

# **DRAFT Minnesota FFY 2026-2027 Combined Block Grant Application for Community Mental Health Services Block Grant (MHBG) and Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUPTRS BG)**

## **Planning Steps 1 and 2**

August 21, 2025

DRAFT

# Step 1. Assess the strengths and organizational capacity of the service system to address the specific populations

## 1.1: Please describe how the public mental health and substance use services system is currently organized at the state level, differentiating between child and adult systems.

The **One Minnesota Plan** is the Governor's comprehensive state vision that emphasizes collaborative approaches between state agencies and community partners to achieve common goals. The One Minnesota Plan coordinates systemic support through cabinet-level agencies developing aligned strategic plans that transform service delivery to be more accessible and responsive, while emphasizing collaborative approaches with robust public participation rather than top-down government mandates. The plan employs "results-based governing" using data-driven approaches with maps and dashboards to track progress and guide decision-making. The One Minnesota Plan specifically addresses behavioral health through two key goal areas: Substance Use Disorder and Children's Mental Health.

The **Office of Addiction and Recovery (OAR)** supports both the Minnesota Subcabinet on Opioids, Substance Use, and Addiction, as well as a Governor's Advisory Council of the same name. It is led by the addiction and recovery director who is also the chair of the Subcabinet on Opioids, Substance Use, and Addiction. The Subcabinet on Opioids, Substance Use, and Addiction was created to improve outcomes for Minnesotans experiencing substance use disorder, their families, and their communities. The subcabinet looks to increase access to treatment, reduce barriers and gaps in service, improve Minnesota's recovery infrastructure, and develop strategies and policies for people experiencing opioid use disorder and homelessness. The Subcabinet consists of several state agencies that collaborate on this work including the Department of Human Services, the Department of Health, the Department of Education, the Department of Higher Education, Minnesota Management and Budget, the Department of Corrections, the Department of Public Safety, the Interagency Council on Homelessness, the Department of Children, Youth, and Families; Direct Care and Treatment, the Department of Commerce, and the Office of Cannabis Management. A key focus of OAR is reducing the impact of the opioid crisis on Minnesotans, their families, and their communities.

**Minnesota's Children's Cabinet** is a broad interagency partnership that utilizes a whole family approach to support the healthy development of children and families. The Children's Cabinet works to bring efficiency and effectiveness to state government efforts to improve child and youth outcomes. The work of the Cabinet can also involve collaboration with counties, local communities and other stakeholders. The Children's Cabinet is co-chaired by the Governor and Lieutenant Governor. Per statute, the Commissioners of the following agencies participate: Department of Administration; Department of Children, Youth, and Families; Department of Corrections; Department of Education; Department of Employment and Economic Development; Department of Health; Minnesota Housing Finance Agency; Department of Human Services; Department of Management and Budget; Department of Public Safety; and Department of Transportation. A key strategy of the Children's

Cabinet is children's mental health and well-being and ensuring that all Minnesota students have high quality supports for wellbeing, prevention, treatment, and recovery from mental health distress.

The **Minnesota Department of Human Services (DHS)** serves as the primary state agency in the Minnesota executive branch responsible for administering statewide policies and funding for mental health and substance use services. Under Minnesota law, DHS holds comprehensive authority over the mental health and substance use disorder services system for both adults and children throughout the state.

DHS fulfills multiple critical roles in this capacity: it operates as the Single State Agency (SSA) for substance use disorder services, the State Mental Health Authority (SMHA), and the State Medicaid Agency. This integrated structure positions DHS as the central coordinating authority for behavioral health services and Medicaid administration, enabling streamlined oversight and unified policy implementation across Minnesota's mental health and substance use treatment systems.

The DHS Mission is driven by collaboration with community and partners – Counties, Tribes, non-profit and for-profit providers – supporting people to thrive in community and live their healthiest and fullest lives. The DHS Vision is that all people in Minnesota have what they need to thrive in community.

While the vast majority of human services in Minnesota are provided by partners, DHS sets policies and directs payments for many of the services delivered. DHS receives state funding from the Minnesota legislature. The legislature directs planning, funding, and oversight of mental health and substance use services. With input from legislative committees, advisory councils, and other branches of state government, the legislature allocates state behavioral health resources and sets mental health and substance use disorder policy.

DHS's largest financial responsibility is to provide health care coverage for low-income Minnesotans and is also responsible for providing services for elders; people with disabilities and behavioral health needs; and those experiencing homelessness. Through its licensing of services, DHS also ensures that certain minimum standards of care are met in private and public settings for all Minnesotans.

The **Behavioral Health Administration (BHA)** which is an administration within DHS, oversees and manages services and programs that address mental health, substance use disorders, and other behavioral health issues, including: Children, Family & Adult Mental Health Services, Substance Use Disorder Services, Problem Gambling Services, Integrated Behavioral Health Services, and SAMHSA Block Grant and Other Federal Funding. BHA is responsible for policy and grantmaking that ensures evidence-based and person-centered prevention, intervention, treatment, and recovery services.

Through partnership and collaboration, BHA works to optimize a continuum of services that are responsive to all targeted populations of need to ensure that Minnesotans have access to high-quality and integrated behavioral health services.

Minnesota's publicly provided mental health system is supervised by DHS and administered by counties, which act as the local mental health authority (LMHA).

The State of Minnesota also has several statewide advisory councils, subcommittees, and task forces to guide the State's public mental health and substance use services systems, including:

- American Indian Advisory Council (AIAC) (Substance Use Disorder)
- American Indian Mental Health Council (AIMHC)
- The State Advisory Council on Mental Health and Subcommittee on Children's Mental Health
- Local Mental Health Advisory Councils
- Minnesota Association of County Social Service Administrators (MACSSA)
- Opiate Epidemic Response Advisory Council (OERAC)
- Governor's Advisory Council on Opioids, Substance Use, and Addiction
- Minnesota State Suicide Prevention Task Force
- Minnesota Behavioral Health Planning Council (BHPC)

## **Organization of the Behavioral Health Administration (BHA)**

The Assistant Commissioner for BHA reports to the Deputy Commissioner and State Medicaid Director of DHS. The BHA is divided into three program area sections: 1) Mental Health 2) Substance Use Disorder, and 3) Integrated Services. Each section is led by a director who oversees associated units and teams. These sections are discussed in more detail below. The BHA also includes an operations section with teams that: 1) administer federal grants, including the Mental Health and Substance Use Block Grants, 2) track data and evaluation, 3) manage compliance and contracting, 4) oversee budgeting, and 5) coordinate communications for the administration.

