Children's MINNESOTA

The Kid Experts™

March 20, 2024
House Human Services Policy Committee

Chair Fischer and Committee Members:

On behalf of Children's Minnesota, we are writing in support of HF3495, as amended, which provides solutions that are foundational to addressing the mental health crisis facing Minnesota children, most notably, increasing Medicaid reimbursement rates for inpatient and outpatient mental health services.

Children's Minnesota is the largest pediatric health system in the state serving more than 160,000 kids annually. We provide a continuum of mental health services including primary care, integrated behavioral health, outpatient and partial hospitalization services, crisis stabilization and acute inpatient care.

Despite recent efforts to expand the services we provide, there are still not enough mental health services in Minnesota to meet the current need. Children are waiting for months to access care, too often utilizing the emergency department as a last resort. In 2018 about 1,700 visits to Children's Minnesota emergency departments were for a mental health concern. In 2022 that number increased to 2,500 and in 2023 that number increased even more to 3,300. And, in 2023, over 250 kids collectively spent more than 1,600 days stuck at Children's Minnesota because the appropriate treatment setting was not available to them.

Nearly half of our patients receiving mental health services rely on Medicaid and currently Medicaid rates for mental health services are paid well below the cost of providing care. Across all our outpatient and inpatient mental health services we are reimbursed for less than half of our costs and, because costs continue to rise, that level of reimbursement is getting worse The current rates are unsustainable, and on average we operate these vital services at a loss, severely limiting our ability to recruit and retain the staff needed to meet the growing needs of our patients and their families. In addition to increasing rates, investments in respite grants for families and mobile transition units will continue to be critical to supporting youth awaiting services and placement.

Children and families cannot spend another year waiting for a solution to the mental health crisis they are experiencing. Please support HF3495.

Sincerely,

Pamela Gigi Chawla, MD, MHA
Vice President, Chief of General Pediatrics
Children's Minnesota

Joel Spalding, MD
Acute Mental Health Medical Director
Children's Minnesota

Patricia Vitale
System Director Mental Health
Children's Minnesota

March 20, 2024

Chair Fischer and Committee Members
House Human Services Policy Committee
551 State Office Building
St. Paul, MN 55155

RE: Hospital boarding and discharge delays - proposed solutions

Thank you for your continued dedication to addressing boarding and discharge delays in Minnesota hospitals. The scenes that are playing out at health systems across the state are some of the most challenging situations our teams have faced in their careers. Patients are stuck in hospitals waiting for transfers to nursing homes, rehabilitation units, mental health treatment facilities, and other sub-acute care facilities, including state operated services.

In 2023, patients across the state spent nearly 195,000 avoidable days in hospitals, waiting for the right level of care to become available. This included almost 12,000 days of unnecessary stays for children alone. In most cases, these children don't have an emergent medical or psychiatric condition requiring hospitalization; they need long-term, stable support through community-based and residential services. For many, their mental health gets worse while they are stuck in the hospital. In short, patients across Minnesota are getting the wrong care in the wrong place, and often for too long a time. And, unfortunately, the problem isn't getting better, it is getting worse.

This patient gridlock not only reduces overall capacity for hospital care, it also cost Minnesota hospitals and health systems an estimated $487 million in unpaid care. A refreshed version of HF4106 (Carroll) / SF2885 (Morrison) would give hospitals some short-term financial relief, and we cannot wait any longer to systematically address this problem. Actions the legislature and state agencies can take include the following:

Legislative Proposals:

- Discharge policy bill (SF3989 Hoffman / HF4106 Noor) - Improves processes for MnCHOICES Assessments, SMRT Assessments and Medical Assistance eligibility determinations; establishes supplemental payment rate while counties and community providers determine long-term exception rate for an individual
- Medicaid Mental Health Reimbursement Rate increases (HF3495 Fischer – as amended; HF4981 Her / SF5084 Wiklund; HF4366 Edelson) - Increases outpatient and inpatient reimbursement rates for mental health and substance use disorder services, building on the 2024 DHS Outpatient Services Rate Study

