

Protecting public dollars in human services programs

Overview

Minnesota will move forward with a strong set of tools to better prevent, detect, investigate and punish fraud. The measures include strengthening investigation and enforcement authority and staff, adding new oversight for autism programs, and tightening regulatory oversight. Fraud prevents people from getting the high-quality services they need, diminishes the work of providers delivering high-quality services and undercuts support for vital programs such as Medical Assistance, Minnesota's Medicaid program.

2025 legislation

Establishing provisional licensing for autism services

Beginning in January 2026, provisional licensing of Early Intensive Developmental and Behavioral Intervention (EIDBI) programs serving children with autism spectrum disorder will allow DHS to investigate maltreatment allegations and protect the well-being of children. Other measures will shorten the Medicaid revalidation cycle from five years to three years and tighten background study requirements. Meanwhile, DHS will develop robust licensing standards for EIDBI programs with community input. Gaining licensing authority over EIDBI programs will allow DHS to identify issues proactively.

Detecting, preventing and stopping fraud, waste and abuse

Anti-fraud efforts will step up through better oversight, more staff and new initiatives. The strategies will help the state protect taxpayer dollars as fraud schemes become more sophisticated. New funding will allow DHS to contract for pre-payment review of some claims, pausing payment until claims are verified. Another new measure clarifies recovery practices from surety bond companies, which protect the state from financial losses when providers don't comply with regulations. Expanded authority for licensing actions and data sharing will remove barriers to quicker action across state agencies.

Preventing people suspected of fraud from working in human services programs

New authority allows the state to prohibit people under active investigation for fraud from holding any position involving ownership, management, control or billing activities in more than 60 types of human services programs. Previously, disqualification was limited to individuals with certain criminal or maltreatment histories

in programs serving children and vulnerable adults. Many of these programs receive Medicaid or Child Care Assistance Program funding.

Prohibiting kickbacks in public programs

A new state law makes it illegal to financially incentivize clients or others to participate in specific Medicaid, behavioral health and child care assistance programs. This aligns with current federal anti-kickback laws for Medicaid. The Attorney General's Office also has new authority to pursue criminal charges in cases involving kickbacks.

Improving billing practices for substance use disorder treatment services

Billing reforms will improve oversight and integrity in substance use disorder treatment services. All time-based claims must follow federal procedures from the Centers for Medicare & Medicaid Services. Providers must spend over half the billing time providing service and cannot submit a separate claim for any remaining time. Starting in July 2026, or upon federal approval, DHS will establish six new billing codes for individual and group counseling, individual and group psychoeducation, and individual and group recovery support services. The new codes will better reflect the diverse nature of treatment services. Billing will be in 15-minute increments.

Increasing license fees to support program integrity

Higher licensing fees for all DHS-licensed programs will support program integrity. A training program will expand to include autism services providers (Early Intensive Development and Behavior Intervention, or EIDBI), Housing Stabilization Services, certified family peer specialists, certified peer specialists and peer recovery services. The program, Steps for Success, already provides training and compliance education to providers of Community First Services and Supports (CFSS, formerly known as Personal Care Assistance or PCA). A new early and often program for Home and Community Based Services licenses will provide additional monitoring and support for new license holders.

For More Information

[2025 DHS Session Fact Sheets](#)