## **Mental Health Services**

BHA's Mental Health Services section is organizationally structured into two primary units:

- Adult Mental Health Programs and Services Unit is comprised of two teams: Adult Mental Health Initiative and Complex Programs and Community-based Adult Mental Health Services
- Children & Family Mental Health Programs and Services Unit is comprised of three specialized teams that address distinct service delivery areas: community-based services, intensive and residential services, and school-based services. This organizational structure enables targeted expertise and coordinated service delivery across different populations and settings.

This section administers comprehensive grant programs that form the foundation of Minnesota's mental health service infrastructure. These programs include federal funding through the Mental Health Block Grant, which supports adults with Serious Mental Illness and children with Serious Emotional Disturbance, as well as state-designated legislative funds that build critical infrastructure across multiple service areas. BHA oversees investments in children's respite care, early childhood mental health services, school-linked programs, culturally

specific services, adult mental health initiatives, and provider capacity building to deliver evidence-based treatments.

BHA's Mental Health Services coordinates strategic planning and policy development to ensure a cohesive statewide mental health system. This includes developing statewide and local mental health system plans with clearly defined goals and objectives, while simultaneously creating and implementing policies that promote access to services and improve care delivery. BHA establishes guidelines for mental health services, supports local agencies in their implementation efforts, and ensures all services meet both state and federal standards.

The section maintains oversight of service quality and system sustainability through comprehensive monitoring and evaluation processes. The administration ensures that mental health services provided by public and private agencies align with evidence-based practices, meet the diverse needs of all populations, and are delivered in culturally competent ways. This quality assurance extends to supporting seamless, high-quality, sustainable mental health services of varying intensities and settings across the entire lifespan.

BHA's Mental Health Services also provides essential technical assistance and resource support to local counties, tribal nations, and other regional entities that directly administer mental health services. This support ensures that local mental health programs align with state policies while effectively meeting the unique needs of their communities. Additionally, BHA leads Medicaid policy development for mental health services, ensuring that these critical services remain accessible and effective across all stages of life through comprehensive policy frameworks.

## **Substance Use Disorder Services**

The Substance Use Disorder Services section administers comprehensive funding programs that address prevention, treatment, and recovery across diverse populations. Using federal block grants and other funding sources, the section prevents substance abuse while supporting individuals experiencing substance use disorders, people at risk of or experiencing homelessness, and justice-involved individuals who are among the hardest to serve. Specialized programming addresses the unique needs of specific populations, including veterans, pregnant women and women with dependent children, and various communities throughout Minnesota.

The section leads comprehensive treatment system reforms to improve service delivery and expand access to care. Through the 1115 waiver demonstration, the section coordinates treatment reforms that enable Medicaid reimbursement for larger treatment facilities and implements evidence-based ASAM criteria across providers. The section removes barriers to treatment through the Direct Access initiative, allowing individuals to choose providers directly and receive immediate assessments, while the 1115 Reentry Demonstration program facilitates healthcare continuity by bridging gaps for individuals leaving incarceration.

Policy development and implementation form a critical component of the section's work, ensuring evidence-based practices guide service delivery. The Clinical Policy Team develops and implements policy through legislative work, technical assistance, and management of specialized grant programs. The section implements life saving overdose prevention and response strategies through community outreach and partnerships with programs. Prevention efforts are conducted through school-based programs, Regional Prevention Coordinators,

and management of SAMHSA block grant initiatives, while long-term recovery is supported through specialized programs for women's treatment and recovery services.

The section maintains comprehensive grant management and coordination responsibilities that span multiple service areas and stakeholder groups. Grant management encompasses primary prevention, substance use disorder treatment and recovery support services, mental health services, children's respite care, and specialized programs addressing the unique needs of specific populations. Coordination efforts extend across agencies and stakeholders through various workgroups, advisory councils, and interagency partnerships to ensure comprehensive and integrated service delivery throughout Minnesota's substance use disorder treatment system.

## Integrated Services

The Integrated Behavioral Health Services Section provides strategic leadership and coordination across multiple specialized teams, including the Sustainable Systems of Care Development Team, American Indian Team, Crisis Services Team, Problem Gambling Services, and Peer Services Team. Working in partnership with the Directors of Mental Health Services and Substance Use Disorder Services, the section develops comprehensive strategies to align service areas, enhance collaboration between programs, and coordinate care delivery across diverse healthcare settings throughout Minnesota.

The section directs complex statewide programs that promote the integration of primary care, mental health, and substance use disorder services. This includes advancing initiatives to embed behavioral health services within primary care practices, supporting the implementation of collaborative care models, and fostering partnerships between behavioral health and medical providers. These integration efforts aim to create seamless service delivery that addresses the full spectrum of patient needs within coordinated healthcare environments.

The section ensures comprehensive access to integrated behavioral health services across Minnesota's various populations while maintaining focus on recovery-oriented practices. Through systematic coordination and strategic program development, the section works to eliminate service gaps and improve care delivery efficiency, ultimately creating a more cohesive and effective behavioral health system that serves all Minnesotans effectively.

## Statewide Coordination of Local Behavioral Health Services

Minnesota has a state-supervised, county-administered structure for behavioral health services. In this structure, BHA provides oversight, establishes and disseminates statewide policies, and sets standards for behavioral health services. Counties support this model through administering and tailoring these services to meet the unique needs of their local communities.

The primary role of BHA includes:

- **Policy Development & Oversight** - Lead efforts to shape and implement public policy directed towards prevention, early intervention, and treatment of persons with a mental illness or substance use disorder.

- **Service Coordination & Delivery** - Oversee programs to assure access to services, facilitate community engagement, provide technical assistance on best practices, develop local service capacity, and provide general program oversight and guidance.
- **Funding & Resource Allocation** - Administer payment policy and manage grant programs for mental health, substance use disorder, and integrated services, such as the Behavioral Health Fund, Minnesota Health Care Programs, Adult Mental Health Grants, Child Mental Health Grants, and Substance Use Disorder Treatment Support Grants. Secure funding outside of state appropriations and seek opportunities to leverage goals.
- **Data Collection & Reporting** – Collect and report on data to ensure accountability, improve service delivery, and inform decision-making in the behavioral health system.
- **Community Engagement, Education & Technical Assistance.** - Train and guide service delivery partners on best practices. Provide supervision, guidance, and oversight to service delivery partners including counties, tribes and non-profit providers.
- **Crisis Management & Support** – Oversee the system, coordinate, and ensure the availability of crisis management and support services for individuals experiencing behavioral health crises.
- **Integration with Other Systems** - Partner with stakeholders to improve prevention and early intervention efforts and the service delivery system.