- Youth care transition program (HF3495 Fischer – as amended / SF4664 Mann) - Ensures sustained funding for the youth care transition program which supports youth with complex needs who need to transition from hospital and residential settings to a more appropriate level of services.
- Respite grants (HF3495 Fischer – as amended / SF4664 Mann) - Increases current county grant funding for respite care and invest resources in recruiting, licensing and compensating new respite family providers
- Emergency Medical Assistance (SF4024 Mann / HF3643 Noor) - Allows more flexibility in what Emergency Medical Assistance (EMA) will pay for, these bills broaden the settings available to a patient who qualifies for EMA by permitting certain services to be covered under EMA.
- Legislative recommendations from the Priority Admissions Task Force (HF4366 Edelson / SF4460 Mann) which includes expanded capacity at and access to Direct Care and Treatment facilities. These recommendations include an exception for 10 civilly committed individuals waiting in a hospital to be added to the admissions waitlist – this exception is a critical pressure release for hospitals who have been housing individuals in need of forensic or other intensive care in a state operated service, some for multiple years.

Administrative Actions:

- Determine a different way to prioritize complex patients for placement outside of the hospital including:
    - Prioritizing and expediting funding for in home and out of home placement, including MnCHOICES assessments, MA eligibility, and waivered services for kids in hospitals.
    - Ensuring counties prioritize the establishment and responsiveness of guardians, rate negotiations with group homes and the placement process for patients in acute care or hospital settings.
    - Prioritizing workforce crisis solutions to increase crisis and group home capacity.
- Strengthen enforcement of licensing standards to ensure group homes and other facilities cannot use "temporary suspension" of services as a mechanism to leave clients at hospitals and then refuse to take them back.
- Staff Willmar Child and Adolescent Behavioral Hospital to full capacity and accept "lateral" admissions.
- Counties all have a different "front door" to start the process of partnering to find patients an appropriate placement, and this information is challenging to find. Create one resource with this information to make navigating and outreach more streamlined for hospitals.

This is not a problem that any one part of the system can solve by itself. State agencies, counties, community providers, families and health systems all need to be responsible for their individual parts and work together to meet the needs patients, getting them the right level of care at the right time. The crisis of patients being stuck in hospitals needs immediate action.

Improving lives for adults living with mental illnesses as well as maintaining the viability of providers through one voice for quality adult mental health services.

Date: March 20 2024

To: Members of the House Human Services Policy Committee

From: The Mental Health Providers Association of Minnesota

Re: Written Testimony in Support of the Delete Everything Amendment to HF3495 (Comprehensive Solutions to Mental Health Act)

Members of the House Human Services Policy Committee,

Thank you for the opportunity to submit this written testimony in strong support of the Delete Everything Amendment to HF3495 (Comprehensive Solutions to Mental Health Act). We are submitting this testimony on behalf of the Mental Health Providers Association of Minnesota (MHPAM). MHPAM is a non-profit association of for-profit and non-profit mental health service providers in the state of Minnesota. Our member organizations provide a variety of critical mental health services for adults throughout Minnesota such as: Intensive Residential Treatment Services (IRTS), Assertive Community Treatment (ACT), Home and Community Based Services (HCBS), Adult Rehabilitative Mental Health Services (ARMHS), Crisis Residential Stabilization Services, Targeted Case Management, and many others. The mission of our association is "Improving lives for adults living with a mental illness as well as maintaining the viability of providers through one voice for quality adult mental health services."

At this moment when increasing access to mental health care is critical for our state, we must take steps to address the foundational rate and policy issues that are creating barriers in access to services. The Delete Everything amendment to HF3495 (Comprehensive Solutions to Mental Health Act) takes important steps forward in these efforts. The amendment includes many important items:

- Policy changes that recognize the need for flexibility in meeting the current workforce environment while maintaining service quality
- Proposals clarifying, modernizing and streamlining service regulations to support mental health staff to focus their efforts as possible on quality treatment provision
- Sections addressing the most foundational factor creating barriers in access to needed mental health care: Medical Assistance reimbursement rates that are far below the cost of providing care.

We ask for your support of the Delete Everything Amendment to HF3495 (Comprehensive Solutions to Mental Health Act). Thank you for the opportunity to submit this testimony.

Sincerely,

Ellie Skelton

Ellie Skelton, Touchstone Mental Health Executive Director, MHPAM President, eskelton@touchstonemh.org

Minnesota Association of Community Mental Health Programs

Representative Peter Fischer, Chair
Human Services Policy Committee
Minnesota House of Representatives
March 20, 2024

Chair Fischer and Committee Members

On behalf of the Minnesota Association of Community Mental Health Programs (MACMHP), I am sending this letter to support of House File 3495 and its mental health and substance use disorder provisions.

