



mssa

VOICE

July 2008

...shaping Minnesota communities since 1893.

Volume 115 Number 5

Special points of interest:

- ◆ Fall Conference Dates Announced
- ◆ New Agency Members
- ◆ Heroin Use on the Rise; Meth Continues to Decline

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MSSA Hosts Successful Legislative Update Session with Legislators

On Wednesday, June 4, MSSA's Public, Private and Legislative Councils jointly sponsored a very successful Legislative Update session with three special guests. Representative Tina Liebling, Rochester, serves on the Health and Human Service Committee and the Health Care and Human Service Finance Division and Representative Ken Tschumper, La Cresent, serves on the Health and Human Service Committee and the Public Health Finance Division. We concluded the forum with Jim Mulder, Executive Director of AMC.

Gary Sprynczynatyk, Chair of MSSA's Public Agency Council, introduced our Legislative guests and asked them to summarize the results of the Legislative

session. To describe the session, the Legislators quoted Dickens's A Tale of Two Cities, "it was the best of times, it was the worst of times." Both Legislators highlighted as one of the early positives, the passage of the transportation funding bill and eventual override of the Governor's veto. Also on the positive side, with some exceptions, was finishing the session with a budget bill that resolved the \$935 million deficit.

On the negative side, our guests pointed out the results on county-based purchasing (the Stedfast bill in particular) and the "backroom" nature of the budget deal between the Governor and the Legislative leadership.

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Agency Member Spotlight

HousingLink is a 501(c)(3) nonprofit corporation. The mission of HousingLink is "to connect people and communities to information that supports the resolution of their affordable housing issues." HousingLink would like to see that "everyone has the information needed to obtain and keep safe, affordable housing."

HousingLink can help you help your clients, particularly if they are looking for affordable rental housing in the Twin Cities seven-county metropolitan area. HousingLink distributes housing information

primarily to service agencies. One way to think of it is HousingLink is like a food distributor or wholesaler, and service agencies are like grocery stores. Service agencies determine which HousingLink resources they wish to use in accordance with their mission and goals.

HousingLink relies on service agencies to make resources accessible to those who need them. Through their existing services, the service agencies may also eliminate barriers that housing seekers often face, such as limited transportation, limited

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**By Rod Halvorson,
Executive Director**

Executive Director's Report

2008 Legislative Session: Largest Cuts Fall on MN Human Services

When the session started this year, the state budget forecast included a budget deficit of \$935 million. The first place legislators looked to solve the deficit was by reducing "rainy day" funds. Reducing our budget reserves and other funds by \$610 million eliminated two-thirds of our current problem (however, this action does nothing to solve the structural deficit that will be hanging over our heads in 2009). The Governor and the Legislature also agreed to raise tax and non-tax revenue to the tune of \$206 million. This left spending cuts of \$125 million to complete this one-year balancing act.

The sad part about the spending cuts of \$125 million is human service programs were cut by \$172 million to accomplish that goal. You read that correctly! Higher education was cut by \$16 million, public safety by \$10 million and environmental programs by \$7 million. While these programs suffered cuts, others received funding increases including the following: E-12 education was up by \$26 million, state government by \$37 million, transportation by \$2.3 million, economic development by \$3.3 million, agriculture and veterans by \$1.4 and debt services on capital projects by \$16 million.

If the session would have ended with only this disproportionate cut to human services, we could have said it was not too bad and things could have been worse. However, in the final days of the session, the Governor insisted, and the Legislature capitulated, on county levy limits. It is very difficult to project the impact these limits will have on county budgets in total and county human service budgets in particular. I have seen many different projects. One projection suggests the immediate impact in 2009 may have counties levying for \$50 million less. I have also seen another projection that suggests by 2011, these impacts will limit county revenue by up to \$400 million. The pressure on county human service budgets will be very challenging, to say the

least.