## **DHS Provider Licensing and Quality Assurance**

DHS also licenses and certifies many types of mental health and substance use service providers to ensure that certain standards of health, safety, care, and treatment are met. These include residential, outpatient, and community-based programs. The department monitors and investigates compliance with Minnesota laws and rules, with licensing serving to protect the health, safety and rights of those receiving services by requiring that providers meet minimum standards of care and physical environment. DHS also investigates reports of fraud or maltreatment related to substance use disorder and mental health services and maintains a Licensing Lookup website where Minnesotans can find providers by service type and access licensing records. This comprehensive oversight system ensures quality and accountability across Minnesota's extensive network of behavioral health service providers.

## **1.2: Please describe the roles of the SMHA, the SSA, and other state agencies with respect to the delivery of mental health and substance use services**

### **Minnesota Department of Human Services (DHS)**

DHS serves as the primary state agency in the Minnesota executive branch responsible for administering statewide policies and funding for mental health and substance use services. Under Minnesota law, DHS holds comprehensive authority over the mental health and substance use disorder services system for both adults and children throughout the state.

DHS fulfills multiple critical roles in this capacity: it operates as the Single State Agency (SSA) for substance use disorder services, the State Mental Health Authority (SMHA), and the State Medicaid Agency. This integrated structure positions DHS as the central coordinating authority for behavioral health services and Medicaid administration, enabling streamlined oversight and unified policy implementation across Minnesota's mental health and substance use treatment systems.

As the State Medicaid Agency, DHS has comprehensive authority and responsibility for managing all aspects of Minnesota's Medicaid system, including setting policies and procedures, determining eligibility criteria, managing enrollment processes, establishing provider qualifications and reimbursement rates, and ensuring compliance with federal Medicaid requirements. DHS handles the financial management of the program, administering payments to healthcare providers, managing contracts with Managed Care Organizations (MCOs), and overseeing both state and federal funding streams. DHS also administers MinnesotaCare, Minnesota's state-sponsored health insurance program designed to provide affordable health coverage for residents who don't qualify for Medicaid but still need help paying for health insurance. It serves as a bridge program for working individuals and families whose income is too high for Medicaid but who may struggle to afford private insurance. All MinnesotaCare enrollees receive behavioral health care services through managed care.

While DHS maintains overall program authority, it operates through a collaborative model, partnering with all 87 Minnesota counties for day-to-day eligibility determination and case management, working with multiple Minnesota Tribal Nations, and contracting with managed care organizations that provide services to most Medicaid enrollees.

### **DHS Aging and Disability Services Administration (ADSA)**

The Aging and Disability Services Administration oversees home and community -based services and various grant programs for older adults and people with disabilities. These programs provide many services to people including mental health services. For example, under the DHS Medical Assistance waiver programs, the Community Access for Disability Inclusion (CADI) waiver which serves people under age 65 and the Elderly Waiver (EW) for people over age 65, provides multiple services to people with various needs including mental health services. Without receiving waiver services, these individuals would typically require a hospital or nursing home level of care to live more independently in the community with supports.



In addition, the Deaf, DeafBlind and Hard of Hearing Services Division within ADSA empowers people who are deaf, deafblind or hard of hearing with the tools to make communication access easier. This includes working with individuals and family members of people who are deaf, deafblind or hard of hearing to connect them with mental health services; assistance with finding therapists who understand how to work with people who are deaf, deafblind or hard of hearing; and, getting support for case coordination, aftercare planning and community placement assistance.

## **DHS Homelessness, Housing and Support Services Administration**

This administration provides housing services and supports to people in need of housing including those with mental health and substance use disorders.

Some of the programs include:

**Housing with Supports for Adults with Serious Mental Illness-** This state grant program provides supportive services for adults with serious mental illness who are homeless or who are exiting institutions, and who have complex needs and face high barriers to obtaining and maintaining housing.

**Project for Assistance in Transition from Homelessness (PATH)** - PATH is a federal program supplemented with state matching funds to provide outreach, service coordination, and related services designed to find and engage persons with serious mental illness who are homeless or at imminent risk of becoming homeless and provide them with services to meet basic needs, resources, and housing.

**Crisis Housing Assistance Program:** This program provides short-term housing assistance to people with a serious mental illness who are receiving inpatient or residential mental health care or substance use disorder treatment for 90 days or less.

## **Minnesota Counties**

Minnesota operates under a state-supervised, county-administered framework for behavioral health services, a model shared by several other states nationwide. Within this structure, DHS maintains oversight responsibilities, develops and distributes statewide policies, and establishes service standards for behavioral health care. Counties function as local mental health authorities, implementing these standards while customizing services to address their communities' specific needs. County responsibilities encompass application processing, eligibility determination, case management provision, and either direct service delivery or contracting with providers.

This dual-level governance structure creates a strategic balance between maintaining consistent statewide standards and enabling locally responsive care delivery. The framework ensures behavioral health services remain both standardized and flexible enough to accommodate the varied needs across Minnesota's diverse population.

## **Tribal Governments**

Eleven sovereign Minnesota Tribes operate independently to safeguard the wellbeing of American Indian citizens across Minnesota, including the provision of mental health and substance use disorder services within their respective jurisdictions.

## **Minnesota Direct Care and Treatment**

Minnesota Direct Care and Treatment (DCT) is a highly specialized behavioral health care state agency that serves people with mental illness, substance use disorder, and developmental and intellectual disabilities. Most patients and clients have co-occurring conditions.

DCT is the only behavioral health care system of its kind, size and scope in Minnesota, so it occupies a unique place in the state's mental health continuum of care. Each year, DCT serves more than 12,000 patients and clients whose conditions are so complex and behaviors so challenging that other health care providers cannot or will not serve them. Some providers do not have the capacity. Others do not have the expertise.

Nearly all of DCT's patients and clients have been civilly committed by a court as mentally ill, mentally ill and dangerous, chemically dependent, developmentally disabled or sexually dangerous. Many are under more than one civil commitment.

DCT operates psychiatric hospitals and other inpatient mental health treatment facilities; inpatient substance use disorder treatment facilities; outpatient primary care and psychiatric services; special care dental clinics; crisis response teams, residential and vocational services for people with developmental disabilities and co-occurring mental illness; and the nation's largest treatment program for civilly committed sex offenders. Services are delivered at about 150 sites statewide.

