DEPARTMENT OF HUMAN SERVICES

Thursday Connections with SUD at DHS

October 15, 2026

Brought to you by Substance Use Disorder Unit in the Behavioral Health Administration.

Agenda

Time	Topic
3:00	Logistics & Introductions
3:05	Staffing Update
3:10	Safe Recovery Sites
3:25	1115 Reentry Demonstration
3:45	Status Update: BHF Eligibility Determination Program
4:00	Close

Meeting Logistics

1. Thanks for **keeping yourself muted**
2. Feel free to keep your **camera off**; it helps save bandwidth
3. Submit **questions in the chat**
4. We commit to answering to as many of your questions as we can via responses in the chat and/or verbally
5. After the meeting, we'll share a recap of questions and answers on the Thursday Connections with SUD webpage, so nothing gets missed



Staffing Update

Transitions



Jen Sather
MA, LADC

- Transitioned to **Deputy Assistant Commissioner** (Work out of Class) of the Behavioral Health Administration
- Effective Sept. 8, 2026
- Previously SUD Director



Kim Maley
MS, LADC

- Transitioned to **Interim Director of Substance Use Disorder Services** (Work out of Class)
- Effective Oct. 8. 2026
- In addition to current role as Manager of SUD Recovery and Prevention Services



Safe Recovery Sites

DEPARTMENT OF HUMAN SERVICES

Odie Spinelli |State Opioid Response & Harm Reduction Supervisor

Safe Recovery Site (SRS) Grantees

1. Frogtown Rondo Black Church Alliance
2. Harm Reduction Sisters
3. Native American Community Clinic
4. NorthPoint Health & Wellness
5. Red Lake Nation
6. Southside Harm Reduction Services

Frogtown Rondo Black Church Alliance

Service Summary: FRBCA Directly responds to the devastating impact of opioid-related fatalities among Black and Indigenous People (BIs) communities in Ramsey County. Distribution of safer use supplies to PWUD at outreach locations and onsite.

Cultural Responsiveness:

- "founded by Black Minnesotans for Black Minnesotans, in solidarity with the other diverse populations of our state."
- Use a holistic approach seeking to maximize benefits of cultures of origin with other cultural perspectives.
- Work with Multi-Cultural Community Alliance, a group of organizations who address substance use among youth across cultural backgrounds.

Frogtown Rondo Black Church Alliance
(continued)

- **Population to be Served:** Black and Indigenous people in Ramsey County; People who use drugs
- **Site Details:** Old McNally building. Low-barrier, culturally responsive harm reduction hub. Open house happened late September.

Harm Reduction Sisters

Service Summary: They seek to increase the number of participants served from their main site and satellite locations. The long-term goals of this project include increased health equity and overall community health improvements

Cultural Responsiveness: Harm Reduction Sisters is expanding culturally specific programming by building on existing relationships and partnerships within Indian Country and by distributing culturally specific supplies and eventually implement a healing medicines garden.

Harm Reduction Sisters
(continued)

- **Population to be Served:** People who use drugs, with an emphasis within Indigenous communities. The project will initially serve 12 counties across Northern Minnesota.
- **Site Details:** Damiano Center in Duluth currently.

Native American Community Clinic

- **Service Summary:** The project is designed to strengthen and expand NACC's culturally responsive harm reduction services tailored to the unique needs of the American Indian and Alaskan Native (AI/AN) community.
- This Safe Recovery Site will
  - improve access to culturally specific care,
  - increase community engagement, and
  - address health inequities faced by AI/AN people, especially those experiencing homelessness, substance use disorders, and systemic barriers to care.

Native American Community Clinic
(continued)

Cultural Responsiveness: Expanding traditional healing, Broaden regional impact by growing Midwest Tribal ECHO, Deepen support for justice-involved AI/AN individuals with Opioid Use Disorder through consistent jail-based engagement and culturally responsive linkage to care.

Population to be Served: American Indian/Alaskan Native, Unhoused, PWUD, Justice involved

Site Details: South Minneapolis. New Harm Reduction Center inside of new Health and Housing Campus They just had their open house October 2nd.