Levy Limits

Levy limits of 3.9% (actually it is a very complicated formula) will be imposed for taxes payable in 2009, 2010 and 2011. However, several major special levies could be levied on top of the limit. They include the following (please note #6):

1. Debt service,
2. Increase in matching fund requirements for state & federal grants,
3. Preparing for or repairing the effects of natural disasters,
4. PERA employer contribution rate increases,
5. Operating or maintenance costs of a county jail or correctional facility,
6. **Increase in health and human service costs resulting from reductions in federal grants that occurred after September 30, 2007,** and
7. Costs attributable to ages and benefits for sheriff, police, and fire personnel.

MOE and Matching Fund Relief Passed into Law and Then Rejected

In addition to the levy limit exceptions stated above, the Legislature passed (in the Omnibus Tax bill) language suspending matching fund and maintenance of effort requirements. This would have allowed counties the flexibility to curtail county dollars on programs that are mandated by the state, but not entirely funded by the state. However, due to objections by DHS, advocacy groups and others, the tax chairs and Legislative leadership agreed to repeal the suspension at the start of the next Legislative session. The repeal will be retroactive.

Health and Human Services

In the paragraphs above, I talk about how the session was negative for Minnesota human services. However, there is some good news. First, the health care reform efforts started out with very hopeful goals. After the Governor vetoed the first bill, the Legislature negotiated a trimmed down version that heads Minnesota in a positive direction (more on this later). The second

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President's Report

There's an ancient Chinese Proverb that reads "May you live in interesting times." Welcome to interesting times. Worldwide we are seeing barrels of oil selling at over \$130. We have seen natural disasters in Asia with large loss in lives. We have even been touched locally with flooding in Southern Minnesota and Iowa.

Nationally we are near an end of a political race for President. We have seen a DFL race between Mrs. Clinton and Mr. Obama in which they both were asking for a change and Mr. McCain, a dedicated American, who is seen as being too liberal by his own party. The November elections will be extremely important.

The Minnesota legislative session is now completed. The 2008 session is still being reviewed by MSSA staff, AMC staff and Minnesota Council of Nonprofits. I'm still trying to understand how a law isn't the law. At the end of the 2008 session one sentence was added to the state Omnibus Tax Bill which suspended all maintenance of efforts and matching fund requirements for counties. Several letters were sent out to the Counties telling them not to take any action on the new law as it would be repealed retro-actively under an agreement between DFL leaders and the Governor. Some of the letters were not very polite. There sure wasn't a feeling of teamwork, I felt like I'd been in a hockey game with Governor Pawlenty, who had checked me to the boards!!!!

Many Counties are preparing their 2009 Budgets, a difficult process made even

more difficult with the federal and state funding cuts. In the end it will be our clients that will be impacted the most by the cuts.

On June 4, I attended the Public and Private Agencies forum with guest speakers Representatives Liebling (30A) and Tschumper (31B). Both legislators show great promise of understanding the work that we do, the importance of serving our clients and how society benefits from the work that you all do. Remember to reach out and contact your representatives, now is the time to do this as many will be involved in summer activities and parades

The MSSA Board has been busy planning our Vision for the future. We will be engaging our councils as soon as the board is finished up on the Vision statement. It is the compass that will point our great organization into a successful direction.

President-Elect Raeone Loscalzo has been busy putting her stamp (or was it Gumby) on a recent Board meeting. She reminds me of the Energizer Bunny--she keeps going and going and going with all of the boards she sits on. She is the real deal in leadership.

Last issue I remembered to thank everyone but my family for their support. My wife Cynde, my son Matt and daughter Morgan were in attendance at the spring conference lending a hand in volunteering.

Until the next issue, quoting Red Green "Keep your stick on the ice."



*By Brian Buhmann,
MSSA President,
Freeborn County*

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positive is that the session could have been much worse.

When the session started, the Governor wanted to transfer \$250 million from the Health Care Access Fund (HCAF) to the General Fund. The Legislature resisted and the final agreement was to transfer only \$50 million. This \$50 million was designed to be only a "loan" to the

General Fund. With the looming budget deficit in 2009, it is hard to imagine the scenario that this loan is repaid.