## **DCT Child and Adolescent Behavioral Health Hospital**

The Child and Adolescent Behavioral Health Hospital (CABHH) in Willmar is an inpatient psychiatric hospital for children ages 4 to 18. The hospital serves youth with complex mental illnesses and behavior disorders who cannot be treated in their home communities. In many cases, patients have multiple diagnoses that range from brain and behavior disorders to psychiatric and traumatic stress conditions. For most patients, other prior treatments have been ineffective. Treatment at the 16-bed hospital focuses on managing illness and changing behaviors that get in the way of meaningful personal growth and development. It also recognizes and builds on the strengths of the child and family to help meet treatment goals, help nurture and maintain healthy family relationships, and help patients reach their highest potential. Clinical services are tailored to each patient's needs. While the hospital admits children from anywhere in Minnesota, admission is by referral only to children who meet the medical criteria for hospitalization.

## **Minnesota Department of Health (MDH)**

The Minnesota Department of Health (MDH) focuses on researching and preventing mental health and substance use disorders and oversight of some health facilities, including hospitals and psychiatric hospitals.

DHS and MDH collaborate together on many initiatives and projects. Some of the many important MDH programs and projects include:

- Mental Well-being and Resilience Learning Community- Helps participants learn about effective wellbeing strategies and practical implementation steps to assist individuals and groups to develop community and state action plans and opportunities to partner with people in their communities who are interested mental wellbeing and resilience.
- Minnesota Thrives- Spotlights initiatives successful in promoting mental well-being and resilience by identifying resources, potential gaps, and innovative strategies to support mental health.
- Disaster Mental Health - Integrates preparedness, response, and recovery planning among state, local and tribal public health and health care partners including programs for Disaster Behavioral Health and Emergency Preparedness, and training for Psychological First Aid (PFA).
- Behavioral health data collection - MDH collects and publishes data on a range of related topics to monitor and assess the prevalence of mental illnesses, suicide deaths and rates, unmet mental health needs, barriers to accessing care, behavioral health professional availability in urban and rural areas, drug overdose deaths, and other behavioral health trends and demographics.
- Health Regulation Division - MDH performs a variety of important regulatory functions to protect Minnesotans, such as: issuing state licenses and federal certifications, completing inspections of health care facilities, investigations, reviews, or audits; administering registries, taking compliance or enforcement actions when necessary, and providing information to consumers and providers. MDH also maintains a strong relationship with the Centers for Medicare and Medicaid Services (CMS) for the many health facilities that are federally certified.

## **Minnesota Department of Education (MDE)**

Schools provide an ideal setting and opportunity to address young people's behavioral health needs. Recent federal legislation, guidance, and State Plan Amendment approval from the Centers for Medicare and Medicaid Services have expanded opportunities to use Medicaid funding for behavioral health supports in educational settings, building upon existing programs available in many, though not all, school environments.

Recognizing this opportunity, DHS and MDE have established a collaborative team to support and guide schools in maximizing new and emerging Medicaid opportunities. This partnership helps schools utilize funding strategically to expand services while maintaining compliance with Medicaid requirements and ensuring program integrity.

MDE's comprehensive approach to student behavioral health centers on creating positive school climates and improving student wellbeing through the Comprehensive School Mental Health System (CSMHS) model. This framework provides a full spectrum of supports and services designed to promote behavioral health while reducing the prevalence of mental illness and substance use disorders. The model emphasizes essential collaboration between schools, families, community partners, and mental health professionals to create integrated support networks.

Through their joint efforts, MDE and DHS work directly with local school districts across Minnesota to ensure mental health and substance use disorder services are accessible in schools statewide. This collaborative approach leverages the strengths of both agencies—MDE's educational expertise and DHS's behavioral health administration capabilities—to create comprehensive, sustainable support systems that meet students where they are and address their needs within familiar educational environments.

## **Minnesota Department of Corrections (DOC)**

The DOC provides behavioral health care to people in state correctional facilities including mental health and substance use disorder assessments and treatment. Services include support services, self-help groups, evaluations, short-term treatment, and intensive treatment for more serious mental health issues.

DHS, working in close partnership with DOC, has submitted a Section 1115(a) Reentry Demonstration Waiver application that seeks to improve health outcomes, reduce deaths, decrease recidivism rates, and address related disparities for people who have been incarcerated. If approved, Minnesota will achieve this by providing a set of Medicaid covered services in certain jails and prisons to eligible participants who are within 90-days of release. Initially, the program will be limited to three prisons and five jails. All people in these settings will be screened for SUD, mental health, and medical conditions to determine whether they need additional assessment. Having an assessed need is one of the criteria to receive services covered by the waiver.

Reentry services are covered fee-for-service. In some jails and prisons, carceral staff will provide the service and the setting will be the Medicaid enrolled provider. In jails and prisons, all or some waiver services may be furnished by community providers. The flexibility of this design is necessary due to the unique nature of the settings and variation in provider capacity throughout the state. All providers serving participants must meet all state licensing and credentialing requirements and enroll as a Minnesota Medicaid provider. Following release, participants have access to the full Medicaid benefit set and may receive services from any qualified provider based on their coverage.

## **Minnesota Judicial Branch**

Minnesota Treatment Courts include Adult Drug Court, DWI Court, Family Dependency Treatment Court, Juvenile Drug Court, Mental Health Court, and Veterans Court.

Treatment courts stop the vicious cycle of relapse and recidivism by treating substance use and mental health disorders for individuals involved in the criminal justice system. Treatment Court promote recovery through a coordinated, team approach including cooperation and collaboration of judges, prosecutors, defense counsel, probation authorities, coordinators, treatment providers, law enforcement, evaluators, and other ancillary service providers. Evidence-based practices are used in treatment courts to tailor individualized, appropriate services for participants in the program. The goal of treatment courts is to engage individuals in treatment long enough to experience the benefits of treatment in order to end the cycle of recidivism and successfully treat their substance use and mental health disorders that brought them into the criminal justice system.

## 1.3 Please describe how the public mental health and substance use services system is organized at the regional, county, tribal, and local levels.

In the description, identify entities that provide mental health and substance use services, or contribute resources that assist in providing these services. This narrative must include a description of the current service system's attention to the MHBG and SUPTRS BG priority populations listed above under "Populations Served."

Minnesota operates a unique **state-supervised, county-administered** approach to behavioral health services, distinguishing it from most states that use centralized administrative systems. This structure creates a multi-layered system involving regional, county, tribal, and local entities working collaboratively to serve priority populations including children with serious emotional disturbance (SED), adults with serious mental illness (SMI), individuals with early serious mental illness (ESMI), those needing behavioral health crisis services (BHCS), pregnant women and women with dependent children (PWWDC), persons in need of substance use primary prevention (PP), persons who inject drugs (PWID), and persons in need of recovery support services from substance use disorder (PRSUD).

