

DCT Executive Board Meeting CEO Update

Thursday, March 19, 2026

1. Executive Summary of Pillar Outcomes

a) Quality

- The annual quality system review is underway, and a draft will be shared at an upcoming DCT Executive team meeting.
 - One area of review will include the analysis of each of the service lines quality program to identify opportunities and benchmarking across the organization.
 - We will be using the existing DCT Quality Plan that was shared with the board prior to the effective date of February 3, 2026.
 - The end result is to identify the gap analyses for each service area and determine where we can strengthen their Quality Assurance and Performance improvement (QAPI) program.
- Regulatory Events for past 30 days: MHSATS
 - CARE – Joint Commission
 - CARE Anoka, Carlton and Fergus Falls
 - TJC conducted an enterprise-wide survey on 3/10/2026 through 3/13/2026.
 - Total findings for all three programs: Two, low and limited findings.
 - CARE- DHS Licensing Review
 - CARE Anoka, Carlton and Fergus Falls –
 - DHS Licensing conducted an enterprise-wide survey on 3/09/2026 through 3/16/2026.
 - Total citations for all three programs: 8 standard citations; a ninth citation will be removed once additional information is submitted to DHS.
 - MSHS
 - Wadena – DHS Licensing initiated a program survey on 3/9/2026; due to surveyor illness, the survey has been paused. DHS has yet to announce the date the survey will be resumed.
- DCT Managers and Annual Excellence Conference
 - Managers Conference – September 21, 2026
 - Annual Excellence Conference - September 22, 2026
 - Board membership is encouraged.
 - The question for the board - Do you want to select members to attend?

- Please know that there can't be any more than three voting members on each day of the event.
 - Non-voting members can attend
- MN Governor's Workplace Safety Award
 - **Every year, the Minnesota Safety Council – and our partners – recognize and celebrate employers throughout the State of Minnesota for safety and health excellence in protecting our workforce from injuries, illnesses and incidents.** To be considered for a *Minnesota Governor's Workplace Safety Award*, an organization must submit an application that includes general information regarding the employer's organization, elements of the employer's safety/health management systems and the injury/illness information for the previous three (3) years.
 - **Understanding the Scoring/Award:**
 - **Diamond Award Winners** - *Achieved an incidence-rate better than the 97th percentile of both the state and national average*
 - **Platinum Award Winners** - *Achieved an incidence-rate better than the 90th percentile of both the state and national average*
 - **Gold Award Winners** - *Achieved an incidence-rate better than the 75th percentile of both the state and national average*
 - **Silver Award Winners** - *Achieved an incidence-rate better than the 50th percentile of both the state and national average*
 - **Bronze Award Winners** - *Achieved an incidence-rate better than the 50th percentile of either the state or national average*
 - **Award Recipients across service lines include:**
 - **Outpatient Services**
 - Diamond Achievement - 3 Dental clinics (Cambridge, Brainerd, and Willmar).
 - **Forensics**
 - Forensic Mental Health Program – Main Campus has won the Silver Achievement Award,
 - Forensic Me Health Program – North Campus has won the Bronze Achievement Award,
 - **MSOP - Moose lake and St. Peter**
 - Silver Award - dedicated to workplace injury prevention
 - 2025 - Silver Award (Moose Lake)
 - 2025 - Silver Award (St Peter/CPS)

- MHSATS
 - 9 in total - 1 Platinum, 1 Silver and 7 Bronze
 - CARE Anoka – Bronze
 - CBHH Alexandria – Bronze
 - CBHH Annandale – Bronze
 - CBHH Baxter – Bronze
 - CBHH Bemidji – Bronze
 - CBHH Fergus Falls – Platinum
 - MSHS Brainerd – Silver
 - MSHS Willmar – Bronze
 - MSHS Wadena – Bronze
- Community Based Services (CBS)
 - Total of 59 awards
 - 17 diamond level awards; 1 platinum; 8 gold; 20 silvers; and 13 bronze level awards
- DCT had an elopement during a routine outing at one of our facilities on March 5, 2026. The event was resolved quickly with the staff worked in collaboration with law enforcement and the patient was returned to the facility safely.