Health Care Reform

Health care reform was one of the only positive actions taken this year. After months of work by the Governor's Health Care Transformation Task Force and the Legislative Commission on Health Care

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Welcome New MSSA Agency Members

Five Counties Mental Health Centers--provides comprehensive mental health services to residents in the four counties of Chisago, Isanti, Mille Lacs, and Pine. Among the services provided are assessment interview, individual therapy, family therapy, and group therapy. Counseling is available in the following areas: marital and family relationships, parent and child relationship, adoption, abuse, aging, chemical dependency, grief and loss, unplanned pregnancy, life transitions, unemployment, depression, spirituality, separation and divorce, low self-esteem, stepfamilies, pre-marriage counseling and disturbing fears and frustrations. Call (320) 396-3333 for more information.

Hammer Residences--- Hammer provides cost effective living arrangements for adults with developmental disabilities and related conditions. Through innovative programs, Hammer helps create stable, secure home environments that deeply enrich the quality of life for many families. Approximately 140 people in the Twin Cities metro area have called Hammer "home" for more than 25 years. Hammer has been serving people with disabilities for more than 84 years. Visit www.hammer.org for more information.

College of St. Scholastica-- The College of St. Scholastica is a Catholic Benedictine institution and the only independent private college in northeastern Minnesota. The School of Extended Studies brings The College of St. Scholastica to the state of Minnesota through courses and programs in distance delivery format and evening on-campus courses at campus locations in St. Paul, Rochester, St. Cloud, Brainerd and Duluth. The School promotes lifelong learning to nontraditional students by delivering undergraduate and graduate programs that are flexible, responsive and innovative. The School supports innovations in learning; responsiveness to students and other community partners; and the use of technology to improve teaching and learning. The newest majors at the St. Paul campus - Social Work and Communication. Visit www.css.edu for more information.

Upper Sioux Community-- The mission of the Upper Sioux Board of Trustees is to provide culturally-based programs and services that preserve the Dakota traditions, promote and support education, healthy families and a diversified and growing economy, leading to increased self-esteem and self-sufficiency for individual community members and the Upper Sioux Community, Pejuhutazizi Oyata. Visit www.uppersiouxcommunity-nsn.gov for more information.

University of Minnesota School of Social Work-- Since its founding in 1917, the University of Minnesota School of Social Work (SSW) has contributed to the development of the field. It is ranked as one of the nation's best schools of social work—a leader in creative learning ventures through distance education, interactive television, satellite, and independent study. In the fall of 2007, the school launched its first undergraduate major, Youth Studies, and has offered undergraduate minors in Family Violence Prevention since 2001 and Social Justice since 2005. Visit <http://cehd.umn.edu/ssw> for more information.

Fall Conference Dates Announced

Region 4, Friday, September 26, 2008

Region 7, Friday, October 8, 2008

Region 8, Thursday, September 4, 2008

Region 9, Friday, September 26, 2008

Region 10, Wednesday, October 8, 2008

Metro Regions, Wednesday, September 24, 2008

US Senate & House of Representatives Pass TCM Moratorium; President Signs

On the evening of June 19, the US House of Representatives passed a moratorium on the implementation of CMS's Targeted Case Management (TCM) rules as part of a \$257.5 billion budget supplemental appropriation ([HR 2642](#)) primarily designed to fund the war in Iraq and Afghanistan.

The House approved the legislation with six of the original seven moratoria in two votes, one for war spending and one for domestic programs. The House voted 268-155 to pass the war spending and 416-12 to approve the spending on domestic programs.

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Both of our Legislative guests were involved in the passage of the Stedfast county-based purchasing bill, however Rep. Liebling was the lead sponsor in the House. The bill was very important to their southeast region of Minnesota. The bill would have allowed the establishment of a new health care county-based purchasing organization in the following five counties: Olmsted, Winona, Houston, Fillmore and Mower. This organization would have been similar to PrimeWest and South Country. MSSA, AMC and MACSSA were very involved in supporting the lobbying effort of our members from the region. MSSA's and AMC's contract lobbyist, Stan Groff, played a very active role in supporting several county-based purchasing bills, including this bill.

Despite the powerful opposition from Minnesota health plans and Department of Human Services, both the Senate and House passed a modified version of the bill by wide margins. Just after the session ended, the Governor vetoed the bill and killed the establishment of Stedfast. Without supportive legislation, the five counties have given up any plans for establishing such a public health care purchasing organization.