### County Responsibilities as Local Mental Health Authorities

Under Minnesota's Comprehensive Mental Health Act, the state's 87 counties serve as Local Mental Health Authorities (LMHAs) with comprehensive responsibilities for ensuring resident access to adequate behavioral health services. While the Department of Human Services (DHS) provides oversight and sets statewide policies, counties maintain front-line administrative authority for service delivery.

#### Core County Functions:

- **Assessment and Planning:** Conduct thorough community needs assessments, identify service gaps, and develop responsive service plans
- **Financial Management:** Receive, manage, and distribute state and federal funding to local service providers
- **Provider Network Management:** Establish networks of qualified providers through competitive selection and maintain ongoing oversight for compliance and quality
- **Crisis Response:** Establish and fund crisis services including hotlines, stabilization programs, and intervention teams
- **Quality Assurance:** Implement evidence-based practices and maintain continuous quality improvement processes
- **Community Integration:** Coordinate with state-operated facilities and lead community education and stigma reduction efforts

This county-centered approach enables Minnesota to balance statewide standards with locally responsive care, ensuring services reflect unique community characteristics while maintaining regulatory consistency.

## Tribal Nations and Behavioral Health Services

Minnesota's 11 federally recognized sovereign Tribal Nations—four Dakota communities (Shakopee Mdewakanton Sioux, Prairie Island, Lower Sioux, and Upper Sioux) and seven Anishinaabe reservations (Grand Portage, Bois Forte, White Earth, Leech Lake, Fond du Lac, Mille Lacs, and Red Lake Nation)—maintain primary responsibility for their citizens' health and well-being within their jurisdictions.

### Tribal Behavioral Health System Features:

- **Comprehensive Health Systems:** Many nations operate clinics, hospitals, and specialized behavioral health programs providing the full spectrum of services from prevention through intensive treatment
- **Culturally Grounded Services:** Programs incorporate traditional healing practices and values alongside evidence-based interventions
- **Prevention and Education:** Targeted initiatives include awareness campaigns, community workshops, and outreach programs
- **Crisis Response:** Specialized teams trained in both clinical best practices and cultural traditions

The DHS American Indian team serves as liaison, managing approximately 50 grants across substance use disorder, prevention, and mental health services, including specialized funding for Children's Respite, State Opioid Response (SOR), and Traditional Healing services. Notably, Red Lake Nation is the only tribal nation in the country receiving SUPTRS BG funds directly from SAMHSA.

## Regional Coordination Structures

### Adult Mental Health Initiatives (AMHIs)

Following the closure of Regional Treatment Centers in the early 1990s, Minnesota established 18 AMHIs in 1996 to maintain service continuity through county and tribal government partnerships. These regional coalitions provide:

- **Collaborative Service Management:** Continuous monitoring, assessment, and adaptation of adult mental health services across designated regions
- **Resource Optimization:** Pooled resources and expertise, particularly beneficial for smaller or rural counties
- **Flexible Service Design:** Each initiative can customize services to reflect area-specific characteristics and needs
- **Accountability Systems:** Designated boards ensure service access while maintaining state accountability through regular reporting

### Children's Mental Health Collaboratives

Established in 1993, the system includes 89 state-sanctioned Collaboratives:

- 8 Children's Mental Health Collaboratives
- 42 Family Services Collaboratives
- 39 Integrated Children's Mental Health and Family Services Collaboratives

These collaboratives promote prevention and early intervention through comprehensive public health approaches addressing all developmental dimensions (cognitive, social, emotional/behavioral, physical, environmental, economic, spiritual, and educational/vocational).

## Advisory and Support Systems

### Local Mental Health Advisory Councils (LACs)

State law mandates all counties establish LACs to provide community input and policy insights. Each council must include:

- At least one consumer of mental health services
- One family member of an adult with mental illness
- One mental health professional
- One representative from community support services programs

LACs meet quarterly to review local systems and provide annual reports identifying unmet needs, directly informing local adult mental health planning.

## Provider Support Systems

**Collaborative Psychiatric Consultation Service:** Phone-based support for healthcare professionals determining appropriate medications for children and youth with mental illness.

**Early Childhood Mental Health System:** Statewide system established in 2009, available across all 87 counties and three tribal nations, providing evidence-based, culturally appropriate services for children birth to age five through over 60 contracted consultants.

## Service Integration Framework

Minnesota emphasizes integrated mental health, substance use disorder, and physical health services through several key initiatives:

**Universal Screening Requirements:** All mental health programs must screen for substance use disorders; all substance use disorder programs must screen for mental health issues, with positive screens requiring coordinated treatment or referrals.

**Behavioral Health Homes (BHH):** 47 certified providers (as of July 2025) operate under Minnesota's version of the federal "health home" benefit, integrating primary care with behavioral health services for individuals with chronic mental health conditions.

**Certified Community Behavioral Health Clinics (CCBHCs):** "One-stop-shop" facilities offering comprehensive mental health and substance use disorder services with coordinated care across settings, reimbursed through prospective payment systems with quality incentive payments.

**1115 Reentry Demonstration Waiver:** Federal Medicaid waiver project addressing healthcare gaps for individuals leaving incarceration through pre-release services including case management, prescription drugs, and behavioral health assessments.

## Service Delivery Models

### Substance Use Disorder Services

Minnesota operates a person-centered **Direct Access model** allowing individuals to go directly to chosen providers for comprehensive assessment and immediate care access, removing timing barriers and duplication. Services range from primary prevention through withdrawal management, utilizing the American Society of Addiction Medicine (ASAM) model of care for all publicly funded providers.

The state operates under the 1115 SUD Treatment Reform Demonstration, a Medicaid waiver expanding access to evidence-based substance use disorder treatment services with improved care coordination and provider capacity enhancement.

### Mental Health Services

The system provides a comprehensive continuum from early childhood mental health consultation through psychiatric hospitalization, including community-based services, residential treatment, and crisis intervention. Services are delivered by diverse providers including for-profit and not-for-profit organizations, hospitals, tribal governments, counties, and state-operated facilities.

