



May 1, 2023

The Honorable John Hoffman
Chair, Senate Human Services Committee
2111 Minnesota Senate Building
Saint Paul, MN 55155

The Honorable Mohamud Noor
Chair, House Human Services Finance Committee
379 State Office Building
Saint Paul, MN 55155

Dear Chairs and members of the SF2934 conference committee:

On behalf of the 105 people in more than 16 Intermediate Care Facility (ICFs) homes that Living Well Disability Services cares for, we are grateful for your attention to ICFs and the wages of those in the caring professions.

As you assemble your final conference committee report, I would strongly urge you to accept the Senate position reflected in SF2934 and considered in HF568 (Freiberg) earlier this session.

In the ICF homes we support, more than 50% of our residents are over the age of 50. Many have significant mental and physical disabilities, and more than 50% are also diagnosed with mental health issues. As our residents age, their needs increase. But the reimbursement rates frozen decades ago no longer come close to meeting the increased nursing and accessibility needs required by our residents.

The ICF provision contained in SF2934 and HF568 would raise the daily rate for every ICF in Minnesota by \$50. It would also set two rate floors: a \$300 rate for Class A facilities and a \$400 rate for Class B facilities. This would ensure no facility is left behind and would provide the critical resources needed to adequately pay, attract and retain the workforce needed to care for some of Minnesota's most vulnerable residents. We have great gratitude for this proposal and its recognition of the unique position that ICFs find themselves in compared to other care settings.

While appreciated, the Governor's proposal carried in SF2934 (House language) simply won't do enough to reconcile our reimbursement rates with the reality we face. The proposal would set one rate floor at \$260, which would impact less than half of Minnesota's ICFs. This would mean that only some facilities, and only some workers, would see any relief at all. Further, the increases proposed in other areas of your bill driving PCA and nursing home staff to nearly \$20/hour will devastate ICF and waiver services as they will fall further behind, and more people will leave our group system. This will lead to further closures and pressure on costly, already overburdened nursing home and hospital systems.

Thank you for the opportunity to share Living Well's thoughts on the ICF provision in the human services omnibus finance bill. As you negotiate to reach agreement on a final funding package to meet the needs of vulnerable Minnesotans, their families and the individuals that care for them, please consider our team a resource.

Thank you for your consideration and service to our state.

Sincerely,

A handwritten signature in blue ink that reads "Tom Gillespie".

Tom Gillespie- President/CEO- Living Well Disability Service