Our Legislative guests also commented extensively on the passage of the Omnibus Tax bill that included (at the Governor's insistence) a 3.9% property tax levy limit. The Legislators commented about the private "backroom" negotiations between

On the evening of June 26, the US Senate passed the same bill as the House on a vote of 92-6. The bill does include several other issues in addition to funding for the war and the Medicaid moratoria. The bill includes a doubling of GI college benefits, a 13-week extension of unemployment benefits and \$2.7 billion in emergency flood relief for the Midwest.

The bill was a product of negotiations between the leaders of the House, Senate and the Office of the President and the final action was taken when the President signed the bill Monday morning, June 30.

the Governor and Legislative leaders. The lack of input from the public and most Legislators was a negative result of these negotiations. Part of the Tax bill was an amendment added in conference committee to allow for the suspension of several county Maintenance of Effort provisions (MOEs) and matching funds requirements during the three-year period that the property tax caps are in existence. Our guests were very concerned about the after session "backroom" deal between the Governor and the DFL Legislative leadership to assert by letter their assumed power to retroactively repeal this portion of the bill that gives the counties funding flexibility while they are under a state mandate to limit property tax levies.

Jim Mulder, Executive Director of AMC, was our last guest. He expanded on our discussion of the Tax bill, property tax levy limits and the suspension of the county MOEs and county matching fund requirements for several programs. His detailed discussion was very helpful and enlightening.

The meeting was well attended by several public and private agency leaders. Most commented that the session was very helpful. Our leadership team for this meeting was Gary Sprynczynatyk, Chair of MSSA's Public Agency Council, Patrick Masyga, Chair of the MSSA's Private Agency Council and our two Co-chairs of our Legislative Council, Judy Corrao and Alby Cylkowski.



DHS Drug Trends Report: Heroin, Prescription Drug Abuse on the Rise; Methamphetamine Indicators Continue Decline

Opiate-related admissions to Twin Cities addiction treatment programs increased in 2007, particularly for opiates other than heroin, including prescription narcotics. A report on drug abuse trends released today by the Minnesota Department of Human Services also shows admissions for "other opiates," mostly prescription pain medications taken orally, accounted for 4.9 percent of total treatment admissions in 2007, compared with 1.4 percent in 2000.

"Consistent with national trends, more people are entering treatment for prescription narcotics in the Twin Cities," said Carol Falkowski, director of the DHS Chemical Health Division and author of the report. "Opiate-related deaths have also been rising since 2000 and now outnumber those for cocaine."

Combining Hennepin and Ramsey counties, there were 106 opiate-related deaths in 2007, up from 96 in 2006. This compares with 70 cocaine-related deaths and 13 involving methamphetamine.

Methamphetamine (meth) abuse and addiction showed continuous signs of decline in 2007, in the wake of rising indicators from 2000 through 2005. Only 6.7 percent of admissions to Twin Cities area addiction treatment programs were for methamphetamine in 2007, compared with nearly 12 percent in 2005.

Methamphetamine-related accidental deaths, use among high school students and meth labs declined as well.

Treatment admissions with cocaine as the primary substance problem also declined and accounted for 11.6 percent of total treatment admissions in 2007, compared with 13.8 percent in 2006. While the actual number of admissions for cocaine

declined 30 percent since 2005, cocaine-related deaths increased, with 70 in 2007, compared with 61 in 2006 (Hennepin and Ramsey counties combined).

The report also found:

- ◆ Marijuana use increased to 33 percent of high school seniors in 2007, compared with 29.2 percent in 2004, although declines were seen for grades nine and six.
- ◆ Cocaine treatment admissions are gradually declining.
- ◆ Marijuana continued to account for more admissions to addiction treatment programs than any other illicit drug, with 3,067 admissions that represent 16.1 percent of total admissions in 2000.
- ◆ Ecstasy use rose from 4.3 percent in 2004 to 5.7 percent in 2007.
- ◆ LSD use rose from 4.9 percent in 2004 to 6.2 percent in 2007 among Twin Cities metropolitan

The report was prepared as part of an epidemiological drug abuse-monitoring network comprised of drug abuse researchers in 20 U.S. cities that is convened by the National Institute on Drug Abuse. Falkowski has written a report on Twin Cities drug abuse trends twice annually since 1986.

