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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE No. 1823

March 7, 2007

Authored by Paymar, Eastlund, Huntley, Rukavina, Solberg and others
The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice

March 15, 2007

Committee Recommendation and Adoption of Report:
To Pass as Amended and re-referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to corrections; establishing a five-year demonstration project designed
1.3 to apply best practices to improve and promote the recovery and success of
1.4 high-risk adults who frequently use costly public services such as emergency
1.5 rooms, treatment programs, jails, prisons, and detoxification facilities; combining
1.6 an innovative management and governance structure; assembling core services
1.7 currently provided separately, including housing, behavioral health, health care,
1.8 employment, and community and family reengagement; appropriating money;
1.9 proposing coding for new law in Minnesota Statutes, chapter 241.

1.10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.11 Section 1. **[241.86] FIVE-YEAR DEMONSTRATION PROJECT FOR**
1.12 **HIGH-RISK ADULTS.**

1.13 Subdivision 1. **Definition.** For purposes of this section, "high-risk adult" means an
1.14 adult with a history of some combination of substance abuse, mental illness, chronic
1.15 unemployment, incarceration, or homelessness. High-risk adults are considered to be very
1.16 likely to enter or reenter state or county correctional programs or chemical or mental
1.17 health programs.

1.18 Subd. 2. **Establishment.** (a) The Department of Corrections shall contract with
1.19 one nonprofit entity to conduct this five-year demonstration project and document the
1.20 effectiveness of this model. Initially, the demonstration will operate in the Twin Cities
1.21 metropolitan area.

1.22 (b) The contractor must, at a minimum, meet the following criteria:

1.23 (1) be an incorporated, nonprofit organization that is capable of managing and
1.24 operating a multidisciplinary model for providing high-risk adults with housing, short-term
1.25 work, health care, behavioral health care, and community reengagement;

2.1 (2) demonstrate an ability to organize and manage an alliance of nonprofit
2.2 organizations providing services to high-risk adults;

2.3 (3) have organizational leaders with a demonstrated ability to organize, manage,
2.4 and lead service teams consisting of workers from multiple service providers that deliver
2.5 direct support to high-risk adults;

2.6 (4) have experience with providing a comprehensive set of housing, work, health
2.7 care, behavioral health care, and community reengagement services to high-risk adults; and

2.8 (5) be a recipient of foundation and other private funds for the refinement and testing
2.9 of a demonstration of this type.

2.10 Subd. 3. **Scope of the five-year demonstration project.** The contractor undertaking
2.11 this five-year demonstration project shall, as part of this project:

2.12 (1) enroll up to 500 eligible high-risk adults over the five-year demonstration project
2.13 period, starting December 1, 2007, and ending December 31, 2012;

2.14 (2) using best practices derived from research and testing, provide or assist in
2.15 arranging access to services for high-risk adults enrolled in the demonstration project,
2.16 including, at a minimum, housing, behavioral health services, health care, employment,
2.17 and community and family reengagement;

2.18 (3) maximize the performance of existing services and programs by coordinating
2.19 access to and the delivery of these services; and

2.20 (4) define conditions under which enrollees are considered to be in good standing
2.21 and allowed to remain in the demonstration project. These conditions may include, but
2.22 are not limited to:

2.23 (i) living in stable and safe housing;

2.24 (ii) working and earning an income;

2.25 (iii) paying child support, if appropriate;

2.26 (iv) participating in treatment programs, if appropriate; and

2.27 (v) no arrests.

2.28 Subd. 4. **Eligibility.** To be eligible for enrollment in this demonstration project,
2.29 individuals must be:

2.30 (1) high-risk adults;

2.31 (2) high-risk adults in the process of being released from state correctional facilities,
2.32 county detention facilities, community-based treatment or detoxification facilities,
2.33 community corrections halfway houses, or other similar programs, or on probation; and

2.34 (3) high-risk adults willing to accept the requirements imposed on enrollees in the
2.35 demonstration project, including, but not limited to, maintaining steady employment;

3.1 paying child support, if applicable; remaining drug-free and alcohol-free, if applicable;
3.2 and no criminal activity.

3.3 Subd. 5. **Payment.** The commissioner shall pay from grant funds for this
3.4 demonstration project, to the entity under contract, a monthly flat fee of \$1,600 for every
3.5 enrollee who is in good standing in the demonstration project.

3.6 Subd. 6. **Report.** (a) The entity shall submit annually a report to the commissioners
3.7 of corrections, human services, employment and economic development, and housing
3.8 finance and the legislature on or before January 15 of each year, beginning January 15,
3.9 2008. The report must include:

3.10 (1) the number of participants who have been enrolled and the number currently
3.11 participating in the demonstration project;

3.12 (2) a description of the services provided to enrollees over the past year and over the
3.13 duration of the demonstration project to date;

3.14 (3) an accounting of the costs associated with the enrollees over the past year and
3.15 over the duration of the demonstration project to date; and

3.16 (4) any other information requested by the commissioners of corrections, housing,
3.17 employment and economic development, and human services and the legislature.

3.18 (b) The report shall include recommendations on improving and expanding the
3.19 project to other geographical areas of the state.

3.20 (c) The report shall include an update on the status of the independent evaluation
3.21 required in subdivision 7.

3.22 Subd. 7. **Independent evaluation.** An independent evaluator selected by the
3.23 commissioner of corrections must conduct an evaluation of the project. The independent
3.24 evaluator must complete and submit a report of findings and recommendations to
3.25 the commissioners of corrections, housing finance, human services, education, and
3.26 employment and economic development and the legislature. This independent evaluation
3.27 must be developed and implemented concurrently with the five-year demonstration
3.28 project, beginning on December 1, 2007. The final report to the legislature is due on or
3.29 before January 15, 2013.

3.30 Subd. 8. **Sunset.** This section expires December 31, 2013.

3.31 **Sec. 2. APPROPRIATIONS.**

3.32 (a) \$775,000 in fiscal year 2008 and \$2,800,000 in fiscal year 2009 are appropriated
3.33 from the general fund to the commissioner of corrections for grants to the contractor
3.34 conducting the five-year demonstration project described in section 1, and to pay the

4.1 enrollment fees for participating high-risk adults. Grants will be used to pay the monthly
4.2 enrollee flat fee described in section 1.

4.3 (b) \$100,000 in fiscal year 2008 and \$150,000 in fiscal year 2009 are appropriated to
4.4 design and conduct the independent evaluation of the demonstration project described
4.5 in section 1, subdivision 7. This independent evaluation will continue for the duration
4.6 of the demonstration project, and will consider the methodologies applied, the outcomes
4.7 resulting for the population served, savings to the state and local units of government, if
4.8 any, and overall impact of the demonstration.

4.9 (c) If the appropriation for either year is insufficient, the appropriation for the other
4.10 year is available for it. Notwithstanding Minnesota Statutes, section 16A.285, the agency
4.11 must not transfer these appropriations.