

**NUMBER**  
**22-53-02R**

**DATE**  
September 27, 2022

**OF INTEREST TO**  
County Directors  
Social Services Supervisors and  
Staff  
Initiative Tribal Nations

**ACTION/DUE DATE**  
Please read information and  
implement

**EXPIRATION DATE**  
September 27, 2024

## Children's Mental Health Residential Services Path

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### TOPIC

Children's Mental Health Residential Services Path

### PURPOSE

Provide parents, advocacy organizations, Black, Indigenous and People of Color (BIPOC) communities, counties, initiative and non-initiative tribal agencies, pre-paid health plans/managed care organizations (MCOs), residential treatment centers and people served with information about a newly developed service, the CMH Residential Services Path.

### CONTACT

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### SIGNED

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### TERMINOLOGY NOTICE

The terminology used to describe people we serve has changed over time. The Minnesota Department of Human Services (DHS) supports the use of "People First" language.

# I. Minnesota adopts the Children’s Mental Health Residential Services Path

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In compliance with legislation that passed in 2021, the state of Minnesota has developed a new service designed to assist youth with a severe emotional disturbance (SED) and their families in gaining access to a residential treatment center (RTC).<sup>1</sup> The new service is called the Children’s Mental Health (CMH) Residential Services Path which was developed with the goal of providing youth and their families an alternative way to gain access to services needed that would meet a child’s individual and specific needs in an RTC.

The 2021 legislation directed Minnesota’s Department of Human Services (DHS) Commissioner to organize a work group and to develop recommendations on how to efficiently and effectively fund room and board costs for children’s mental health residential treatment under the Children’s Mental Health Act. The work group also provided recommendations on how to address systemic barriers in transitioning children into the community and community-based treatment options. Stakeholders included individuals from counties, initiative and non-initiative tribes, children’s mental health residential providers, children’s mental health advocates and state agency staff.

## A. Children’s Mental Health Residential Services Path room and board funding

The CMH Residential Services Path does not fund licensed residential treatment centers in the same manner as the two existing service entry methods or “paths.” When accessing children’s residential services using the existing paths, the county or initiative tribe has placement authority. The three initiative tribes are Red Lake Nation, Leech Lake Band of Ojibwe, and White Earth Nation. Historically, when a youth is admitted to a RTC, the youth may enter via a voluntary placement agreement (VPA) or through a placement for juvenile safety reasons. In both circumstances, the court is involved. Because of this court involvement, the county or initiative tribe receives federal IV-E reimbursement. IV-E reimbursement is used to pay for the cost of room and board. Medical Assistance (MA), pre-paid health plans/managed care (MCO), and private insurance, if applicable, are responsible for the cost of mental health services provided in the RTC.

In situations where a youth and family choose the Children’s Mental Health Residential Services Path, a voluntary placement agreement (VPA) is not utilized. A child accesses this as a service rather than a placement, and the county or initiative tribe does not receive IV-E funds. The legislature appropriated \$1,964,000 in state fiscal year 2022 and \$1,979,000 in state fiscal year 2023 to the Department of Human Services. This funding is ongoing, and these dollars will be used to reimburse counties and the three initiative tribes to cover a portion of the costs of the room and board with the CMH Residential Services Path. DHS conducted three stakeholder meetings focused on the identification of effective ways to fund room and board costs for youth in children’s mental health residential services. The work group considered past RTC county and initiative tribe service utilization, needs of the youth and county and initiative tribe-informed procedures.

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<sup>1</sup> Laws of Minnesota 2021, 1st Spec. Sess. chapter 7, article 11, sections 2-5, 49(b); and article 16, section 2, subdivision 7(a)

## B. Children’s Mental Health Residential Services Path

The CMH Residential Services Path is not considered an out-of-home placement. It is an alternative service designed to assist youth with a severe emotional disturbance (SED) and their families in gaining access to residential treatment services. The CMH Residential Services Path differs from other existing paths to access RTC. Existing entry paths are driven by the county or initiative tribe. For example, when the child and family have a county or tribal case manager, the lead agency determines if a youth is in need of placement in an RTC based on the Level of Care determination, the Diagnostic Assessment (DA) that includes the Child and Adolescent Service Intensity Instrument (CASII). The Level of Care determination is completed by the Mental Health Professional (MHP) and reviewed by the Juvenile Treatment Screening Team. A recommendation for placement of the child is considered, and a decision is made by the team. The lead agency (county or tribe) must adhere to the regulations outlined in the Family First Preservation Services Act (FFPSA) to receive IV-E reimbursement. The reader is asked to review the [FFPSA webpage](#) for further information regarding this process.

Conversely, the CMH Residential Services Path is an alternative, parent-driven path to accessing a residential service that does not require involvement of the county or tribe.