## Comprehensive Service Offerings

### Substance Use Disorder Services

Minnesota's substance use disorder services are organized from least to most intensive, utilizing ASAM levels of care and funded through grants, the Behavioral Health fund, Medical Assistance, or combinations thereof:

#### Prevention and Early Intervention:

- **Primary Prevention (children and young adults):** Community-based activities focusing on high-risk populations and environmental changes to reduce substance misuse, delivered through regional prevention coordinators in collaboration with state agencies
- **Early Intervention (children and adults):** Screening, Brief Intervention and Referral to Treatment (SBIRT) services to modify at-risk consumption patterns (ASAM level 0.5)

#### Treatment and Recovery Services:



- **Peer Recovery Support (all ages):** Long-term recovery support through Recovery Community Organizations, licensed SUD treatment programs, and specialized programs for pregnant women and women with dependent children
- **Outpatient Treatment (children and adults):** Individual and group therapy, treatment coordination, and ancillary services, including integrated co-occurring mental health services (ASAM levels 1.0, 2.1, 2.5)
- **Opioid Treatment Programs (adults):** Comprehensive treatment for opioid use disorders including methadone and buprenorphine for persons who inject drugs (PWID)
- **Office-Based Opioid Treatment (adults and children):** Medication access through primary physician offices for easy buprenorphine access
- **Recovery Housing (adults):** Recovery residences and housing support programs providing recovery-friendly living environments
- **Residential Treatment (adults and children):** Comprehensive programs with individual and group therapy, including integrated co-occurring services (ASAM levels 3.1, 3.3, 3.5)
- **Specialized Services for PWWDC (adults):** Comprehensive wraparound services including residential, outpatient, and community-based programs
- **Withdrawal Management:** Safe withdrawal assistance from alcohol or other substances (ASAM levels 3.2, 3.7)
- **Overdose Reversal Medications:** Statewide free Naloxone access programs

## Mental Health Services

Mental health services provide a comprehensive continuum enabling choice and recovery for individuals with mental illness, delivered from least to most intensive:

### Early Intervention and Prevention:

- **Early Childhood Mental Health Consultation (children with SED):** Early identification and intervention before age 5 with proper assessments and family support
- **Screening in Child Welfare/Juvenile Justice (children with SED):** Mental health screening for system-involved youth with state grant funding for treatment
- **Warmline (children with SED/adults with SMI):** Peer support to help avoid mental health crises, 911 calls, or emergency department visits

### Community-Based Services:

- **Certified Peer Support (children with SED/adults with SMI):** Services provided by trained former consumers to engage others in recovery
- **Outpatient Services (children with SED/adults with SMI):** Individual, group, and family therapy, diagnostic assessments, medication management, and psychological testing through various provider types
- **School-Linked Behavioral Health (children with SED):** Services connecting behavioral health with schools to improve accessibility and outcomes for uninsured/underinsured students
- **Mental Health Services in Special Education (children with SED):** Medically necessary services as part of Individualized Education Plans
- **School-Based Community Services (children with SED):** Medicaid-reimbursable services provided in school settings
- **Respite Care (children with SED):** Temporary care providing family relief while ensuring child safety

### Intensive Community Services:

- **Permanent Supportive Housing (adults with SMI):** Private, secure housing with access to needed support services
- **Mental Health Targeted Case Management (children with SED/adults with SMI):** Assistance accessing educational, health, legal, medical, social, and vocational services through assessment, planning, referral, and coordination
- **Children's Therapeutic Services and Supports - CTSS (children with SED):** Restorative rehabilitative interventions in home, community, and school settings
- **Adult Rehabilitative Mental Health Services (adults with SMI):** Community-based skill acquisition and enhancement services
- **First Episode Psychosis Coordinated Specialty Care (adults with ESMI):** Recovery-oriented multidisciplinary team interventions for individuals experiencing first episode psychosis

### Intensive Treatment Services:

- **Adult Day Treatment (adults with SMI):** Intensive services reducing mental illness effects and providing community living training
- **Partial Hospitalization (children with SED/adults with SMI):** Time-limited psychotherapy and therapeutic services
- **Youth Assertive Community Treatment/Intensive Rehabilitative Mental Health Services (children with SED):** 24/7 intensive multidisciplinary team services for youth with severe mental health or co-occurring conditions
- **Assertive Community Treatment (adults with SMI):** Intensive, comprehensive non-residential rehabilitative services for serious mental illness

### Crisis and Residential Services:

- **988 Suicide and Crisis Lifeline (all ages):** 24/7 professional suicide prevention counseling and crisis intervention through call, text, or online messaging
- **Mobile Crisis Services (all ages):** Crisis services delivered in homes and community settings outside traditional clinical environments
- **Children's Intensive Behavioral Health Services - CIBHS (children with SED):** Comprehensive services for children in foster care or at risk of out-of-home placement
- **Residential Crisis Services (all ages):** Short-term facility-based assessment, stabilization, and treatment (typically 4-5 days)
- **Children's Residential Mental Health Treatment (children with SED):** Group residential facilities providing mental health treatment under clinical supervision
- **Psychiatric Residential Treatment Facilities - PRTFs (children with SED):** Highly structured residential services for children with complex conditions, more intensive than other residential services but less than psychiatric hospitalization
- **Intensive Residential Treatment Services - IRTS (adults with SMI):** 90-day average stay facilities providing rehabilitative services for psychiatric stability and community transition
- **Psychiatric Hospitals (children with SED/adults with SMI):** Hospitalization and comprehensive mental health services through local hospitals, Child and Adolescent Behavioral Health Hospitals, Community Behavioral Health Hospitals, and state-operated facilities like Anoka Metro Regional Treatment Center

## System Impact and Reach

### Key Service Statistics:

- Substance Use Disorder Treatment: 52,214 people received treatment for substance use disorder through the Medicaid program in calendar year 2023
- Mental Health: 208,680 Minnesota adults received mental health services through Minnesota Health Care Programs in calendar year 2023
- Assertive Community Treatment (ACT) Services: 1,952 adults received ACT services in 2023
- 38,505 students served through School Linked Behavioral Health services (serving 60 provider agencies partnering with 43 of 46 metro school districts and 234 of 279 greater Minnesota districts)
- 25,966 individuals receiving Adult Rehabilitative Mental Health Services (ARMHS) through 232 Minnesota Health Care Programs in 2024
- 76 IRTS facilities statewide (46 IRTS-only and 30 combined IRTS/residential crisis stabilization) and 7 residential crisis stabilization only
- Minnesota ranks in the top 10 nationally for mental health treatment rates

This comprehensive, multi-layered system ensures that Minnesota's diverse communities—from urban centers to rural areas, from county residents to tribal citizens—have access to culturally appropriate, evidence-based behavioral health services that address both individual needs and population-specific priorities established under MHBG and SUPTRS BG requirements.