Northpoint Health & Wellness – Hennepin County

- **Service Summary:** Harm Reduction drop-in, supply distribution, increased outreach, education and linkage, increased engagement with BIPOC PWUD through focus groups. Enhance access to essential resources- including restrooms, hygiene supplies, clean water, and nutritious snacks.
- **Cultural Responsiveness:** Initiation of quarterly BIPOC focus groups to improve services
- **Site Details:** Located at Lyndale and Broadway in North Minneapolis.

Northpoint Health & Wellness – Hennepin County
(continued)

- **Population to be Served:** Black and Indigenous people who use drugs in North Minneapolis, and people who use drugs.
- **Site Details:** Located at Lyndale and Broadway in North Minneapolis.

Red Lake Nation

- Service Summary: The Zhawenimin Harm Reduction Center (ZHRC) is an emergency and occupancy shelter. There will be two units: a sober unit to serve 12 individuals and a harm reduction unit to serve 12 individuals. The second component has 24 single room occupancy (SRO) shelter beds for emergency shelter and rooms for distribution of harm reduction supplies.
- Other services will include:
  - Hygiene and sanitation facilities for residents such as handwashing stations, showers, and laundry facilities;
  - medical oversight and emergency response to prevent fatal overdoses;
  - nursing assessments and wound care;
  - secure medication storage; etc.

Red Lake Nation

Cultural Responsiveness: This site will uplift Ojibwe traditions and healing practices.

The shelter will implement cultural spaces for traditional ceremonies, communal gathering areas, a healing garden, cultural education opportunities, and Ojibwe art displayed throughout the shelter.

Examples of cultural healing methods include sweat lodges, traditional art such as regalia sewing, and traditional talking circles, drum groups, and healing ceremonies and more.

Red Lake Nation

- Population to be Served: All eligible Red Lake community members who are experiencing homelessness and have a substance use disorder. This includes all who are eligible for care at Indian Health Service hospitals.

- Set to open early 2027!

Southside Harm Reduction Services

Service Summary: SHRS Community Hub—a culturally grounded, low-barrier drop-in space and safe recovery site designed specifically for people who use drugs, particularly those who are unhoused or navigating systemic barriers to care. Providing:

- Medical services: On-site primary care, wound care, and Medication for Opioid Use Disorder (MOUD) provided by NACC.
- Harm Reduction Supplies
- Community meals, rest areas, and more!

Southside Harm Reduction Services
(continued)

- **Cultural Responsiveness:** Services are explicitly designed to meet Black and Native people where they are—culturally, geographically, and in terms of their readiness to engage. They are shaped by community input and adapted in response to shifting needs. Longtime partner, NACC, provides on-site nursing support and medications for opioid use disorder.
- **Population to be Served:** Indigenous and African American PWUD, PWUD, primarily those who are unhoused or are unstably housed.
- **Site details:** Franklin and Chicago in South Minneapolis

Grantee Leadership And Organization Type

- Of the six (6) grantees:
  - Two are Black-led organizations
  - Three are Native-led Non-Profits or Tribes
- Of the six (6) grantees:
  - One Tribal Nation
  - One Municipality
  - Four Non-Profit Organizations

Thank You!

BHA Harm Reduction Team

harm.reduction.team.dhs@state.mn.us



An Introduction to the Minnesota 1115 Reentry Demonstration

Trevor Urman | County Reentry Liaison | SUD Reentry Team

Joe Maffit | County Reentry Liaison | SUD Reentry Team

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What is an 1115 Waiver?

- A Section 1115 waiver lets states **test new approaches to Medicaid** that go beyond what federal rules normally allow.
- States apply to the Centers for Medicare & Medicaid Services (CMS) for permission to run time-limited demonstration projects:
  - To expand who's covered
  - Try new service models
  - Improve care for specific populations

What is an 1115 Waiver?
continued

- In exchange for this flexibility, states must:
  - show the changes are budget-neutral to the federal government and
  - track outcomes closely so CMS can evaluate whether the approach works.
- Minnesota's Reentry Demonstration Waiver uses this authority to
  - Connect people leaving incarceration with Medicaid-covered services shortly before release.
- Helping ensure continuity of care and reducing gaps in treatment during the reentry period.

