



March 7, 2022

REPRESENTATIVE JENNIFER SCHULTZ, CHAIR

HUMAN SERVICES FINANCE AND POLICY COMMITTEE

MN HOUSE OF REPRESENTATIVES

Chair Schultz and Members of the Committee

On behalf of Woodland Centers, I am writing to convey our support for and urge the Committee to pass **House File 3215 – emergency funding for mental health workforce relief using federal relief funding support.**

Woodland Centers is a private non-profit 501(c)(3) comprehensive community mental health center established in 1958. We serve seven rural counties in the west central region of Minnesota – Chippewa, Big Stone, Kandiyohi, Lac Qui Parle, Meeker, Renville, and Swift – with offices in each of those counties. Woodland Centers catchment area encompasses approximately 5000 square miles with a population of approximately 114,000. Approximately 75% of the clients served at Woodland Centers are enrolled in Minnesota Health Care Programs and another 15% are enrolled in Medicare. Approximately 90% of our clients are eligible for sliding fee scale reductions and around 85% of these individuals are provided a 100% sliding fee scale reduction.

Woodland Center's array of services is diverse and includes outpatient therapy, psychiatry, adult and youth day treatment programs, community support services, adult and youth residential crisis services, mobile crisis, outpatient substance use disorder programs for youth and adults, sub-acute detoxification, two assertive community treatment teams, adult mental health rehabilitation, Behavioral Health Homes, supportive housing, CTSS, school-linked mental health services, and community education classes.

Kandiyohi Center (Willmar) – Main Office P.O. Box 787 Willmar, MN 56201  
320-235-4613 or 800-992-1716  
Fax: 855-625-7406  
[www.woodlandcenters.com](http://www.woodlandcenters.com)

Woodland Centers serves approximately 5,000 unduplicated individuals each year ranging in age from toddlers to the elderly. Approximately 52% of our clients have a primary diagnosis of depression or anxiety and 11% have a primary diagnosis of schizophrenia or bipolar disorder.

In calendar years 2021 and 2022, our state's community mental and chemical health programs have struggled to provide services under the ongoing pandemic and the extreme workforce crisis. **These crises compound pre-pandemic sustainability issues: workforce shortage, reimbursement rates much lower than services' costs and growing reporting and regulatory administrative requirements.** While we are suffering high losses in operating revenue, our agencies and programs still have to maintain overhead costs – staff salaries and benefits, facilities, compliance/reporting standards and service operations. We are now forced to close programs, services and locations/access points. The full impact of these forces is resulting in our mental health agencies not being able to keep programs open or keep up with our clients' growing needs for care.

Woodland Centers was forced to close our community support program in March 2020 at the beginning of the pandemic and despite our efforts to re-open this program we have only 55% of pre-pandemic utilization across our seven county region. Woodland Centers has over 40 open positions (with a current staff of 190, this equates to over 20% of all positions) some of which include 2 psychiatric providers, 9 mental health professionals, 2 licensed alcohol counselors, 2 Registered Nurses, and 10 mental health practitioners. The lack of qualified staff to provide services has resulted in hundreds of clients lacking access to care in a timely manner and being placed on waitlists for life saving treatment services. Woodland Centers' SLMH program has faced the biggest impact due to lack of staff (10 openings in total) resulting in over 100 children being placed on waiting lists across various school districts in our region. In addition, there are currently over 80 adults and 20 youth waiting for psychiatric services, over 35 youth and adults waiting for outpatient therapy services, and 20 adults waiting for adult day treatment services. With the increased demand for services and reduced number of qualified staff to provide the service, the need is beyond our capacity.

I fear some of our community mental/ chemical health programs in greater Minnesota are on the brink of closure, where agencies like Woodland Centers are the only outpatient mental and chemical health programs in large, multi-county service areas. These agencies have extreme loss of staff in sparsely populated areas and inability to keep up with costs of providing care. There is NO back up for many counties if our agencies close. Hospitals and emergency departments will be the only source for care and must absorb the demand.

Our Metro-based community mental and chemical health programs are also closing programs and service sites. These programs make up the majority of the safety net for Medical Assistance and underinsured populations in the Metro. Because the community mental health programs across the state are the safety net and cannot (and do not) turn people away based on their ability to pay, we are absorbing all these costs, compounding our uncompensated care losses. **Without immediate relief, we cannot keep sustaining these program losses and maintain access to care.**


Please support investment of this one-time ARPA Immediate relief funding to sustain access to current community mental and chemical health services. This support will allow us to time and resources to advance intermediate and longer-term strategies, including:

- Streamlined, and reduced, reporting and regulatory burdens – allowing providers to focus on care delivery NOT reporting requirements
- Rate reform on MA rates for mental and chemical health programs – We support the DHS study the legislature passed in 2021. We strongly encourage DHS begin with community mental health in the first analysis.

Woodland Centers urgently asks the Committee to increase resource investments into our community-based mental and chemical health care infrastructure by passing H.F. 3215 to for this emergency bridge funding to sustain access to our current services and community infrastructure. If we continue to let our community-based care infrastructure crumble, there will be nowhere for clients to be discharged back to or preventive care, treating illness before it requires inpatient hospital care.

Thank you for considering our request.

Sincerely,

DocuSigned by:  
  
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Ashley Kjos, Psy.D., L.P.

Chief Executive Officer

Woodland Centers