March 28, 2023

Rep. Mohamud Noor

379 State Office Building

St. Paul, MN 55155

Chair Noor and Members of the Human Service Finance Committee:

Thank you for the opportunity to provide written testimony on behalf of ARRM’s more than 160 residential disability waiver service providers to the Delete Everything Amendment to HF 2847. We want to acknowledge the Chair and members of this committee for their work this session and the thoughtful conversation that has been had around solutions to the catastrophic workforce shortage experienced within disability waiver services.

First, we want to thank the chair for including two of ARRM’s proposed workforce solutions in his Delete Everything Amendment.

* Beginning on line 7.16, removing the need for Community Residential Settings to obtain a separate license when supporting people through Alternative Overnight Supervision with Technology. This is a commonsense solution to remove barriers and enhance choice and independence for individuals accessing services, we are thrilled to see this provision move forward.
* Beginning on line 56.5, the Home and Community-Based Workforce Incentive Fund Grants will help show Direct Support Professionals across the state that they are appreciated for the work they do and will provide resources to incentivize new Direct Support Professionals into the field.

We also want to acknowledge the investments that are made in the Disability Waiver Rate System. We want to thank the chair for proposing to move up the next rate adjustment to January of 2024 and for moving up the date of the data that is used when adjusting. With that being said, the changes proposed in this bill are simply put, not enough.

This session, ARRM, in partnership with other waiver service providers brought forward HF 999, the Best Life Alliance legislation that would make critical investments within the Disability Waiver Rate System including fully funding the Competitive Workforce Factor and using the most recently available data when adjusting provider reimbursement rates. We are disappointed to see that no adjustments are being proposed to the Competitive Workforce Factor and the data that will be used for future adjustments will still be based on multi-year-old economic conditions. This is not how we stand up and stabilize disability waiver services, we as a state must do more.

We were also disappointed to see that Respite was not removed from the Disability Waiver Rate System. This proposed change, which was also carried in HF 999, would impact Unit Based Respite and would have a large workforce impact, allowing providers to work with their counties to set a rate that makes sense for their program and community, as opposed to a framework rate that does not meet the service need.

ARRM also has strong concerns with the language included on line 49.16, the ICF/DD Rate Transition proposal. This proposal would only impact a fraction of ICF/DD services across the state, with all ICF/DD services not seeing a rate increase for up to another 30 years. ICF/DD providers are facing the same workforce shortage as all disability service providers are, they often support individuals with complex medical support needs and simply put, they cannot survive for another 30 years without a rate adjustment. ARRM proposed HF 568, which would provide a $50 adjustment to all ICF/DD service providers. We are hopeful that we can continue working on this language together to ensure that all services are getting a needed adjustment as soon as possible.

This session, ARRM also brought to the table two bills that made changes to the way services are provided to streamline procedures, expand choice, and address potential service disruptions. We were disappointed to see neither proposal included in the Delete Everything amendment.

* First, HF 716 would allow for services to be shared by up to three individuals living independently and accessing a service called Individualized Home Supports with Training. Expanding the use of shared services is a workforce solution and helps support independence and choice. The proposal also included the ability for providers to bill for some indirect time, which supports the sustainability of the critical service.
* Second, HF 1416 proposed changes to a new service called Integrated Community Supports (ICS). ARRM proposed incorporating nursing and transportation into the ICS framework and changing some regulations specific to how the service is provided. Without these changes, we have concerns that providers will choose not to provide the service.

Finally, we are opposed to the new rate tiers being proposed for Family Residential services, found on line 49.6 of the Delete Everything amendment. These rates were developed with little consultation with Family Foster Care providers and could result in drastically lower rates.

We want to again thank the Chair and Committee members for their work this session and thank them for their attention to the issues outlined above. We are hopeful that as we continue moving through the session, we will continue to collaborate on solutions to ensure that services that support people with disabilities through the disability waivers are sustainable going forward.

Sincerely,

Sue Schettle, CEO Sara Grafstrom, Director of State and Federal Policy