The key differences are:

- The family selects the level of county or initiative tribe involvement.
- The DA must be reviewed by the county or initiative tribe.
- The CMH Residential Service Path is not a placement. It is a service. Because of this, the county or initiative tribe does not have the ability to make placement decisions.
- If the youth is in a pre-paid health plan/MCO network, the health plan is responsible for the mental health treatment services as usual, and the county or initiative tribe pays for the room and board using the CMH Residential Services Path allocation.
- If the youth is not in a pre-paid health plan/MCO network and/or has fee for service MA, the county or initiative tribe is responsible for the cost of the room and board using their CMH Residential Services Path allocation.
- A juvenile screening does not occur and subsequently a placement is not reviewed by the court.

Through this option, the child and family choose if they would like to access Rule 79 children’s mental health case management. If the family decides they would like to have a case manager, the case manager will assess for eligibility and perform the case management activities in accordance with the Children’s Mental Health Act and Minnesota Rule.

If the child is enrolled in an initiative or non-initiative tribe, the case manager must ensure compliance with the Minnesota Indian Family Preservation Act (MIFPA) and the Indian Child Welfare Act (ICWA). The tribes must be involved in all case management activities.

## C. CMH Residential Services Path – Access Process

Two process maps have been created to provide a visual step-by-step outline for guidance to families, counties and initiative tribes. [CMH Residential Services \(3<sup>rd</sup> Path\) Process Map](#) and [CMH Residential Services \(3<sup>rd</sup> Path\) –](#)

[MA Fee for Service Process Map](#). [The Children's Mental Health Residential Services Path - Frequently Asked Questions \(FAQ\) webpage](#) may be a helpful resource as well.

In order for a youth to receive CMH Residential Services, a parent or guardian initiates the following steps:

### **Determine Medical Necessity**

- The parent will obtain a Level of Care determination and the Diagnostic Assessment (DA) from a Mental Health Professional (MHP) for their child. The DA must indicate that it is medically necessary for the youth to enter the CMH Residential Service. The DA will include the CASII. The MHP will evaluate the child's home, family, school and community situation and functioning. The CASII will be used to assess the child's status functionality, as well as cultural considerations when considering and assigning an appropriate level of care. If the DA with the CASII has been completed within the previous 180 days, a new DA does not have to be completed. The exception to this would be when the child's MHP believes the youth's condition has changed significantly since the prior report. In that case, a new DA would be required.
- After the parent has obtained the DA and CASII from the MHP, the parent will notify the county, initiative tribe, or prepaid health care plan/MCO that the child is in need of the CMH Residential Service and they will be using the service.

### **Confirm Funding Availability**

MCO enrollee: If the parent contacts the pre-paid health plan/MCO, the health plan will review the DA. If the MHP has stated it is medically necessary for the youth to receive the CMH Residential Service, the pre-paid health plan/MCO will contact the county or initiative tribe. This collaboration is important as the county or initiative tribe will then need to confirm whether monies are available for the county or initiative tribe to fund the costs of room and board in a children's residential treatment facility.

County or tribe: If the parent contacts the county or initiative tribe, the lead agency will review the DA. If the agency finds that the MHP has stated it is medically necessary for the youth to receive the CMH Residential Service, the agency will confirm that the allocated funds are available to fund a portion of the costs of room and board in a children's residential treatment facility. The agency will inform the parents if they are able to fund the service. The county or initiative tribe is responsible for communicating the parental financial responsibility once the CMH Residential Service Path funds have been expended.

### **Complete Path Access**

- The county or initiative tribe enters the service into SSIS.
- The county will need to comply with MA requirements as it relates to an Institution of Mental Disease (IMD). A resident of an Institution for Mental Disease (IMD) is eligible to receive MA services only if the member is receiving inpatient psychiatric care in an accredited psychiatric facility and is under 21 years old.
- Identify/locate CMH Residential Service opening/availability.
- If the funds are available, the parent can choose one of two options:

1. Locate the CMH Residential Service independently. In this case, the county or initiative tribe will offer the parent resource information containing the RTC names and contact information. Example search tools: [licensing look-up](#) or [FastTracker](#)
  - The parent will contact the RTCs to locate the service.
  - If the youth is placed on a waiting list, the parent will inform the county or initiative tribe of this status.
  - The RTC will contact the parent when a bed becomes open.
  - The parent will contact the county or initiative tribe to confirm the funds are available.
  - If funds are available and the youth is within a prepaid health plan/MCO network, the county will contact the designated health plan.
  - The youth will enter the service.
2. The parent can choose to ask the county, initiative tribe or prepaid health plan/MCO for assistance in locating the CMH Residential Service.
  - The appropriate agency will contact the RTCs to locate the service.
  - If the youth is placed on a waiting list, the agency will inform the parent of this status.
  - The RTC will contact the agency when a bed opens.
  - The agency will contact the parent to inform them of the opening. If applicable, the agency will contact the pre-paid health plan/MCO.
  - If the allocated funds are available, the youth will enter the service.