**Step 2: Identify the unmet service needs and critical gaps within the current system, including state plans for addressing identified needs and gaps with MHBG/SUPTRS BG award(s).**

**2.1 Please describe how your state conducts statewide needs assessments to identify needs for mental and substance use disorders, determine adequacy of current services, and identify key gaps and challenges in the delivery of quality care and prevention services.**

## **Minnesota's Statewide Mental Health & Substance Use Needs Assessment**

### **Overview**

The Minnesota Department of Human Services Behavioral Health Administration (BHA) conducted a comprehensive statewide needs assessment to identify unmet needs and gaps for mental health and substance use disorders services. This assessment supports the combined Mental Health and Substance Use Block Grant application and ensures adequate service delivery across the state.

### **Assessment Methodology**

The needs assessment utilized a three-pronged approach to gather comprehensive data on behavioral health needs and service gaps:

#### **1. Existing Data Review**

BHA staff reviewed the following existing data reports to assist in identifying unmet needs and gaps for substance use and mental health services.

##### **National Data Sources:**

- KFF mental health and substance use disorder data
- National Survey on Drug Use and Health (NSDUH) data
- Treatment Episode Data Set (TEDS)

##### **Minnesota-Specific Data Sources:**

- Minnesota Department of Health overdose, mental health, and substance use disorder data
- Minnesota Student Survey (MSS) data
- SAMHSA Uniform Reporting System (URS) data
- Statewide Epidemiologic Outcomes Workgroup (SEOW) analysis and context for the Minnesota Department of Health data

## 2. Stakeholder Engagement & Plan Review

BHA met with the State Advisory Council on Mental Health and Subcommittee on Children's Mental Health and the Minnesota Behavioral Health Planning Council to solicit their input on identifying unmet needs and gaps for mental health and substance use disorders services. In addition, BHA staff analyzed existing reports, recommendations, and priorities identified by multiple Minnesota advisory bodies, and professional, community, and advocacy organizations that address behavioral health needs, including:

### State-Level Advisory Bodies:

- Governor's Advisory Council on Opioids, Substance Use, and Addiction
- Minnesota Office of Addiction and Recovery (OAR)
- State Advisory Council on Mental Health (SACMH) and its Children's Mental Health Subcommittee

### Professional, Community & Advocacy Organizations:

- Minnesota Rural Health Association (MRHA)
- Minnesota Alliance for Rural Addiction Treatment Providers (MARATP)
- Minnesota Association of County Social Service Administrators (MACSSA)
- Minnesota Adult Mental Health Initiative (AMHI) agencies
- Minnesota Association for Recovery and Resources for Chemical Health (MARRCH)
- Mental Health Legislative Network (MHLN)
- National Association on Mental Illness (NAMI) Minnesota
- AspireMN/Minnesota Council of Child Caring Agencies (MCCCA)
- United Way Youth of Northeast Minnesota
- Minnesota Council for HIV/AIDS Care and Prevention

## 3. Primary Data Collection

BHA staff also conducted two surveys to gain the community's perspective on gaps and needs. The first survey was a provider survey, and the second survey was to the broader community as noted below.

### Provider Survey (April-May 2025):

- 602 responses from mental health and substance use disorder service providers
- Administered through Qualtrics from April 19 to May 9, 2025
- Distributed through email to News from DHS: Mental Health and News from DHS: Alcohol, drugs and other addictions email subscriber lists, further distribution by state councils and committees, provider organizations, advocacy groups and community organizations
- Captured both operational and experiential data

### Survey Data Collected:

- Respondent demographics and service characteristics
- Geographic coverage (Twin Cities Metro, North of Metro, South of Metro)
- Service categories (residential, hospital, community-based, outpatient, prevention, crisis)

- Identified barriers to mental health and substance use services
- Service priority rankings and areas of strength
- Additional recommendations for system improvement

**Client, Former Client, Family, Friends & People in Need Survey (July 2025):**

- 730 responses from clients, former clients, people in need of services, their family and friends, and the general public
- Administered through Qualtrics from July 10 to July 18, 2025
- Distributed through social media, including Minnesota DHS Facebook, X (Twitter), and LinkedIn; email distribution to News from DHS: Mental Health and News from DHS: Alcohol, drugs and other addictions email subscriber lists, further distribution by state councils and committees, provider organizations, advocacy groups and community organizations

Survey Data Collected:

- Geographic coverage (Twin Cities Metro, North of Metro, South of Metro)
- Missing mental health-related services
- Missing addiction or substance use services
- Barriers to Getting Needed Mental Health or Substance Services
- Needed Mental Health and Substance Use Disorder Service Changes and Resources
- Needed Mental Health and Substance Use Disorder Service Enhancements

**Summary**

This comprehensive three-pronged methodology demonstrates Minnesota's commitment to evidence-based behavioral health planning by systematically combining quantitative data analysis, institutional expertise, and direct community input. By leveraging existing national and state datasets alongside targeted stakeholder reviews and extensive primary data collection from both providers and service users, the assessment ensures that identified needs and service gaps reflect the full spectrum of Minnesota's behavioral health landscape.

The integration of 602 provider perspectives with 730 client and community voices, supported by robust data analysis and stakeholder expertise, creates a multidimensional understanding of system strengths and deficiencies. This thorough approach positions Minnesota to make informed, data-driven decisions about resource allocation and service development that address both operational challenges and the lived experiences of those seeking mental health and substance use disorder services across the state's diverse geographic regions.

The methodology's strength lies in its ability to triangulate findings across multiple data sources and perspectives, ensuring that the resulting needs assessment provides a reliable foundation for improving behavioral health service delivery and outcomes for all Minnesotans.

**2.2 Please describe the unmet service needs and critical gaps in the state’s current mental and substance use systems identified in the needs assessment described above. The description should include the unmet needs and critical gaps for the required populations specified under the MHBG and SUPTRS BG “Populations Served” above. The state may also include the unmet needs and gaps for other populations identified by the state as a priority.**

## **Minnesota’s Critical Service Gaps and Unmet Needs**

### **1. Resource Sustainability and Workforce Shortages**

**Financial Sustainability Crisis:** Many services are operating below cost as the gap between reimbursement rates and actual service delivery costs continues to widen. This creates unsustainable operating conditions that threaten service continuity.

**Critical Workforce Shortage:** Minnesota faces an estimated 25% vacancy rate in mental health professional positions (one in four jobs vacant). This shortage is particularly acute in rural areas where trained professionals are less likely to live and work. The combination of workforce shortages and inadequate funding leaves many providers at capacity and unable to accept new clients, resulting in extensive wait lists for those needing immediate services.

**Populations Most Affected:** All required populations are impacted, with particular challenges for rural communities and individuals experiencing homelessness who face additional barriers due to frequent movement of encampments and associated services.