Background

- Currently MA is suspended upon incarceration
- 1115 Waiver allows individuals to receive MA coverage up to 60 days pre-release
- Individuals who are eligible for MA, have an existing substance use, mental health, or chronic health condition, and are at a demonstration pilot site are eligible for services.
- At a minimum, ensures participating individuals receive 30-day supply of medications, case management, and Medication Assisted Treatment (MAT) services.

Consolidated Appropriations Act (CAA)

- Section 5121 of the CAA requires states to provide transitional services to justice involved youth post adjudication.
- Section 5122 is an optional benefit that would allow states to leave full MA benefits in place until the individual is adjudicated.
- The CAA requirements became effective Jan. 1, 2025, however, no state has completely implemented these requirements to date.

CAA vs. 1115 Waiver

SECTION 5121 CAA | JUVENILE

WHO QUALIFIES

Eligible youth in a public facility

Adjudicated youth under 21 or former foster care youth under 26, with Medicaid eligibility. No condition required.

SERVICE FOCUS

Screening and case management

Health, behavioral health, and dental screening; individual support planning and referrals.

PRE-RELEASE SERVICES

30 days

POST-RELEASE CASE MANAGEMENT

30 days required

Up to 180 days or until the plan is reasonably completed

1115 REENTRY WAIVER

WHO QUALIFIES

Medicaid-eligible people at pilot sites

Screening and assessment must identify a qualifying condition.

SERVICE FOCUS

Broader treatment package

Case management, SUD and mental health care, physical health care, medication, and family planning.

PRE-RELEASE SERVICES

60 days

POST-RELEASE CASE MANAGEMENT

60 days minimum

Goal and Services Provided

Goal: Improve continuity of care, reduce gaps, and support successful reentry.

Pre-release services will include the assessment and treatment of substance use disorder (SUD), mental health and complex medical conditions.

Individuals will receive coordinated care prior to release and up to 6 months post release.

CMS Federal Milestones

Milestone 1: Coverage & Continuity

- Suspension strategy during incarceration
- Medicaid application & renewal support,
- Medicaid documentation provided at release

Milestone 2: Minimum Pre-Release Services

- Identify eligible individuals
- At Release:
  - Case Mgmt
  - MAT
  - Counseling
  - 30-day medication supply

Milestone 3: Continuity of Care

- Person-centered care plan pre-release
- Timely access to post-release services
- Warm handoffs & information transfer

Milestone 4: Post-Release Follow-Up

- Contact within 1–2 days post-release
- Ongoing case management
- Connection to LTSS, housing, employment, HRSN

Milestone 5: Cross-System Collaboration

- Facility readiness assessment,
- Coordination across corrections, Medicaid, providers,
- Data-sharing systems
- Stakeholder education

CMS Federal Milestones

- **Milestone 1: Coverage & Continuity –** MA suspension, eligibility determination, application assistance & renewal
- **Milestone 2: Minimum Pre-Release Services –** Identify eligible individuals, Case management, MAT, counseling, 30-day medication supply at release
- **Milestone 3: Continuity of Care -** Person-centered care plan pre-release, Timely access to post-release services, Warm handoffs & information transfer
- **Milestone 4: Post-Release Follow-Up -** Contact within 1–2 days post-release, Ongoing case management, Connection to LTSS, housing, employment, HRSN
- **Milestone 5: Cross-System Collaboration -** Facility readiness assessment, Coordination across corrections, Medicaid, providers, Data-sharing systems & stakeholder education

Minnesota State Statute 256B.0761

Authorizes DHS to implement the Section 1115 Reentry Demonstration.

Directs development of processes, partnerships, and infrastructure for pre-release Medicaid services.

Requires coordination with correctional facilities, MCOs, and community providers.

Supports readiness assessments, data exchange, and reporting.

