On behalf of AMC, MACSSA and MICA, we write to provide the conference committee with the county perspective on provisions in the House and Senate versions of the omnibus health and human services policy and finance bill, SF4410.

We thank Chairs Abeler, Utke, Liebling, Pinto and Schultz for their work in putting together bills that invest in our children, vulnerable individuals and working families. We also thank Governor Walz for putting forward a bold vision for our health and human services infrastructure that served as a starting point for many of these legislative discussions. Though the proposals before this conference committee look significantly different, counties look forward to working with you to craft legislation that ensures our already fragile safety net, that was further rocked by COVID-19, remains in place for Minnesotans.

Counties would like to highlight provisions in the House and Senate omnibus bills that align with our 2022 legislative priorities:

**Family First Prevention Services Act (FFPSA):** Counties appreciate the commitment to continue forward action on the implementation of FFPSA which is an opportunity to move toward a more equitable delivery of child welfare services in Minnesota. We appreciate the House’s inclusion of modest investments for a qualified individual program and continuous improvement to assist the state in meeting its evaluation, fidelity monitoring and continuous quality improvement requirements. This funding will allow the state to begin pulling down Title IV-E reimbursement for critical prevention services that should not wait another year. [House Article 21, Section 4]

**Childcare:** At a time when we are all working hard to stabilize families and keep our local economies moving, childcare couldn’t be more important. 2021 temporary changes to Child Care Assistance Program (CCAP) Basic Sliding Fee (BSF) waitlist prioritization made it possible for counties to extend childcare to families who did not already have access. This is working to stabilize families and end the waitlist for childcare. While reprioritization will continue through state fiscal year 2025, BSF is a forecasted program and counties must look ahead to plan for future needs. We encourage the conference committee to support the House position to continue reprioritization so that there is not a cliff in these benefits and uncertainty for counties looking to appropriately budget. [House Article 21, Sections 4, 17]

**Working families:** Counties support provisions in the House bill that would make small, important changes to calculating benefits under the Minnesota Family Investment Program (MFIP) which will help address the benefits cliff that hinder working parents from fully entering the workforce. Along with childcare challenges, disjointed public assistance policies cause instability in the lives of many Minnesotans who want to work. As we look to rebuild our economy, now is the time for these small changes that can make a big difference. [House Article 16, Sections 1-3, 5, 11-13, 15-23, 25-39, 42]

**Service delivery transformation:** Our state’s technology infrastructure is woefully inadequate to support a rapidly changing human services delivery environment. Modernizing our technology systems is imperative to the effectiveness, sustainability and integrity of our publicly funded human services. We encourage the conference committee to support language in the House proposal to invest $77.5 million for an integrated IT human services system and $10 million in dedicated early learning and childcare systems upgrades. Counties rely on this technology infrastructure to serve individuals and families. And while these proposed investments won’t fix Minnesota’s incredibly outdated, inefficient IT systems, it will support a new framework that emphasizes agile and iterative tools to make it easier for counties and tribes to serve people more effectively and efficiently. Each year that passes, our systems continue to fall farther and farther behind, creating barriers for our staff and the people we serve. Moving forward on a responsive technology framework is long overdue and critically urgent as we think about transforming our service delivery. [House Article 21, Section 16, appropriations article]

**Homelessness:** Counties support direct investments of $75 million in emergency shelter facilities grants and $85 million for emergency shelter grants to address the immediate needs of individuals as counties work tirelessly to move individuals and families out of shelters and into sustainable homes. We also thank you for including an expansion of the Metro Housing Demo by adding Carver, Scott and Washington counties and additional housing units to help to strategically create resources to provide needed housing with services in the most cost-effective way. [Emergency shelter: House Article 18, Sections 9, appropriations article – Metro Demo: House Article 9, Section 22; Senate Article 1, Section 40]

**Workforce:** Whether through our frontline work to support those seeking childcare, employment, health care, personal care, substance use disorder or mental health services, counties understand how dire our current workforce challenges are. We support provisions in the House and Senate to seek various ways to encourage, support and retain individuals in our most critical caregiving fields.

**Data sharing:** Counties support common sense modifications to our state’s data privacy laws that help build cross-system collaboration between departments to provide mental health and substance use interventions and services. Data sharing is a significant part of this collaboration as it helps all departments understand how to better serve individuals and understand the service demands on each department. We encourage the conference committee to support Senate language to all for data sharing with law enforcement for mental health call responses. [Senate Article 4, Sections 1, 5, 61-62]

**Mental health:** As the Association of Minnesota Counties met last fall to discuss its legislative priorities, mental health services quickly rose to the top of counties’ priorities. It is no secret that our state’s mental health system has proven to be inadequate to meet the needs of Minnesotans. We thank the House for its inclusion of funding to support emerging mood disorder and first episode of psychosis grants along with the expansion of children’s intensive behavioral health services, psychiatric residential treatment facilities and mobile crisis services. [House Article 10, Sections 10, 13, 14, 69-75, 89, 90, 95]

We must highlight the absence of support for counties’ top priority this session. Counties are incredibly disappointed that neither omnibus proposal includes consideration of **funding for Adult Mental Health Initiative (AMHI)** **grants**. AMHIs have been critical to supporting community needs during the pandemic. Distribution of these dollars is driven by local decision making and has been vital to addressing gaps in our mental health delivery system. We would like to highlight a separate Senate proposal (SF3249) that includes $20.5 million in base funding increases to hold AMHIs harmless in light of a proposed funding formula change. We ask that lawmakers work together to ensure that mental health is a priority in final budget decisions.

We also ask the conference committee to consider a proposal brought forward by counties to address the **county cost share for individuals who are committed as mentally ill and dangerous (MI&D) and are in a state operated facility**, such as the Anoka-Metro Regional Treatment Center (AMRTC) or a Community Behavioral Health Hospitals (CBHH). Counties are currently 100% responsible for the cost of care when the aforementioned facilities determine it is clinically appropriate for the client to be discharged. Although the client may no longer need the hospitalization level of care at AMRTC or a CBHH, they do need treatment. For a person civilly committed as MI&D, that means St. Peter – another state operated facility. Counties have no ability to address situations where clients are being released from one state operated facility and are awaiting a bed at another state operated facility, yet we pay 100% of the cost for individuals who are stuck until a bed becomes available. To put it into context, the daily rate at AMRTC is $1,600. One of our member counties had a single individual stuck at AMRTC for 212 days at a cost of $339,122.90 to property taxpayers as they waited for a state bed.

We appreciate your work to assemble an omnibus bill that reflects the needs of Minnesotans at a time of historic surplus. We thank you for your time and appreciate your consideration of our feedback. Please consider us as resources as you continue this work as budget discussions progress.

Sincerely,

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| Julie Ring, Executive Director  Association of Minnesota Counties | Matt Massman, Executive Director  Minnesota Inter-County Association | Matt Freeman, Executive Director  Minnesota Association of County Social Service Administrators |