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## The DHS Pre-Payment Review and Payment Suspension

### Executive Summary

The current DHS "Pre-Payment Review" is effectively a payment freeze that threatens to bankrupt trusted autism service providers and leave thousands of children without care.

#### *The Situation:*

- Sep 17, 2025: Governor Walz signs Executive Order 25-10 to combat Medicaid fraud.
- Dec 29, 2025: MN Dept. of Human Services (DHS) announces EIDBI (Early Intensive Developmental and Behavioral Intervention) is flagged as "high risk," along with 13 other DHS programs,
- Jan 13, 2026: EIDBI providers are no longer being paid by DHS for services delivered since Christmas Day.

*The Impact:* DHS has suspended payments to many providers for up to 90 days while they review claims.

*The Crisis:* Most small, high-quality providers cannot survive 3 months without payment. If they close, they will not come back, and 5,000+ children within EIDBI alone will lose services. Tens of thousands more across the 14 impacted programs.

### Human Cost:

- *This is Early Intervention.* The earlier children receive treatment, the more they achieve, thus saving the toll of disability on the children, the families, and society.
- Lost services put the most vulnerable populations at risk. There are 5,000 children receiving EIDBI services who have a diagnosis of autism. If these clinics close, there is nowhere else for us to go. The system is already full and there is no safety net.
- Beyond EIDBI, this is impacting tens of thousands of people who receive DHS services, not just EIDBI services, and thousands of providers. The magnitude is huge.
- The humanity has been lost in all of this. Politicians are throwing numbers and blame around loosely but what about the people this impacts? People will go without care, food, housing and treatment. It will put their health, well-being and in some cases, their lives in jeopardy.
- Our providers make real, tangible differences in our lives. The loss of their support will be immeasurable regardless of timeline.

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- ATAM (the Autism Treatment Association of Minnesota) studied the serious challenges in implementing Pre-Payment Review on this extremely short and unexpected timeline. The results of this study outline the likely interruption in treatment services to children.
- The impacts are already being felt in the short-term, with services being interrupted as some workers seek jobs elsewhere to be paid and some service providers pause services. Lost services means families will need to replace the care provided, resulting in the inability to go to work or lose their jobs.

## **Policy - the System Failure:**

- Medical Assistance (MA) programs are designed to support low-income families, children, seniors, and people with disabilities. We have pulled critical support from our most vulnerable population with no real plan for those impacted.
- DHS is treating every provider like a criminal. Legitimate, law-abiding small businesses are having their funding cut off without warning.
- This is a massive overstep. There are bad actors, but to shut down entire programs for this long will have second order effects that the decision makers have not accounted for.
- This is all too much too fast. While no level of fraud is acceptable pausing this many programs for this long, this fast is leaving tens of thousands of people scrambling for support and frankly, answers.

## **The Economic Reality:**

What is the risk of interruption of children's services when DHS suspends payments for six weeks?

- Many providers will not survive the 90 days. These are small businesses without a lot of capital, and once they are gone they are not coming back. Increasing need and scarce resources will be a recipe for disaster.
- Many affected workers will either need new jobs or will proactively seek new opportunities. No matter how long or short this pause is, the resource pool will shrink for a growing population of need.
- Parents fully support the need to combat fraud, but this unexpected total payment pause puts services providers and those receiving services in the position of shouldering the immense financial burden of combatting fraud for the sake of Minnesota.
- The narrative around fraud is really misguided. Parents already knew and deeply experienced the level of accountability in the EIDBI program. The signoff, compliance, tracking and data measurement by the providers is incredibly thoughtful and comprehensive. Our experience has been that providers take this benefit seriously and sensationalized news has discredited the steps many of these providers take.

## **Resources and references:**

- [Ramstad: The response to fraud in Minnesota is now overkill](#) - Star Tribune, January 14, 2026
- [Trusted providers are being unfairly swept up in Minnesota's fraud crackdown](#) - Star Tribune, January 2, 2026
- [Minnesota adds extra review to high-risk Medicaid programs amid fraud concerns](#) – MPR December 29, 2025
- [DHS begins prepayment review of 14 high-risk Medicaid services in Minnesota](#) - WDIO, December 29, 2025
- [Executive Order 25-10](#) - September 17, 2025
- [Number of autism service recipients in Minnesota](#) - ATAM, the Autism Treatment Association of Minnesota, July 2025
- [Statement on Impact of Study of Pause in Payments During Pre-Payment Review](#) - ATAM, the Autism Treatment Association of Minnesota, December 30, 2025
- [Autism fraud in MN: Children face challenges](#) - video report in implications of payment pause by Fox 9, December 31, 2025
- [DHS FAQ on Prepayment review](#) - DHS, Jan 2, 2026