Application Approval:

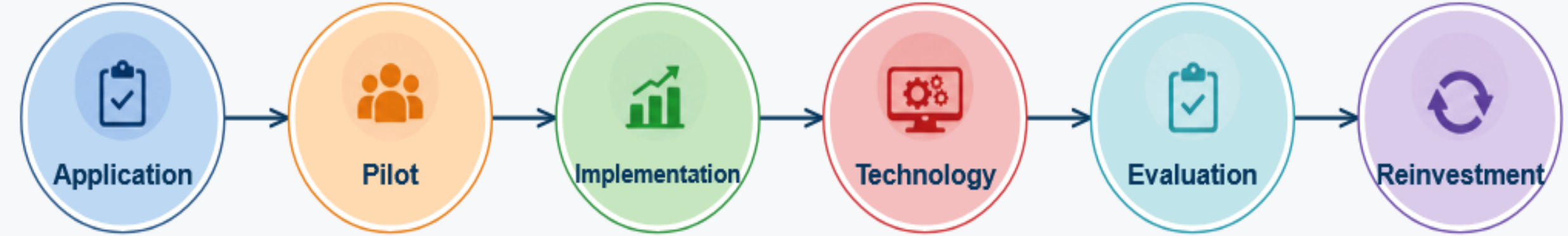
Minnesota received approval of the 1115 Reentry Demonstration on September 23, 2026.



Minnesota State Statute 256B.0619

- Creates a new MA-covered service: carceral case management that bridges prerelease and post release care
- **Eligible populations:** those in an 1115 reentry pilot facility
- **Coverage window:** up to 60 days prerelease and 180 days post release (pilot participants)
- **Core services:** comprehensive assessment, individualized care plan, referral coordination, warm handoffs, and post release monitoring
- **Provider standards:** bachelor's degree or relevant license/experience; enrolled MHCP provider; demonstrated capacity for documentation, care coordination

Pathway to Implementation



- Submit to CMS
- CMS Approval
- Submit Implementation & Reinvestment Plans
- CMS Approval of Plans

- Red Lake Detention Center, Stearns County Jail, Wright County Jail, Hennepin County Jail, & Scott County Jail
- MN DOC Shakopee, Stillwater, & Faribault

- Milestone 1
- Milestone 2
- Milestone 3
- Milestone 4
- Milestone 5

- Eligibility System Updates (MMIS, MAXIS, ECT.)
- Data Sharing Platform

https://mn.gov/dhs/reentry-waiver/

Date	Happenings
January 2025	Application Submitted
September 2025	Capacity-building RFP Published
September 2026	CMS Approval Of MN Application
October 1, 2026 – September 30, 2031	Demonstration Timeframe
January 2028	Projected Go Live Date Pending Final CMS Approval

1115 Reentry Demonstration Timeline

Capacity Building Efforts

- Purpose:
  - Ensure facilities can meet federal milestones
  - Build foundation for statewide implementation

- Readiness Capacity Building RFP:
  - $2.5 Million in non-service funding
  - Supports State, County, and Tribal Partners
- Focus Areas:
  - Operational Workflows
  - Clinical capacity & provider enrollment
  - IT/data exchange capabilities
  - Staff training & compliance

Pilot Sites

- County and Tribal Facilities
  - Red Lake Detention Center
  - Stearns County Jail
  - Wright County Jail
  - Hennepin County Jail
  - Scott County Jail

- State Prisons
  - MCF-Shakopee
  - MCF-Stillwater
  - MCF-Faribault

Individual Journey

- Booking:
  - Initial screening for SUD/MH/medical
  - MA status determined/suspended
- Prerelease Services:
  - Assessment
  - Care planning
  - Treatment services

- Release Planning:
  - Referrals for ongoing services
  - Care coordination
  - Warm handoff to post-release providers

Reentry Services Working Group



What the group is:

A working group convened by the DHS Commissioner, in collaboration with the Commissioner of Corrections, to help improve the reentry demonstration and related policies for justice-involved individuals

Working Group Goals

- Advise on the waiver application, implementation, monitoring, evaluation, and reinvestment plans
- Recommend ways to improve how release date, location, and other relevant information is shared with state, county, and Tribal eligibility systems and managed care organizations
- Consider whether the demonstration's components should be expanded, replicated, or adapted for additional populations
- Consider IT and other implementation needs for participating correctional facilities
- Recommend ideas for funding expanded reentry services

Facility Readiness Assessment

- Gateway into the Demonstration
- Evaluates operational, clinical, and technical preparedness
- Aligns with Milestone 5 requirements
- Guides technical assistance, funding, and phased implementation

Stay Connected: Involvement & Updates

- Reentry Services **Working Group**: 3rd Thursday of the month from 9-10:30 a.m.
- **E-memo**: Minnesota Department of Human Services
- **Website**: https://mn.gov/dhs/reentry-waiver/
- **BHA Reentry Demonstration Team**: reentry.demonstration.dhs@state.mn.us
- **Upcoming Community Engagement:**
  - Sheriff's Association, County Providers, Community and Advocacy Groups, Families of incarcerated persons, and public



Status Update: Behavioral Health Fund (BHF) Eligibility

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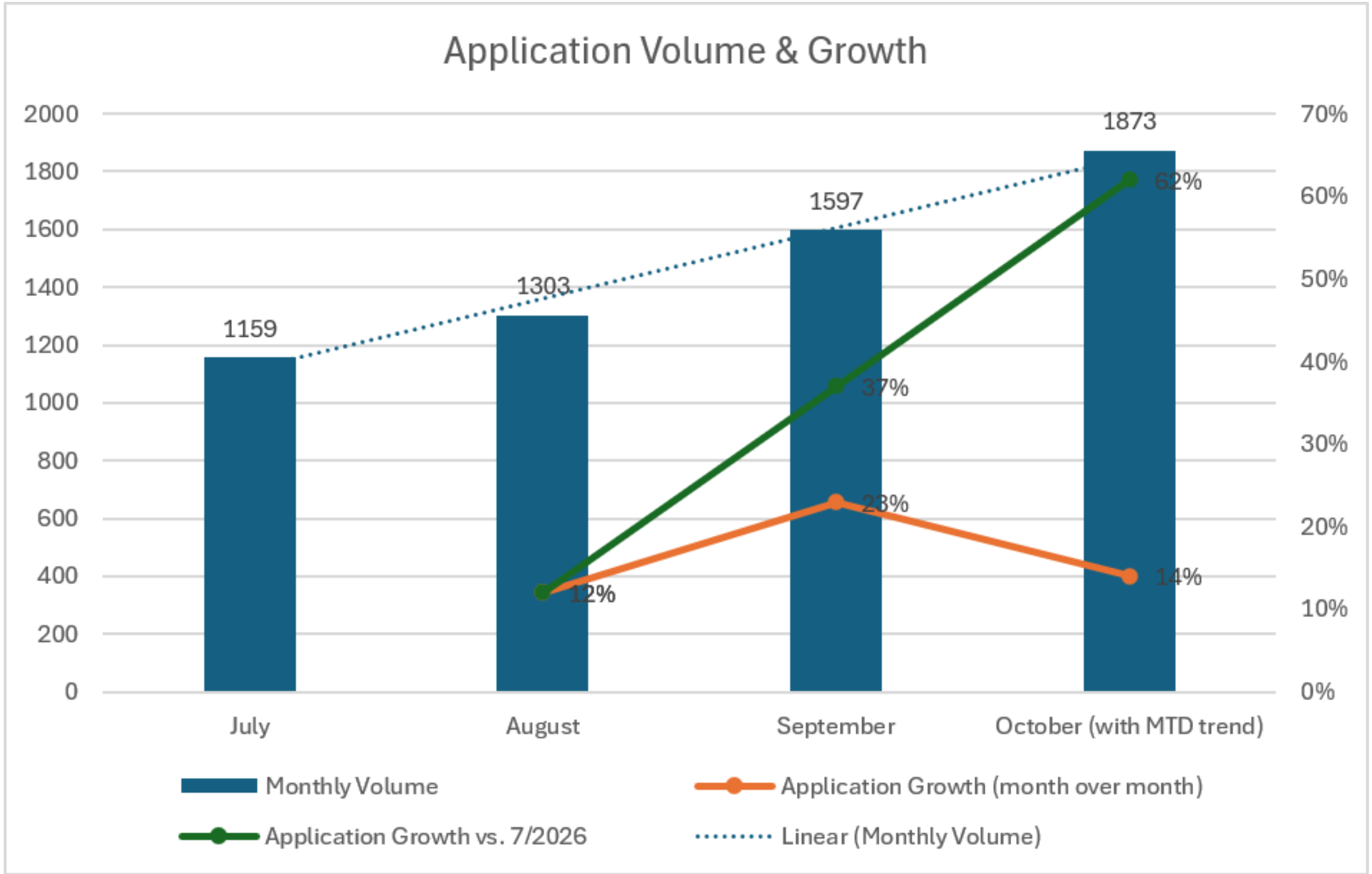
Emilie Volkman | BHF Eligibility Supervisor

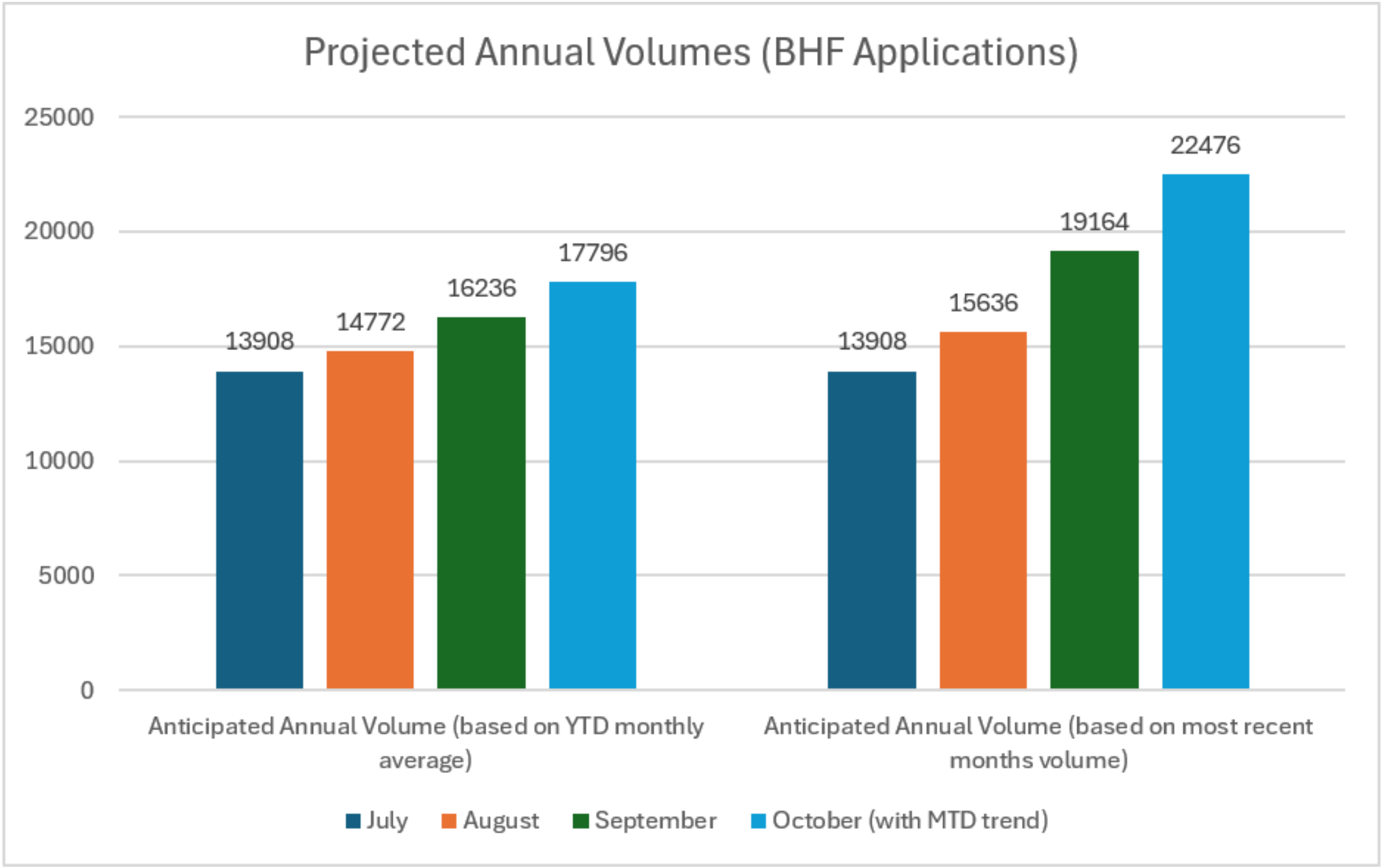
Current Processing Times

Process	Timeline
Application Determination (decision) and Applicant/Secondary Contact Notification	**7** business days after submission
Notification to Agency of Financial Responsibility (Tribe or County)	**7** business days after submission
Notification to MA-Holding Agency (Tribe or County) if applicable	**7** business days after submission

Application Volume & Outcomes Update

Month	Total Applications	Approved	Denied
July	1159	77% (897)	23% (262)
August	1303	71% (929)	29% (374)
September	1597		
October (through 10/7/26)	423 (trending 1873)		


Application Volume & Growth
2000
1800
1600
1400
1200
1000
800
600
400
200
0
70%
60%
50%
40%
30%
20%
10%
0%
1159
1303
1597
1873
12%
37%
62%
23%
14%
July
August
September
October (with MTD trend)
Monthly Volume
Application Growth (month over month)
Application Growth vs. 7/2026
Linear (Monthly Volume)


Projected Annual Volumes (BHF Applications)
25000
20000
15000
10000
5000
0
13908
14772
16236
17796
13908
15636
19164
22476
Anticipated Annual Volume (based on YTD monthly average)
Anticipated Annual Volume (based on most recent months volume)
July
August
September
October (with MTD trend)

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Thank you!!

Behavioral Health Fund Eligibility Team

DHS.BHF@state.mn.us

Behavioral Health Fund Webpage

Next **Thursday Connections** with SUD at DHS



November 19th
3 – 4 p.m.

- No meeting in December – Happy Holidays.
- Held third Thursday of each month. No registration required, just join via the link on the webpage.



Additional Announcements & Reminders

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HR 1 – Medicaid Eligibility Changes

(Public Law 119-21 / "Big Beautiful Bill")
CMS guidance still evolving; details may change

Key Dates HR 1

- Now in effect (Oct. 1, 2026): Noncitizen adults age 21 or older who are not pregnant must have certain immigration statuses to keep Medical Assistance. Children under 21 who are lawfully present, and pregnant people regardless of immigration status, remain eligible. Many people losing MA may qualify for MinnesotaCare.
  - Noncitizen Adults – Details on the New Rules
- Coming Jan. 1, 2027: Work requirements and six-month renewals for adults without children on MA. People with an SUD likely qualify for an exclusion.
  - Federal Medicaid Changes – Work Requirements
- Extended: Enrollees can still report expected work requirement exemptions through the Renewal Lookup Tool past Sept. 30.
  - Renewal Lookup Tool – Instructional Video

Key Point for related to SUD Work Requirement Exclusions HR 1

Individuals with an SUD — whether they're in treatment or not — likely have a path to exclusion from the new work requirements, either through the treatment exclusion or the medically frail exclusion. DHS folks are finalizing how that gets identified and will share more soon.

Resources HR 1

- DHS Federal Medicaid Changes – Work Requirements
- Partner Toolkit – Tools for Partners
- Renewal Lookup Tool – Instructional Video



Join us!

October 21st

12:00 - 1:30 p.m.

RSVP Link

Topic: Burnout

For more information, visit the SUD CoP webpage.

DHS Licensing: Application Information Session

(MH/SUD/CRF Licensing Unit)

- **Next session:** Dec. 16, 2026 | 1–3 PM | virtual (Teams) | Register
- **What it is:** Free webinar on how to apply for a DHS license or certification, including 245G SUD treatment, 245F withdrawal management, IRTS/RCS, certified mental health clinics and more.
- **What's covered:** The purpose of a license or certification, application requirements, the application process and general policy writing.
- **Who should attend:** Prospective or current applicants who already know the requirements for their service type, including chapter 245A, and the requirements for operating a business in Minnesota.
- **Questions:** dhs.mhcdlicensing@state.mn.us | 651-431-6500

New Focus on Provider Enrollment Backlog (Minnesota Revalidate 2026)

- DHS is adding staff to address the backlog of new provider enrollment applications and changes.
- Organizations still in appeal status may see delays in adding new individual providers. Complete revalidation and send any outstanding information as soon as possible.
- Expedited processing is available in limited cases: Submit a request to the Provider Resource Center
- Revalidation FAQ – Appeals

Update for Certified Community Behavioral Health Clinics (CCBHC) who provide Substance Use Disorder (SUD) services

- System updates are complete. CCBHCs can now bill the new SUD codes for dates of service on or after Aug. 1, 2026, including retroactive billing for the new Recovery Support service.
- Stop using HCPCS code H2035 for dates of service on or after Aug. 1, 2026.
- Revised codes and modifiers: page 7 of the Scope of Services for CCBHC (PDF)
- More info: CCBHC webpage | SUD Reform webpage (“Information on 2026 Changes”)

Recovery Housing Updates

- DHS offers open office sessions for recovery residence and free-standing room and board questions | e-Memo #26-93 | 9/18/26
  - Tuesdays, 11 a.m. – 12 p.m.: Sept. 22, Oct. 27, Nov. 24, Dec. 22 | Join any session
  - Free Standing Room and Board Programs webpage
- Recovery Housing changes beginning Jan. 1, 2027 | BH e-Memo #26-91 | 9/10/26
  - Free Standing Room & Board (FSRB) billing deadline is Dec. 31, 2026 — coordinate with residents' treatment providers on transition plans now. Claims for FSRB services after that date will be denied.
  - New recovery residence requirements take effect Jan. 1, 2027 — Minn. Stat. §§ 254B.211–254B.216
  - "Recovery residence" is a protected title as of 1/1/27 — MN Sec. 325F.725
  - Planning to certify? Visit the Recovery Residences webpage
  - Planning to enter a Housing Support Agreement with DHS? Visit the CRR-Housing-Support webpage

Certified Recovery Residence (CRR)

- The Recovery Residence Team is now fully onboarded, and the certification workflow is operational with site visits beginning in August.
- For providers preparing an application: start on the DHS CRR webpage for the application, reference guides, and checklists.
- For applicants seeking a Housing Support Agreement with DHS, visit Housing Support for Certified Recovery Residences for additional information.
- In September, DHS anticipates selecting a vendor for the Recovery Residence Portal.
- Reminder: FSRB service eligibility ends December 31, 2026

Escalating MCO Payment Problems

1. Contact the payer first
   - Confirm billing procedures and specific procedure codes for the date of service.
   - Direct initial billing questions or concerns to the payer.
2. Escalating unresolved MCO non-payment
   - If an MCO issue cannot be resolved, send non-payment examples to:
   - DHS MCO Liaison (dhs_bhd_mco@state.mn.us) or
   - SUD Policy and Reform team (sud.direct.access.dhs@state.mn.us).
     - Include the following documentation: communication dates and methods, names of MCO staff contacted, ticket or work order numbers, reasons for claim denials.

Behavioral Health Administration offers no-cost peer review services to all 245G and tribally licensed programs

- Free, voluntary, non-punitive peer reviews for any 245G and tribally licensed SUD programs.
- Reviews are conducted by outside clinical experts, not DHS employees, and focus on quality, best practices and clinical effectiveness rather than regulatory compliance.
- To express interest or ask questions, email sud.peer.review.dhs@state.mn.us

Free ASAM Trainings Available

- No cost & CEUs available.
- Virtual: One-day, The Evolution of The ASAM Criteria: What's New in the 4th Edition
  - October 23, 10:30 a.m. – 3 p.m.
- Virtual: One-day ASAM Criteria, 4th Edition, Treatment Planning
  - November 12, 8:30 a.m. – 3 p.m.
- Virtual: Two-day ASAM Criteria, 4th Edition, Skill Building Training
  - November 18 and 19, 8:30 a.m. – 3 p.m.
  - December 16 and 17, 8:30 a.m. – 3 p.m.

Ongoing DAANES Training

- DAANES Training Registration
  - Held quarterly, the second Tuesday of the first month of the quarter, 12 - 1 p.m.

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Thank You for your continued partnership.

For updates about future meetings and responses to questions not answered during this meeting, please visit the Thursday Connections with SUD at DHS webpage.