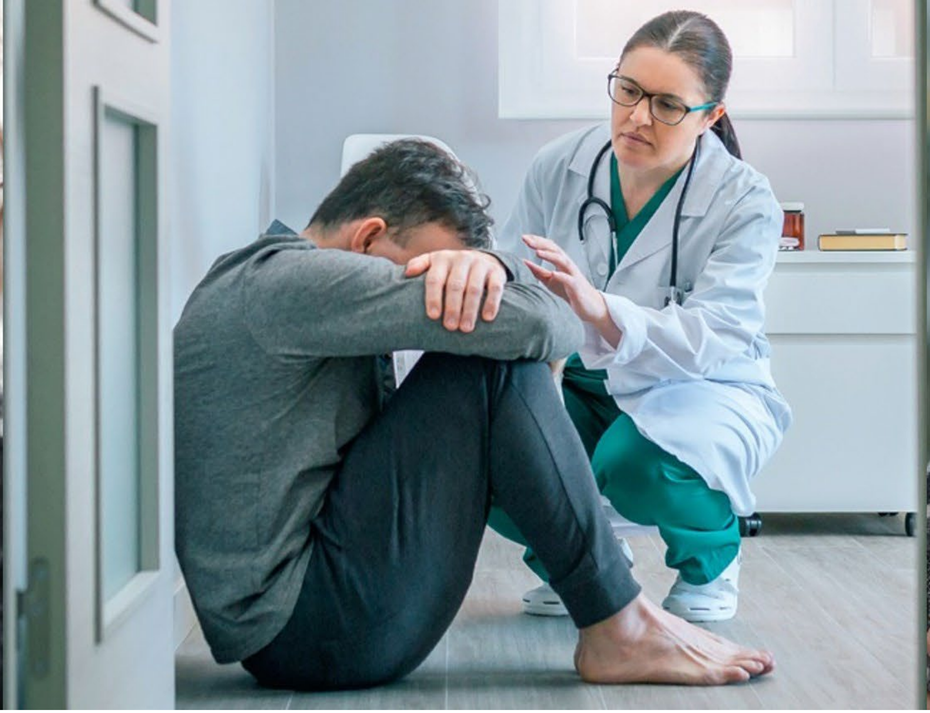
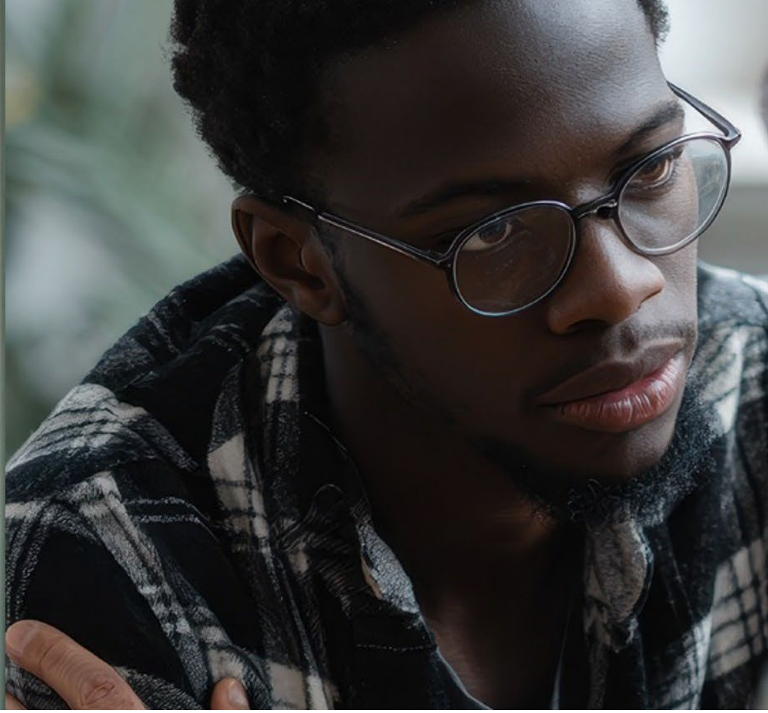

PRTF Legislative Report

Wade Brost | Executive Director Mental Health and Substance Abuse Treatment Services

DIRECT CARE AND TREATMENT

Legislative Requirement

By March 1, 2026, deliver report to chairs and ranking minority members on:

- The estimated cost of building a locked PRTF operated by DCT
- The estimated ongoing cost for operating and maintaining the locked PRTF
- The estimated costs that can be recouped from MA, MinnesotaCare and private payers
- The risks and benefits of location the PRTF in a metro or rural location

Approach to Completing the Report

DCT contracted respected consultant Health Management Associates to research and write the report

- Consultant held many stakeholder meetings with advocates, counties, service providers, state agencies, the judicial system and DCT staff and leaders
- Report was reviewed and approved by the DCT Executive Committee on Jan. 6, 2026

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Executive Summary

Key Findings

- A viable DCT-operated PRTF will require a carefully chosen location with sufficient workforce and a sustainable funding model
- The build-out and operating costs are largely consistent, regardless of location
- A metropolitan location provides more favorable access to the necessary staff and specialized services
- A legislative appropriation will be necessary to ensure the program’s financial viability

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Estimated Construction Costs

Key Findings

Estimated build-out costs (including land) for metropolitan locations range from:

- $33.7 million for an 18-bed facility
- $43.3 million for a 24-bed facility
- $54.5 million for a 30-bed facility

Estimated build-out costs (including land) for micropolitan/rural locations range from:

- $33 million for an 18-bed facility
- $43.4 million for a 24-bed facility
- $53.5million for a 30-bed facility

- DCT may have available land in the metro area to offset acquisition costs

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Operation Costs

Key Findings

- Estimated first-year operating costs range from:
  - $25.4 million for an 18-bed facility
  - $32.5 million for a 24-bed facility
  - $35.5 million for a 30-bed facility

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Location Risks and Benefits

Key Findings

- Metropolitan locations have the strongest workforce availability, access to specialty care and increase the likelihood of family involvement
- Micropolitan locations offer some but not all the advantages of a metro location
- Metropolitan and micropolitan may be associated with higher land and permitting costs and potential local opposition

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Estimated Cost Recovery

Key Findings

- Insurance payments from all potential sources are estimated to recover 62 percent of the cost to operate the PRTF
- To ensure financial viability, DCT will require a legislative appropriation for the full operating cost to close the substantial gap between revenues and operational expenses

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Thank You!

Wade R Brost

Wade.Brost@state.mn.us

651-539-6998