The Minnesota Association of Community Mental Health Programs (MACMHP) is the state's leading association for Community Mental Health Programs, representing 39 community-based mental health providers and agencies across the state. MACMHP's member agencies all provide a spectrum of mental health and substance use disorder services to our communities from within the same organizations. Providing care in these models means agencies must comply with all the various mental health services' regulations of the state. We are working to build our programs to respond to as many needs of our clients and communities as we can. In this current workforce crisis and sparsely invested mental health and SUD environment, community mental health and SUD programs are challenged by also continuing to have to navigate convoluted regulatory requirements that created silos of care rather than bringing services together under consistent standards. This adds to the struggle to keep access to quality care available for our communities.

H.F. 3495 contains many proposals which allow community mental health clinics to keep moving toward an integrated, holistic model of care. This bill furthers efforts to streamline regulations that govern the services we provide together under one roof. These include:

- **critically needed investments to fix our Medicaid rates structures for outpatient fee-for-service, inpatient and cost-based services**
- **needed changes to our substance use disorder regulations and systems**
- **increasing access to our communities and clients by removing entry assessment barriers**
- **supporting our staff by responding to today's lack of workforce capacity with flexibility in many critical services like assertive community treatment (ACT)**
- **supporting clinics' ability to comply with regulations by bringing consistency and standardization to them**
- **removing unnecessary paperwork barriers**
- **making investments in our adult services like voluntary engagement and first episode psychosis programs**
- **stabilizing grant funding determinations and allocations**
- **building our children's mental health infrastructure**
- **helping our clinicians to work at the top of their licenses and focus on providing good care to clients and communities**

MACMHP thanks this Committee and rest of the legislature for the good work you have done over these several years in bringing our mental health regulations together and first steps in streamlining them. We are hopeful this bill is the next step in that good work to build a regulatory system that can respond with the changing needs of our industry and our communities.

Thank you for your leadership and support.

Jin Lee Palen
Executive Director

MACMHP
PO Box 40027
Saint Paul MN 55104
651-571-0515 | www.macmhp.org

Driving Excellence in Addiction Care

To: Chair Fischer—House Human Services Policy
From: Brian Zirbes, MARRCH Executive Director
Subject: Feedback regarding HF 4392 DE1 and HF3495 DE3
Date: March 20, 2024

Chair Fischer and committee members--

MARRCH is pleased to be involved in these policy discussions and offer our support for many provisions of these bills. We have appreciated the engagement and dialogue with the MN Department of Human Services, the Board of Behavioral Health and Therapy, the MN Association of County Social Service Administrators, and the Mental Health Legislative Network. We are especially appreciative of the authors for the MARRCH policy bill (HF 4149), Representatives Frederick and Baker, and Chair Fischer.

SUD organizations are committed to providing high quality services to people needing treatment/recovery services as well as providing a workplace where employees can work and thrive in an industry they love. **As provided in previous testimony, SUD rates are horribly underfunded, there is significant burnout amongst direct care staff, and programs are closing.** Many of these policy proposals will reduce some barriers to client access and reduce administrative burden.

The sections of HF 4392 DE1 we want to highlight our support are in Article 5: Substance Use Disorder Services:

- Section 8— Removing licensing candidates from a ratio limit
- Section 14—Behavioral Health Fund Affidavit
- Section 16—Aligning ASAM requirements in SUD
- Section 21—Paperwork Reduction report

The sections of HF3495 DE3 we want to highlight our support are in Article 4: Substance Use Disorder Services:

- Sections 1 and 2—Replacing and waiving fees for birth records
- Section 3--Expanding paths to licensure

