Minnesotans expect and deserve state government that works efficiently and effectively. State government should serve citizens well and be accountable to hardworking taxpayers. Outdated laws and regulations or poorly designed systems too often result in services that fall short of citizen expectations.

The Walz-Flanagan budget places special emphasis on improving the efficiency and effectiveness of the systems that care for some of Minnesota’s most vulnerable citizens: people with mental illness, disabilities and older Minnesotans.

**REFORMING PUBLIC MENTAL HEALTH PROGRAM STANDARDS**

**Unifying and Streamlining Requirements for Mental Health Services**
Aligning common standards across different mental health service lines will improve services for patients and provide consistency for service providers. Governor Walz’s budget will eliminate requirements that do not add value or enhance the quality of treatment. Uniform provider qualifications, policies and procedures will treat service providers predictably and fairly.

**Prioritizing Mobile Crisis Response**
The proposal clarifies when mobile crisis teams can be expected to respond. The Walz-Flanagan proposal places a high priority on calls made by peace officers and by hospitals that lack specialized mental health resources. Friends and family will also find it easier to call for a crisis team on behalf of a loved one.

**Unifying Models of Care for Mental Health and Substance Use Programs**
Because patients often have co-occurring mental health and substance abuse challenges, it is important that they have easy access to both types of treatment programs. Governor Walz’s proposal directs the Department of Human Services to develop a plan for a unified licensing structure for publicly funded mental health services, including aligning mental health and substance use disorder service requirements. The reforms will be done in collaboration with stakeholders and with input from the community.

**BUILDING AN INTEGRATED BEHAVIORAL HEALTH SYSTEM**

**Aligning Mental Health and Substance Use Disorder Treatment Payments**
Both mental health and substance use disorder services are covered under Medical Assistance, but substance use disorder services are financed differently. The Walz-
Flanagan proposal aligns how treatment services are billed and paid for under Medical Assistance across mental health and substance use disorder services. This will help ensure individuals receiving substance abuse disorder treatment have coverage for other health care and mental health services they are eligible to receive.

**Creating Parity for Room-and-Board in Residential Substance Use Treatment**
Governor Walz’s budget will align payment for room-and-board in mental health and substance use disorder residential treatment programs. It will also remove any county share for room-and-board and eliminate the requirement that some clients pay a portion of their room-and-board while receiving residential mental health treatment.

**Increasing Access to Housing Following Residential Treatment**
Many individuals receiving treatment cycle in and out of residential treatment and homelessness. By providing housing options, these individuals will be less likely to experience homelessness as they come out of residential treatment. The Walz-Flanagan budget provides presumptive eligibility for Housing Support (formerly Group Residential Housing, or GRH) for individuals leaving a residential mental health or substance use disorder treatment program to allow for stable housing options.

**IMPROVING THE QUALITY OF CARE IN NURSING FACILITIES**

**Providing Incentives for Higher Quality Care**
The best systems hold providers accountable, but also encourage and reward them for delivering high-quality services and care. Governor Walz’s budget provides incentives for higher quality and limits growth rates for poorer performing nursing facilities with a revised value-based reimbursement rate formula.

**Ensuring That People Don’t Pay for Services They Don’t Receive or Need**
A top complaint from private-paying residents in nursing facilities is that they often have to continue paying for therapeutic services long after they are no longer needed. That’s because residents’ needs are assessed every 90 days. The Walz-Flanagan proposal requires nursing facilities to conduct additional assessments following the end of therapy and reclassify patients if necessary.

**Reforming Nursing Facility Property Payment Rates**
The current property rate system is extremely complex and is not applied equally across all nursing facilities. Governor Walz’s proposal replaces the current method for determining daily property rates for nursing facilities with a new system that is based on fair rental values. This proposal will help reduce the average age of nursing facilities in Minnesota and improve quality of life for residents.
SIMPLIFYING AND STREAMLINING DISABILITY WAIVERS

**Redesigning the Disability Waiver Service System**

More than 47,000 Minnesotans with disabilities live, work and engage with their community with support from several disability Home and Community-Based Services (HCBS) waiver programs administered by DHS, counties and tribes. However, clients, their families, service providers and lead agencies find the system complicated and difficult to understand.

The Walz-Flanagan proposal streamlines services available across all four waivers, clearly defines services based on where services are provided, adds innovative new service options, and makes service choices easier to understand. It also takes preliminary steps to consolidate the existing four HCBS waivers into two: one waiver that serves individuals living independently or at home with family, and one that serves individuals living in residential settings.

**Improving the Budget Model for Disability Waivers**

Governor Walz’s proposal includes a budget model that promotes more transparent and flexible budgeting for services for people with disabilities and providing them greater choice. The proposal includes updating existing technical systems and engaging with communities to implement and evaluate the change.