

Meeting Minutes: Priority Admissions Review Panel

Date: February 4, 2026

Prepared by: Lydia Ly

Location: Microsoft TEAMS

Attendance

Priority Admission Panel Members			
x	Laura Sayles, Attorney General Designee	x	Teresa Steinmetz, Assistant Commissioner
x	KyleeAnn Stevens, MD, Exec. Medical Director DCT	x	Lisa Harrison-Hadler, OMHDD
x	Kevin Magnuson, MCAA	x	Tarryl Clark, AMC
x	Angela Youngerberg, MACSSA	x	Bryan Welk, MN Sheriff's Association
	Chris Beamish, MHA	x	Marcus Schmit, NAMI
x	Lauren Pockl, ARS	x	Eduardo Colon Navarro, MD, MN Psychiatric Society
x	Jin Lee Palen, MACMHP	x	Dr. Dionne Hart, Psychiatrist
x	Miranda Rich, appointed by Commissioner of Corrections		
Non-Members			
x	Lydia Ly, DCT Executive Assistant non-member	x	Marshall E. Smith, DCT Health Systems CEO non-member
x	Carrie Briones, DCT Legislative Director non-member		Dale Klitzke, DCT General Counsel non-member
	Katie Simmons, DCT Data Analyst non-member		Dan Storkamp, DCT non-member
x	Catherine Courcy, DCT Deputy Counsel non-member	x	Crystal Weckert, DCT non-member
x	Nick Rasmussen, non-member public	x	Zack Loud, DCT non-member
x	Tawnya Ward, MACSSA		

1.) Call to Order

The meeting was called to order at approximately 10:02am by Chair Laura Sayles.

2.) Approval of Previous Meeting Minutes

The chair introduced the agenda item to approve the meeting minutes from January 12, 2026 and January 22, 2026, noting that additional review time had been requested at the previous meeting. A motion to approve the January 12 and January 22, 2026 meeting minutes was made by Eduardo Colon Navarro, seconded by Dr. KyleeAnn Stevens and unanimously approved by the Panel Members

3.) Local Fiscal Impacts

Angela delivered a detailed presentation on local fiscal impacts, emphasizing that these impacts primarily reflect county property tax expenditures, not state or federal pass-through funds.

Key points included:

- Counties' primary revenue source for mental health services is property tax levies.
- Financial data presented was derived from state-verified county reporting systems, enhancing reliability and consistency.
- Explanation of BRASS (Budget Reporting and Accounting System Structure) codes used to categorize county expenditures.
- Review of Calendar Year 2024 county mental health expenditures, totaling approximately \$417 million, with:
 - \$91 million from state funds
 - \$34 million from federal funds
 - \$221 million from county property tax levies

Angela highlighted that adult mental health services represent a significant portion of county expenditures and stressed the importance of understanding the scale and scope of county financial responsibility when developing panel recommendations.

County Funding Constraints and Program Limitations

The presentation continued with a breakdown of miscellaneous county funding, identifying areas where counties:

- Are prohibited from using state or federal funds (e.g., pre-petition screenings, court-related services).
- Must rely entirely on county levy dollars for specific services.
- Face structural funding gaps where Medicaid or state reimbursement does not fully cover service delivery costs.
- State-Operated Inpatient Services: Counties contributed approximately \$64 million in CY 2024.
- Targeted Case Management: Counties invested approximately \$27 million in local funds beyond Medicaid reimbursement, illustrating that current reimbursement rates do not cover service costs.

Angela emphasized that proposals such as reduced caseloads or enhanced service quality would require additional county investment unless new state funding mechanisms are established.

Budgeting, Levy Impacts, and County Capacity

Panel members and county representatives discussed:

- The difficulty counties face in predicting DNMC (Does Not Meet Criteria) costs year-to-year.
- Statutory requirements requiring counties to pay bills even when costs significantly exceed budget projections.
- Limited county tools for raising revenue, contrasted with broader state fiscal mechanisms.
- Concerns about sustainability, particularly for small and mid-sized counties where a single high-cost case can destabilize an entire budget.

Participants noted that rising property tax levies have generated increased public concern, further constraining county boards' ability to absorb new mandates.

DNMC Trends and Cost Analysis

Angela presented trend data from 2016–2024 related to DNMC costs at state facilities, including Anoka Metro Regional Treatment Center (AMRTC).

- DNMC costs have increased substantially in recent years, largely due to delays in forensic placements.
- Counties contributed approximately \$200 million in DNMC-related costs over the period reviewed.
- Temporary legislative credits in prior years stabilized county budgets; elimination of these credits has increased volatility.
- Smaller counties experience disproportionate fiscal impact when even a single individual requires extended inpatient care.

The presentation underscored that counties lack the authority to refuse payment for DNMC costs and have limited mechanisms to redirect funds toward preventative or community-based solutions.

Discussion: Reinvestment of DNMC Funds

Panel members revisited prior recommendations related to reinvesting DNMC dollars into community-based capacity.

- General support for reinvestment in principle.
- Recognition that reinvestment mechanisms must avoid unintended disincentives.
- Concerns that reinvestment without clear structure could shift burdens without achieving long-term relief.
- Acknowledgment that counties would prefer elimination of DNMC cost-sharing altogether, given the state responsibility for forensic populations.

4.) Legislative Report Recommendations

Review of Draft Recommendations

Dr. Stevens presented a reorganized working document dividing recommendations into:

- Agreed-upon recommendations
- Recommendations requiring further clarification or discussion

Discussion focused on:

- Alignment with existing redesign workgroups (e.g., Targeted Case Management redesign).
 - Avoiding recommendations that conflict with ongoing statewide efforts.
 - Refining language to remain focused, actionable, and defensible.
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Discussion: Capacity, Jails, and Interim Options

The panel engaged in an extended discussion regarding individuals committed as Mentally Ill and Dangerous (MI&D) who remain in jail for extended periods awaiting forensic placement.

Key themes included:

- Broad consensus that jails are not appropriate therapeutic environments.
- Recognition that current system delays result in individuals waiting hundreds of days without adequate treatment.
- Mixed reactions to potential interim options, including:
 - Temporary transfers back to jail after stabilization
 - Use of unused jail capacity under alternative operational models
- Significant concerns regarding licensure, regulatory barriers, continuity of care, and unintended consequences.

Multiple members emphasized that these discussions highlight the severity of capacity constraints, rather than presenting viable long-term solutions.

11. Proposal: Third-Party Capacity and Feasibility Study

Consensus emerged around recommending an independent, third-party capacity and feasibility study to evaluate:

- Current and projected demand
- Facility-based versus community-based capacity needs
- Barriers to discharge
- System bottlenecks across the MI&D continuum

Members noted that such a study could provide legislators with a neutral, data-driven foundation for decision-making and help clarify the scale of investment required.

12. Adjournment

The Chair thanked members for their thoughtful participation and acknowledged the complexity of the issues discussed. The meeting was adjourned after completion of agenda items.