### **2. Service Integration and Continuity Deficits**

**Fragmented Care Model:** The current episodic care approach relying on discrete, short-term interventions proves ineffective for sustained recovery. There is insufficient coordination between concurrent services and poor transitions between different levels of care.

**Post-Correctional Services Gap:** With 40% of premature deaths among previously incarcerated individuals attributed to drug overdose, there is a critical need for improved discharge planning and continuity of mental health and substance use services for this population.

**Emergency Department Integration:** Behavioral health systems in emergency departments require significant improvement to better serve individuals in crisis.

**Populations Most Affected:** Individuals with co-occurring mental health and substance use disorders, persons needing long-term recovery support services, previously incarcerated individuals, and those experiencing Early Serious Mental Illness (ESMI) or behavioral health crises.

### 3. Stigma Reduction Needs

**Multi-Level Stigmatization:** Stigma from family, peers, employers, and landlords deters individuals from seeking necessary services. Internalized stigma further impedes the transition from contemplating treatment to actively seeking care.

**Rural Community Challenges:** Stigma is particularly pronounced in small rural communities where maintaining anonymity is difficult.

**Populations Most Affected:** Persons who use injection drugs (PWID) face significant stigma around harm reduction interventions, while individuals with Serious Mental Illness (SMI) or Serious Emotional Disturbance (SED) in rural areas would benefit greatly from enhanced stigma reduction efforts.

### 4. Person-Centered Service Gaps

**Inadequate Basic Needs Integration:** Services fail to adequately address fundamental life circumstances including access to adequate food, stable housing, childcare, and work-family responsibilities.

**Service Responsiveness Deficits:** Services need better integration of holistic approaches and specialized programming to meet individual needs.

**Generational Appropriateness:** Services require better utilization of age-appropriate modalities, including social media and mobile applications for younger populations and specialized services for older adults.

**Populations Most Affected:** Pregnant women and women with dependent children face particular challenges addressing family needs while pursuing recovery, requiring programs that allow parents to attend treatment while children remain in their care.

### 5. Access Barriers and System Navigation Challenges

**Complex Navigation Systems:** Clients and providers report that pathways to appropriate services are overly complicated, poorly explained, and not user-friendly. Multi-party pre-approval processes create delays at crucial points in recovery and healing.

**Transportation and Technology Barriers:** Rural areas face significant transportation challenges, while expanded telehealth options are needed along with improved technology access and internet connectivity.

**Self-Referral Tool Inadequacy:** The "Fast Tracker" behavioral health service search engine requires improvement to ensure accessibility for non-health professionals seeking appropriate services with available openings.

**Populations Most Affected:** This represents a universal need with particular importance for individuals seeking initial services (First Episode Psychosis, ESMI, behavioral health crises) and those re-engaging with substance use disorder recovery support services where motivation may diminish if obstacles are encountered.



## 6. Data Quality and Utilization Gaps

**Real-Time Data Limitations:** While national and Minnesota datasets provide valuable information, they are not consistently user-friendly and real-time information is rarely available.

**Specific Data Needs:** Providers identified needs for a comprehensive mental health needs assessment databank, improved Adult Mental Health Initiative data collection, and centralized demographic data for youth in the juvenile justice system.

**Definitional Inconsistencies:** Inconsistent definitions for recovery may lead to inaccurate data regarding successful treatment program identification.

## 7. Early Identification and Intervention Deficits

**Limited Early Episode Programming:** Beyond First Episode Psychosis services, there is a need for early episode bipolar programming and first episode mood disorder programs for individuals with bipolar disorder or major depression.

**Educational Setting Gaps:** Enhanced early intervention in educational settings is needed to support youth skill development for academic and social success.

**SUD Early Identification Gap:** There is a scarcity of programs focused on early substance use disorder identification, representing an intervention between primary prevention and formal treatment.

**Populations Most Affected:** Youth populations, individuals experiencing First Episode Psychosis and Early Serious Mental Illness.

## 8. Justice System and Correctional Services

**Reentry Waiver Implementation:** Support is needed for federally required 1115 Reentry waiver services and all FDA-approved Medications for Opioid Use Disorder (MOUDs) in correctional settings.

**Discharge Planning Inadequacy:** Post-correctional discharge planning and service continuity for individuals leaving incarceration requires substantial improvement.

## 9. Specialized Population Needs

**Children and Youth Services:** Increased behavioral health services in schools are needed for early identification and prevention. More community-based, in-home family-centered mental health services and residential programs, including Psychiatric Residential Treatment Facilities (PRTFs) and youth substance use disorder treatment programs, are required to improve outcomes and reduce hospital boarding and detention facility placement. Non-emergency medical transportation options for children represent an additional gap.

**Recovery-Friendly Housing:** Support services, particularly housing, need to accommodate recovery needs through substance-free environments and mental health-supportive accommodations.

## Summary

Minnesota's behavioral health system faces a multifaceted crisis characterized by critical workforce shortages, financial sustainability challenges, and fragmented service delivery that collectively undermine effective care for individuals with mental health and substance use disorders. The 25% vacancy rate in mental health professional positions, combined with inadequate reimbursement rates, has created a perfect storm of reduced capacity and extensive wait lists precisely when demand for services continues to grow. These systemic challenges are compounded by significant access barriers, including complex navigation systems, transportation limitations, and persistent stigma that particularly affects rural communities and vulnerable populations.

The analysis reveals that sustainable solutions must address both immediate capacity issues and longer-term structural reforms. Priority areas include workforce development and retention strategies, improved care coordination across service levels, enhanced early identification and intervention programs, and the development of more person-centered approaches that integrate basic needs support with clinical treatment. Additionally, the justice system interface requires substantial improvement, particularly in discharge planning and continuity of care for previously incarcerated individuals who face disproportionately high overdose mortality rates.

This systematic approach positions Minnesota to develop targeted strategies for improving behavioral health service delivery and addressing identified gaps in the state's mental health and substance use disorder treatment system. Success will require coordinated efforts across multiple sectors, sustained investment in both infrastructure and human resources, and a commitment to data-driven decision making that incorporates both quantitative analysis and qualitative insights from lived experiences to inform future planning and resource allocation decisions.

**2.3 Please describe how the state plans to address the unmet service needs and gaps identified in the needs assessment. These plans should reflect specific services and activities allowable under the respective Block Grants. In describing services and activities, grantees must also discuss plans for the implementation of these services and activities. Special attention should be made in ensuring each of the required priority populations and any other populations prioritized by the state as part of the Block Grant services and activities are addressed in the implementation plan.**

This section is still in the process of being completed. Additional information will be provided.

DRAFT