b) Service

- MHSATS:
 - HIMS in AMRTC: remodeling completed
 - CARE Anoka
 - Space planning for temporary space still underway /potential for suspension – more to follow
 - CARE Anoka- permanent space design underway and going well
 - The new ECT treatment space in AMRTC is near completion. Goal is to start seeing patients at the end of March or early April 2026
 - Patient volumes in two CBHHs (Annandale and Alexandria) are low due to staffing challenges. Anticipated to increase in the next 2-4 weeks. In various stages of recruiting, hiring and onboarding
- CBS:
 - ICS – Currently supporting 2 individuals and 12 Tenants; third individual could move in any day, just waiting on county to establish funding for some furniture. Three additional individual are waiting on SRB hearings scheduled for April (2) and May (1). One additional individual and team are touring the program the week of 3/16. Rate setting for current referrals has resulted in a 34% cost reduction from previous rates in CRS programs. The 34% reduction is based off of the rates they were getting in an MSOCS group home previously. All of the individuals are internal referrals thus far.

- CBS homes under development—Remodeling occurring at new home in Morristown where we are developing another MI&D diversion program for individuals who would be voluntarily returning to FS. Also working to find a home in Anoka County as the county has requested the development of a children’s program. Housing market continues to pose a challenge.
- Outpatient:
 - Services started at the Brainerd Dental Clinic after a new build out was completed.
 - IV Sedation program at Cambridge Dental Clinic—Has seen a total of 17 patients since the program began on 11/18/25, with an average of 1-2 patients per day. All cases have reported to have gone well, with a couple of cancelations and one patient needing to be rescheduled as they had eaten breakfast the day of the procedure.
 - Two dentists will start providing care to patients at the CentraCare-Monticello site for those who need surgery within a hospital setting.
 - Difficulties remain in hiring a permanent Dentist for the Willmar Dental Clinic. We currently have a locum dentist providing services 5 days per week through June.
- Forensics:
 - There has been an Increase in voluntary returns of individuals who are Provisionally Discharged returning to Forensics – this is creating some limitations in inpatient bed capacity.
 - Competency attainment – Stearns county jail is the first certified jail-based CAP in MN. This is a great example of the intersection of CAS ad Jail consult work
 - Jail consultation services are moving along well. We currently have 11 active contracts with jails.
 - Forensics will be celebrating its 160th Anniversary celebration on April 23, 2026. There will be an open house and tours to the museum
 - The dental suite at Forensics is scheduled to begin renovations within the next month.
 - Forensic Radios - we have had some issues with the radios staff use and have the vendor in the facility to work on this issue. Today 98% of the radio issue has been addressed and the facility is operating in full.
 - Dr. Hirachan and her team will continue to evaluate the issues, and I've asked her to begin looking at system replacement costs.

c) People

- Vacancy Update:
 - Actual part time & full-time employees – 5,658
 - Turnover Highlights 9% compared to the National Average of 12%
 - Vacancy Rate (across all service lines) is holding around 6.7% across all DCT
 - Vacancy by service line – holding at 426 FTEs

Service Line	Active Employees	Vacancies	Vacancy Rate
DCT CBS	1804	164	8.33%
DCT Forensics	1099	61	5.26%
DCT MHSATS	1325	82	5.83%
DCT MSOP	871	65	6.94%
DCT Operations	83	4	4.60%
DCT Supp Svcs	482	50	9.40%
Total	5664	426	6.72%

- DCT HR and internal customers are engaged in an agency-wide Onboarding/Off-boarding project to ensure:
 - Onboarding and offboarding logistics are streamlined for hiring managers
 - Onboarding/offboarding actions are efficient and timely
 - Positive impact and engagement for new hires and those ending employment
 - Technology and equipment are deployed and collected timely and access restricted upon separation
- DCT HR is working collaboratively with MMB and DHS to fully and finally separate DCT personnel data sets from DHS to provide more robust workforce reporting and analytics.