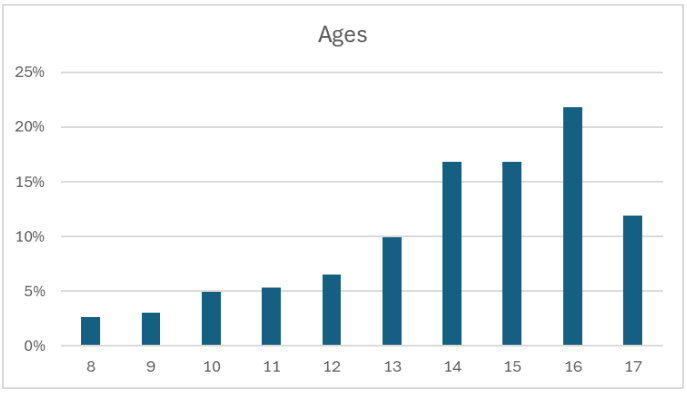
There are a few areas of HF 4392 DE1 that need some continued work and discussion. Section 18; line 63.26. This change seeks to change ASAM 3.1 (low intensity residential) from 5 hours a week to 9-19 hours per week. **This language will double or triple the amount of treatment services needing to be provided, at a rate of $79.84 per day!!** Programs cannot afford more requirements and regulations without financial relief. If this language moves forward, we strongly request a match to the old medium intensity rate ($166.13) or implement the proposed rate from Burnes and Assoc ($216.90) for ASAM 3.1. We look forward to the ongoing work and collaboration to make systemic improvements in SUD.

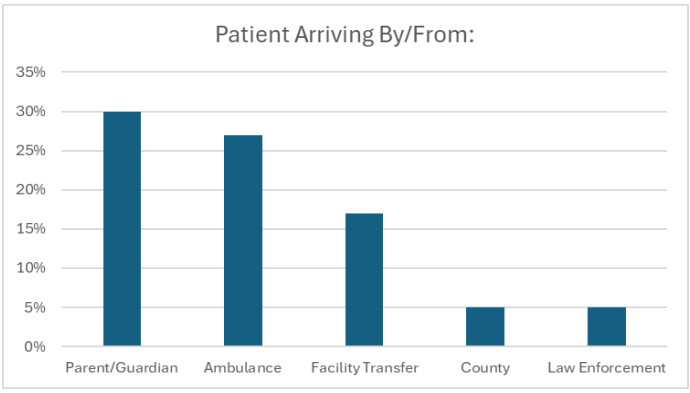
Mental Health Collaboration Hub

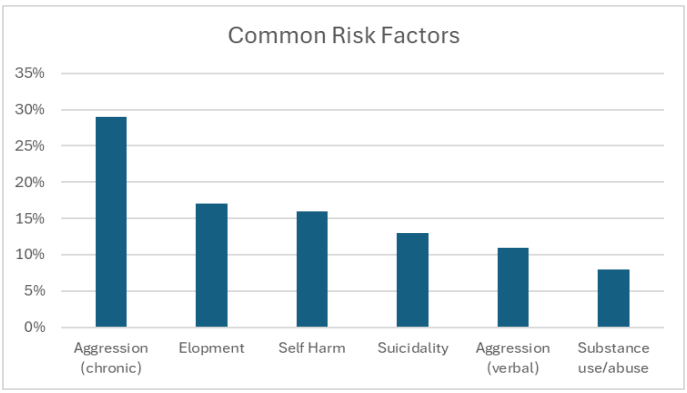
PrairieCare
A Division of Newport Healthcare

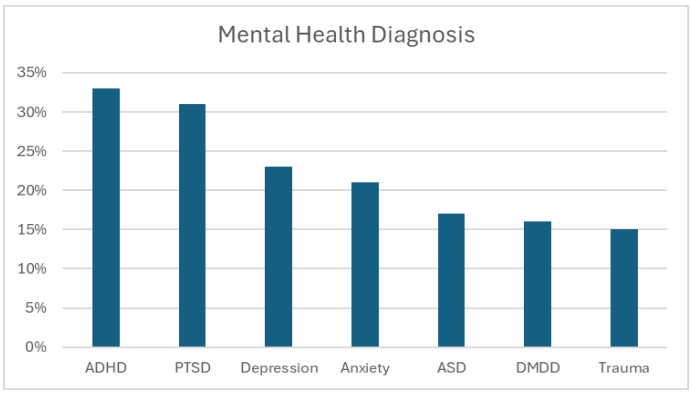
"Getting to Yes" – Impact Update: March 2024

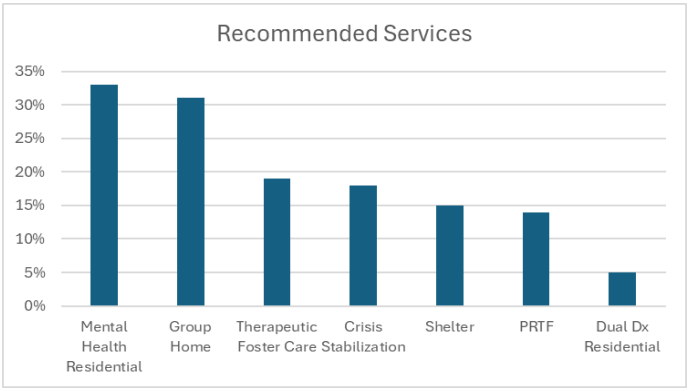
- 180 Active Organizations
- 416 Registered Users
- 274 Total Boarding Cases
- 237 Discharged Successfully