To view the report in its entirety, visit http://www.dhs.state.mn.us/main/groups/disabilities/documents/pub/dhs16_141573.pdf.

Note to editors and producers: Carol Falkowski is available for interviews about the drug trends report. Call David Brown at (651) 431-2448 to arrange for interviews.

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Access, many public policy advocates were very hopeful as the session started. In the end, the Governor vetoed the first bill and a very trimmed down bill was passed on the final weekend of the session. The bill will take modest steps to change how doctors are paid, offer patients more information on cost and quality of care, and promote healthy lifestyles. The package is projected to save 12-14% in health care costs by 2015. Some of the key provisions include:

- ◆ 7,000 more Minnesotans will be allowed to enroll in publicly-funded insurance, such as MinnesotaCare
- ◆ MinnesotaCare eligibility for adults without children is increased from 215% to 250% of FPG
- ◆ MinnesotaCare covered children eligibility is expanded to annual gross incomes of up to \$57,500
- ◆ Creation of health care home models, however the funding sunsets in 2011
- ◆ Bundling services to attack common chronic health conditions
- ◆ \$47 million for the Statewide Health Improvement Plan
 - A two-year competitive grant program for community health boards, \$20 million for 2010 and \$27 million for 2011
 - Local match requirements of 10%
 - The goal will be to reduce the number of Minnesotans who are obese or overweight and to reduce the use of tobacco
 - Funding after 2011 is not guaranteed, MDH will set measurable outcomes and report back to the Legislature with a sustainable funding source

Governor Vetoes StedFast County-Based Purchasing Plan

A final disappointment for the year ended with the Governor vetoing the StedFast county-based health care purchasing plan. This year, the counties of Olmsted, Winona, Mower, Fillmore and Houston approached the Legislature to allow them to establish a county-based purchasing program to be operated by StedFast. MSSA supported the bill and dedicated a great deal of time and effort (thru the efforts of our contract lobbyist, Stan Groff) helping the StedFast supporters to pass the bill. With several twists, turns and amendments (and huge opposition from the health plans), the bill passed the Legislature with overwhelming votes in the House and Senate. On May 23, the Governor vetoed the bill, killing the effort to establish this program in SE Minnesota.

Next Year

With budget deficit projections as low as \$1 billion and as high as \$4 billion, next year will be much more challenging than 2008. We will have the same Governor and Senate, but the results of the House elections may play a big role in the direction the Legislature will head next year. This is my first call (and there will many more) to all MSSA members to become actively involved in the 2008 election process. Study the health and human service positions of your local Legislative candidates and pick your favorite. I do not care which party they belong to as long as you think they will fight for a Minnesota you think is best. Then help them be elected. After the election, remind them to vote for health and human service programs that help Minnesotans in need.

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understanding of the housing industry and limited English proficiency. By using HousingLink resources, staff at service agencies are able to more effectively and efficiently assist seekers with their housing related issues.

Service agencies choose how to use HousingLink's resources. Services may

simply access HousingLink's resources via HousingLink's website at www.housinglink.org or may consider establishing a more direct connection with HousingLink by subscribing to resources. Agencies that are interested in learning more about the resources HousingLink offers can contact HousingLink at info@housinglink.org or call 612-522-2500.



Minnesota Social Service Association
 125 Charles Avenue
 St. Paul, MN 55103

<http://www.mnsocialserviceassoc.org>

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July 2008

Volume 115 Number 5

VOICE

Our mission is to provide leadership to enhance the lives of Minnesotans by supporting diversity, impacting public policy, educating, and communicating among human service professionals.

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JULY

11 **Administrative Council**, 11:30 AM, MSSA
Board of Directors, 12:30 PM, MSSA.

16 **Legislative Council**, 11:30 AM, MSSA

AUGUST

8 **Conference Council**, 8:30 AM, Hilton Minneapolis
Membership/Diversity Council, 9:30 AM, MSSA
Administrative Council, 11:30 AM, MSSA
Board of Directors, 12:30 PM, MSSA