d) Financial

- February financials are still looking good with the appropriated service lines projecting a positive year-end balance of just over \$3M – a slight increase from last month.
- Personnel expenses are still projected to be overbudget, but this is offset with underspending within non-personnel expense.
- MSOCS continues to operate within budget; however, their projected cash on hand dropped to 57 days due to documentation issues which has delayed billing.
 - The billing team is working closely with MSOCS staff to resolve the issue and continue billing. Outpatient Services overall projections have not changed since last month. Dental Services will be receiving the \$5M MA settlement payment in March.
- It is still too early to project how the MN Paid Leave Act will impact operations.
 - There have been 440 individual applications since the 12/30/2025 effective date, 162 have been approved, 121 have been denied and/or cancelled and 157 are under review.
- FY27 operating budget development is underway. Some budget pressures facing DCT for next fiscal year include:
 - Unfunded negotiated bargaining unit increases

- Impact of MN Paid Leave
- Increased costs due to separation – mainly in technology
- DCT has balanced forward authority to help address these budget pressures for FY27; however, this is one-time funding and DCT will need a legislatively approved operating adjustment to continue operating at current occupancy rates in FY28 and beyond.

e) Technology

- Continued implementation of the Electronic Health Record
- Technology vision was approved by the Executive team in November
 - Approval of 3 key initiatives (Data, AI, Time & Attendance).
 - Recognition that more resources are needed to support the technology landscape (95 FTE)
 - Approval to move forward with first 10 FTE
- Budget – DCT CFO, Business Technology Office and MNIT have completed initial draft of FY26 IT spend and projections
 - Expenditures includes MNIT Enterprise, MNIT@DCT, DCT salary/non-salary, vendors, licenses etc.
 - FY27 budgets will be established in the next 2 months
 - Includes review/management processes for FY27 expenditures.
- Future Technology management will focus on:
 - User driven priorities focusing on user experience and change management
 - Focus on smaller more immediate changes rather than large “big bang” approach.
 - Focus on adoption and user satisfaction over new features.
 - Enterprise-wide strategies over service line needs.
 - Ensuring general maintenance (M&O) is resourced.
 - Focus on all aspect of technology including people and process along with technology changes.
 - Prioritize work based on Run, Grow, and Transform strategies.

2. Reports:

- **Psychiatric Residential Treatment Facility - Update on final PRTF report submitted to the Legislature with Governor’s Office approval**
 - There were no changes from the GO.
 - The report was submitted to the legislature and the legislative reference library.
 - Representative Hicks wants to meet about Olmsted county donating land and seeking bonding for a building.
 - Representative Hicks will be meeting with Wade Brost and Nancy Freeman to further discuss.

- **Priority Admissions Review Panel Report**
 - PA Panel members met on March 17, 2026. They continue to focus on recommendations and the final draft of the report. Group will come to consensus, and a vote will be taken by members.
- **Mentally Ill and Dangerous Task Force Report**
 - Final report was completed and Dr. Hirachan is sending for a vote and it's expecting to be endorsed by Friday March 20, 2026.

3. Other items

- CARE Anoka - we will continue to prepare for the relocation of CARE Anoka (Temporary Space)
 - We notified staff at the CARE Anoka program on March 18, 2026, of the upcoming changes and our need to exit the Miller Building by mid-May.
 - We are currently engaged with a local lessor who has deferred a leasing decision until after April 1, 2026. In the interim, we will continue pursuing this opportunity while actively evaluating alternative locations. This delay will necessitate a temporary suspension of CARE Anoka services, if suitable space is not secured, the suspension could extend until a permanent site is available, with an estimated timeline of 12–14 months
 - Our priority is to maintain transparency with staff, communicate within established timelines, and collaborate closely with labor groups to ensure ongoing support. Regardless of interim or permanent arrangements, these staff members will remain essential to our long-term operations.
- DCT Permanent Space – Long-term relocation long term for CARE Anoka and DCT Administration
 - We are finalizing the design plans and should have this completed by the end of April.
 - Once lease agreements are made, demolition will begin, and interior construction will occur for the long-term placement of CARE Anoka and DCT Administration.
 1. Finalize all plans and lease – April/May.
 2. Interior Demolition will occur between July and September
 3. Construction renovations will take place between October 2026 and July 2027
 4. Once licensed - tentative move in Fall 2027.
- Performance Excellence Network/ Malcolm Baldrige update:
 - PEN Survey finished their evaluation on Wednesday, March 18, 2026, and we had a busy week meeting with evaluators.