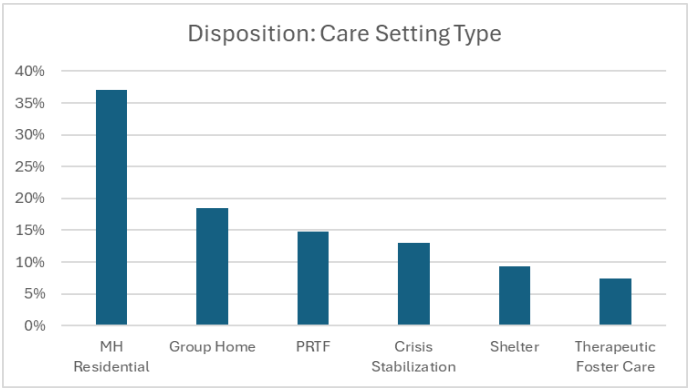


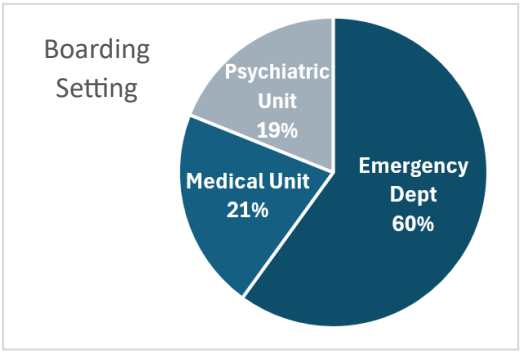


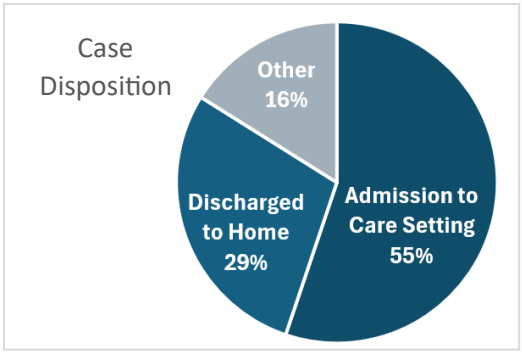












An association of resources and advocacy for children, youth and families
www.aspiremn.org

March 19, 2024

Dear Chair Fischer and Members of the Human Services Policy Committee,

Thank you for your thoughtful composition of the Comprehensive Solutions to Mental Health Act. AspireMN, a statewide association of child and family service providers wholeheartedly agrees in this proposition – Minnesota is in great need of a comprehensive solution to our mental health crisis and your HF3495 (DE3) builds a path forward.

Specifically we appreciate your inclusion of:

- Investment in Medicaid rates – is a foundational requirement to build access to care across our service continuum, with rates that work the possibilities for building a future continuum are truly endless and without a fix to rates we cannot exit our crisis spiral
- Policy solutions – we need all professionals to be working at the top of their licensure, and, all staff to be maximizing client care by decreasing administrative burdens and related burnout
- Child and family centered processes – we need to honor choice, support individualized care, build a diverse and responsive workforce, and design services that receive a client's narrative and avoid repeating trauma and symptom histories simply to validate our treatment plan. Respite care for families is a critical part of this design.
- Sustaining what works – Mobile Transition Grants, maintaining Children's Residential Care, In-Home Family-Centered Mental Health models, and building a Medicaid benefit for children's crisis stabilization is all reflective of models that work and must be sustained.

A robust continuum that meets unique needs at the right time in the right place with the right care – that is the fundamental child-centered goal that is central to HF3495. We are grateful for this vision and remain hopeful for the future it promises to children, families and the field.

Sincerely,

Kirsten Anderson
Executive Director

AspireMN improves the lives of children, youth and families served by member organizations through support for quality service delivery, leadership development and policy advocacy.

1919 University Avenue W. #450, St. Paul, Minnesota 55104