



May 5, 2021

Dear Conference Committee Members,

We are writing to share the Long-Term Care Imperative's perspective with respect to the House and Senate Omnibus Health and Human Services (HHS) policy and finance bills.

Minnesota is facing the largest population of seniors in U.S. history. 60,000 Minnesotans will turn 65 this year and every year this decade. By next year, there will be more than a million seniors in Minnesota, and we project that 70 percent of older Minnesotans will need some type of senior care.

The current state of senior care in Minnesota is one of extreme stress, having shouldered a disproportionate impact of COVID 19 in the past year, the network of services and supports for Minnesota's seniors has become increasingly fragile. Furthermore, the pandemic has exacerbated an already extreme shortage of senior care workers in our field. At the same time, a key segment of the senior care network, assisted living providers, are preparing to convert to a new licensure system by June 1, 2021. The Long-Term Care Imperative approached this legislative session identifying strategies to address the most critical needs of the sector, including COVID 19 relief and recovery, workforce and smooth implementation of new assisted living regulations.

The conference committee has the opportunity to address some of these critical needs and include some policy changes that could smooth the implementation of new regulations. We urge you as conferees to consider these key issues.

We are most concerned that the bills do not include hero pay bonuses for senior care workers that have worked tirelessly throughout the pandemic. This proposal was introduced in both the House and Senate chambers. We remain hopeful that as lawmakers continue discussions on spending of American Rescue Plan dollars, this will be a top priority. Hero pay for senior care workers is vital to recognize the extraordinary work of these individuals and to support retention efforts of our sector. We estimate that providers have nearly 10,000 open positions in our field and that 25,000 additional caregivers will be needed to meet growing demand in the next decade. Hero pay would be a small step to help stabilize our workforce by lifting up and honoring this profession.

We are encouraged that the bills take steps to address the backlog of fingerprint background checks and look forward to working with the authors and the respective agencies to ensure a smooth transition for all employees affected by the transition.



In House File **HF 2128**, there are two sections that we are supportive of and urge you to include these in your Conference Committee Report:

Article 3 Section 59 Services with residents with Dementia: We support this technical change, and we believe that this is a change that is unopposed by all stakeholders. It is critical that this language be adopted as soon as possible, as without this change, most secured memory care providers will not meet the basic requirements of licensure by the application deadline of June 1, 2021. This could create significant severe disruptions for an extremely vulnerable population.

Article 3 Section 98 Housing with services establishment registration; conversion to an assisted living facility license. We support this technical change and is important to ensure timely implementation of the 2019 assisted living licensure law.

There are two other sections of the bill with which we have strong concerns:

Article 14, section 36 & section 37: While we are grateful that you have attempted to address concerns we have previously expressed with regard to the continuation of customized living payments in settings that are exempt from assisted living licensure, the language currently in these provisions do not fully address our concerns and raise more questions than answers. The net impact of this language is that it creates a moratorium for these settings, by only allowing payments to continue for clients that are served on or before June 30, 2022. There is no plan in place to address how these individuals would be cared for after this date. Section 37 seeks to impose certain requirements on these exempt settings, but this raises more questions than answers, as it seeks to impose housing requirements onto a licensed home care provider that may not have any control over the housing aspects of these settings.

Article 3, section 57: The Long-Term Care Imperative opposes this section and requests that it be deleted from the legislation. It seeks to modify the definition of an assisted living facility for purposes of determining which facilities would need to be licensed under the new law that takes effect this year. It jeopardizes the existence of independent senior living settings. We were proud to support the assisted living licensure law of 2019, and that legislation reflected the work and consensus of several stakeholders and state agencies. Any subsequent work to amend the assisted living licensure law was also only done if all stakeholders agreed to proposed changes. This provision is not a consensus item and was never heard in a committee to fully explore the impacts of the proposal. A change of this magnitude just weeks before the application deadline would be extremely disruptive and unfair for a group of independent senior housing providers.

In Senate File **2360** there are five sections which we support and urge you to include in conference committee report.

Article 14, Section 3 Nursing Home Moratorium Exception Funding: We support this section. As you are aware, we learned many lessons during the pandemic, including the need to update our aging



infrastructure. The funding for the moratorium exception process will help address the need for update to physical plant infection control measures including single rooms and private baths.

Article 14 Section 77 Elderly Waiver Increases: We support these much-needed increases to the payment rates of Elderly Waiver.

Article 14 Section 61 Elderly Waiver Disproportionate Share: We are supportive of this increase.

Article 14 Section 66 PACE: We support the inclusion of this language to determine the viability of the PACE model in Minnesota.

Article 14 Section 74 Retainer Payments: We are supportive of this proposal and view it as a very helpful approach to assisting HCBS providers as they work on recovering from the many impacts of the pandemic.

There are two other sections of the bill which we have concerns:

Article 14 Section 28 Caps on Disability Waivers: We are opposed to the inclusion of this proposal and what it will mean for access to services for people with disabilities who have significant needs.

Article 14 Section 37 Limit Customized Living Based on Acuity: We are concerned about this provision since the specific details of how acuity will be scored for a population with characteristics including homelessness, HIV/AIDS, mental health needs, and chemical dependency issues are not known. Nor do we know the specific basis for the limits to be used (based on acuity). The Minnesota Department of Human Services (DHS) has not discussed this momentous change in policy with the provider community or disclosed how they intend to accomplish such an arduous task.

The Long-Term Care Imperative looks forward to continuing conversations and is happy to serve as a resource going forward.

Sincerely,

Toby Pearson

Vice President of Advocacy

Care Providers of Minnesota

Kari Thurlow

Senior Vice President of Advocacy

LeadingAge Minnesota