

May 9, 2022

Sen. Jim Abeler
Sen. Paul Utke
Sen. Michelle Benson
Sen. Mark Koran
Sen. John Hoffman

Rep. Tina Liebling
Rep. Jennifer Schultz
Rep. Aisha Gomez
Rep. Dave Pinto
Rep. Tony Albright

Dear Members of the Health and Human Services Conference Committee:

Thank you for the opportunity to provide feedback to SF 4410, the Health and Human Services Omnibus bill.

ARRM is a statewide trade association of over 200 provider organizations, businesses and advocates dedicated to leading in the advancement of Home and Community-Based Services that support people with disabilities.

For many months, ARRM and our members have shared the catastrophic impact the workforce shortage has had on people with disabilities, and on the care and support they receive. Currently, over 30% of our Direct Support Professional job positions are vacant, over 10,000 jobs, with a turnover rate of 50% within the first year of employment and an average wage of just over \$15 an hour. These statistics translate to real-world impacts; according to DHS data, 74 residential settings closed in the 4th quarter of 2021, and as of April 1, there were 58 residential settings closed in the first quarter of 2022.

While past adjustments to the Disability Rate System (DWRS) went into effect on a rolling basis in 2022, these adjustments are based on data that is four years old and, after several years of underfunding, stagnant rates and at times, rate cuts, they are not sufficient to stand up our services and ensure that people with disabilities have choice and access to services that meet their needs in the communities they chose.

We are deeply grateful to Chair Abeler and the Senate for the investments in the DWRS that are proposed in SF 4410, 3rd Engrossment. The critical support to people with disabilities, service providers and staff is an important, positive step forward in addressing the issues that stand in the way of people with disabilities living their best lives. SF 4410, 3rd Engrossment will help to raise the wages of our workforce, enhance access to critical services and provide a safety net for services that are in crisis.



ARRM is also supportive of the following provisions that are contained in SF 4410, 3rd Engrossment:

- Article 1, Section 5: Residential Setting Closure Prevention Grants to support providers that are at risk of closure due to lack of staffing or other financial crisis.
- Article 1, Section 18: Removing Respite from the DWRS framework- this change will support providers in providing Unit Based Respite in a shared manor at a rate that works for the service being provided and the individuals accessing the service.
- Article 1, Section 21: Creating a new, hour unit of service for Individualized Home Supports with Training
- Article 6, Section 1 and 2: Removing the need for a separate license or variance when supporting individuals during the overnight hours through Alternative Overnight Supervision. This is an outdated licensing requirement that by updating will expand the use of technology and create another workforce solution.
- Article 6, Section 7: Allowing access to Adam Walsh equivalent background studies for providers who are certified Out of Home Respite providers
- Article 6, Section 14: Creating an Out of Home Respite Certification process for providers. The creation of this certification will expand access to Out of Home Respite for individuals under 18 and their families.
- Article 8, Section 11: Removing the sunset date for providers to add an additional bed to a Community Residential Setting
- Article 8, Section 50: Allowing for additional extensions to a transitional lease for individuals living in their own home.

We are happy to see that both bodies have identified ICF/DD rates as an important issue to address. Like waiver services, ICF/DD services are seeing a severe staffing shortage, with rates that have gone largely un-touched for many years. While we understand the House's position to study the current ICF/DD rate structure (SF 4410 2nd Unofficial Engrossment, Article 9, Section 37), the individuals accessing these services and the staff that support them cannot wait additional years to see an increase. ARRM fully supports the Senate's position that creates an ICF/DD rate floor and adjusts rates that are not impacted by the new rate floor (SF 4410 3rd Engrossment, Article 1, Section 33 and 34).

We also understand the desire from both bodies to make changes to the Service Termination statute. With the unprecedented number of program closures that have been taking place across the state we fully support language that protects the individuals that are receiving services. With that in mind, we oppose some of the provisions contained in the Senate's position (SF 4410 3rd Engrossment, Article 8, Section 14) and support the House changes contained in SF 4410, 2nd Unofficial Engrossment, Article 9, Section 2.

ARRM is grateful that both the House and Senate have included additional resources and an extension for the Temporary Emergency Staffing pool, an important resource for providers struggling to fill shifts day-to-day (SF 4410, 3rd Engrossment, Article 1, Section 51 and SF 4410 2nd Unofficial Engrossment, Article 9, Section 28).

We are also supportive of the House's proposal for Workforce Incentive Grants (SF 4410, 2nd Unofficial Engrossment, Article 9, Section 29). Allowing providers the opportunity to use these dollars in the manner that works best for their workforce, whether that be retention or recruitment bonuses, childcare grants, with access to affordable child care being a large barrier in retaining staff, or other incentives.

Finally, access to background studies and fingerprinting continues to be a challenge as our members work to bring on new staff and bring existing staff into compliance following the end of emergency studies. We support the House's position that would allow

emergency background studies to be valid until January 1, 2023 (SF 4410, 2nd Unofficial Engrossment, Article 19, Section 26).

Disability services in Minnesota stand at a crossroads. ARRM is looking forward to working with the Conference Committee chairs and members to send a clear message that people with disabilities and Direct Support Professionals do not stand alone.

Sincerely,

Sue Schettle, CEO

Sara Grafstrom, Director of State and Federal Advocacy