## D. Role of the residential treatment services provider

The chosen RTC must operate in compliance with [Minnesota Statutes, Chapter 245A](#). The RTC must have a mental health certification. This includes out-of-state facilities if the facility is licensed by the Minnesota Department of Human Services. The selected RTC must be able to address the child's age and treatment needs. Optimally, the RTC will be in proximity to the family home.

The goals of the RTC service:

- Assist the child in improving their social interaction skills while supporting the child in interacting and contributing to the family functioning.
- Support the child in gaining the skills that will promote success and resiliency when they return to the community.
- Reduce or stabilize crisis hospitalization admissions, and
- **IMPORTANT:** Involve and partner with the families in all stages of the service.

## E. Discharge

The discharge planning process is an equally important piece of the CMH Residential Services Path. Planning for discharge and transition to the community must occur within 30 days of the date the child enters the service. The relationship built between the RTC and the family will be integral to the youth's successful return to the community. To ensure equity is preserved, both formal and informal supports within the community should be

carefully examined. For example, a family may find that their child's pastor or traditional healer may be a resource rather than other identified service providers.

To facilitate a successful return to the community, the RTCs must use a person-centered lens, involving the family and youth in the identification of the appropriate resources. The youth and family must inform the planning decisions. The RTC and family will begin planning for discharge within 30 days after the youth enters the RTC. The plan will be reviewed and updated every 60 days.

Upon discharge, the RTC will assist the family in arranging for aftercare. The family will select the level of involvement they would like from their community, family, tribal and cultural representatives. Families may choose to include tribal partners and members of their community as needed to support and assist in identifying and planning for the youth's needs and subsequent services.

If the family requests case management services at any point, the RTC shall contact the case manager to ensure continuity of care.

## F. SSIS Implications

When an agency does not have placement authority, a continuous placement is not entered into SSIS. Because the CMH Residential Services path is a service, not a placement, the county does not complete the SSIS out of home placement requirements.

For related expenditures agencies should use BRASS Service:

- **480x Children's Mental Health Residential Service Path** - An optional way children with a severe emotional disturbance gain access to residential treatment services. A level of care screening conducted by a mental health professional is required. A voluntary placement agreement or court ordered placement does not occur. Child Rule 79 Case Management (490x) may run concurrent based on parental choice. The county agency will maintain payment responsibility. Services must comply with Minnesota Statutes, section 245.4885.

BRASS 480 is "vendor-provided" only, staff cannot record their time in SSIS under this service. Payments can be created in SSIS on behalf of the client, if the agency is financially responsible for the client. If an agency chooses to not affiliate the client with a CMH work group within SSIS, services can still be paid in SSIS. A work group is not required on the payment.

The initiative tribes enter child welfare cases into SSIS. This service is at the discretion of the financially responsible tribe if a workgroup and payments should be created in SSIS. Initiative tribes do not use SSIS to submit healthcare claims and should continue using the software designated by the tribal authorities for billing MA services.

## G. Allocation

The funding allocation formula was determined by using the number of children admitted to Residential Treatment Facilities from 2018-2020, totaled for each county and tribe then divided by the total grant fiscal year allocation to get an average cost per child. The average cost per child was then multiplied by the average number of children per county or tribe admitted to Residential Treatment Facilities over the 3-year period.

Allocations for CMH residential services treatment will be distributed on a fiscal year basis. County FY2022 and FY2023 allocations can be found on [this DHS webpage](#). The 2022 and 2023 amounts will be distributed as a one-time payment. The allocations that some counties chose to decline are being redistributed to the counties willing to accept the allocation based on the original formula used. If any portion of the allocation goes unused for the calendar year, DHS will invoice the counties or Tribes.

Tribal allocations will be communicated on an individual basis.

## **Statutory Authorities**

[Minnesota Statutes, section 245.4882, subdivisions 1 and 3](#)

[Minnesota Statutes, section 245.4885, subdivision 1](#)

[Laws of Minnesota 2021, 1<sup>st</sup> Spec. Sess. chapter 7, article 11, sections 2 - 5, 49; and article 16, Section 2, subdivision 7\(1\)](#)

[Minnesota Indian Family Preservation Act: Minnesota Statutes, section 260.761](#)

Children's Mental Health Act: Minnesota Statutes, sections [245.487](#) to [245.4887](#)

Minnesota Rules, parts [9520.0900](#) to [9520.0926](#), and part 9505.0322, subparts 1-9 and 11-14

## **Americans with Disabilities Act (ADA) Advisory**

This information is available in accessible formats for people with disabilities by calling (651) 431-2600 (voice) or toll free at (800) 627-3529, or by using your preferred relay service. For other information on disability rights and protections, contact the agency's ADA coordinator.