

# Position Statement

## For 2022 Session

### Proposal to eliminate the County Share of the Behavioral Health Fund

#### Proposal

#### Issue:

Substance use disorder reform was passed during the 2017 legislative session. Substance use disorder (SUD) reform seeks to transform the service continuum from an acute episodic model to a chronic and longitudinal model. This reform establishes a specific model of “Direct Access” Comprehensive Assessment for SUD treatment services for Medical Assistance (MA).

The “Rule 25” process has been the method for eligible people to access publicly paid SUD treatment services in Minnesota. This has been the only process for assessing eligibility for SUD services through counties, Tribes, and Managed Care Organizations (MCOs). This process has been in place since the late 1980s.

Effective July 1, 2022, Comprehensive Assessments replaced the Rule 25 Assessments, and the Rule 25 process is no longer available. Counties and Tribes cannot authorize treatment services using this process as of July 1, 2022. Those counties who can meet the credentialing requirements to provide services will do so as providers.

Counties must accept financial responsibility for individuals eligible for SUD treatment determined by a separate entity but maintain a cost -share up to 22.95% (and 100% of the costs for IMD beds in a facility not participating in the 1115 demonstration project) under the Behavioral Health Fund (which replaces the Rule 24 funds) as payor only.

With the changes in the Substance Use Disorder (SUD) process under SUD Reform and Direct Access, counties are no longer in a decision-making role, yet currently under statute remain financially responsible for eligible clients.

Due to SUD Reform and changes to the access and the absence of financial controls, Counties should no longer be financially responsible for a county share in costs that are paid through the Behavioral Health Fund.

#### Implementation Strategy:

- Due to SUD Reform and changes to the access and financial controls Counties should no longer be financially responsible for a county share in costs that are paid through the Behavioral Health Fund. It would also be a more equitable

process to streamline the process of determining eligibility to assure it is determined consistently across the state. This streamlined process could be implemented more easily if the county share was eliminated.

### Systemic Priority Alignment (highlight all that apply and explain why)

- Equity
- Integrated Services
- Fiscal Framework

From the GARE Toolkit (See [www.racialequityalliance.org](http://www.racialequityalliance.org)): What are the racial equity impacts of this particular decision? Who will benefit from or be burdened by it? Are there strategies to mitigate unintended consequences?

Comments:

### Relevant Committee (highlight all that apply and explain why)

- Adult Services
- Behavioral Health
- Children's Services
- Modernization
- Policy
- Self-Sufficiency

Why:

### Rationale/Background:

- With the changes in the Substance Use Disorder (SUD) process under SUD Reform and Direct Access, counties have been taken out of the decision-making role, yet currently under Statute remain financially responsible for eligible clients.
- According to Minnesota Statute 254B.03 Subd. 4 the county share for SUD services payable through the former Consolidated Chemical Dependency Treatment Fund (CCDTF) now termed the Behavioral Health Fund (BHF) up to 22.95%.
- Under Direct Access, Counties no longer have any ability to regulate the expense or predict the cost to the county budget.
- Counties must accept financial responsibility for individuals eligible for SUD treatment determined by a separate entity but maintain a cost -share up to 22.95% under the Behavioral Health Fund as payor only.
- An additional cost share risk includes eligibility spans that must be set up in the payment system accepting responsibility for a full 6 months when County of Financial Responsibility actually transfers after 2 full months after a move.



**MACSSA**  
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Approved on: