

Governor Walz Takes Action to Relieve Hospital Capacity, Help Children in Crisis

Governor Tim Walz today announced \$2.86 million to help Minnesota children experiencing a behavioral health crisis get the care they need, while also supporting the state's hospitals as they continue to manage limited capacity due to COVID-19.

Hospitals around the state have seen an influx of children with high behavioral health needs during the pandemic, but struggle to transition them to lower levels of care when they are ready. Governor Walz's proposal uses \$2.5 million from federal American Rescue Plan funding to maintain and expand capacity at psychiatric residential treatment facilities for children who no longer need hospital care. The proposal includes another \$360,000 for intensive coordination for intensive coordination services to help families, providers, and other partners manage transitions out of hospitals for these youth.

"Children in crisis deserve compassionate, appropriate care that helps them transition out of hospitals and back to their families and guardians when they're ready," said Governor Walz. "This proposal uses federal funds to take quick action and help address mental health treatment for kids across the state."

Many mental health treatment programs have reported reductions in capacity due in part to workforce shortages. Up to \$500,000 will be available to each children's psychiatric residential treatment facility to cover costs such as retention bonuses, overtime costs, staff training, and activities related to hospital transfers. Providers must be accepting admissions prior to June 2022 to be eligible for the funding.

The funding for intensive coordination services builds on a pilot by the Minnesota Department of Human Services to coordinate with local governments and help transition children from the emergency room to appropriate care. Two new positions will coordinate care with hospitals, residential providers, counties, Tribal Nations and families. Staff will identify community-based and residential treatment options and help families through the transition.

In total, President Biden's American Rescue Plan provides \$8.5 billion to Minnesota to support COVID-19 recovery efforts. This includes \$2.132 billion to local governments, \$2.833 billion to the state government, and \$3.505 billion for existing federally-funded programs to help Minnesotans who were impacted the most during the pandemic.

State leaders agreed to divide the state's \$2.833 billion into three categories: immediate COVID-19 response (\$500 million), long-term pandemic recovery (\$1.150 billion, to be allocated during the 2022 state legislative session), and state revenue replacement (\$1.183 billion).