



The Kid Experts™

March 19, 2024
House Human Services Policy Committee

Chair Fischer and Committee Members:

On behalf of Children's Minnesota, we are writing in support of HFXXXX (Her) and HF4671 (Fischer) which provide 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 the Youth Care Transition program included in HF4671 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 HFXXXX(Her) and HF4671(Fischer).

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 19, 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) / SF3989 (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 (HFXXXX Her / SFXXXX Wiklund and HF4366 Edelson / SF4460 Mann) - 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 (HF4671 Fischer / 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 (HF4671 Fischer / 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 waived 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.

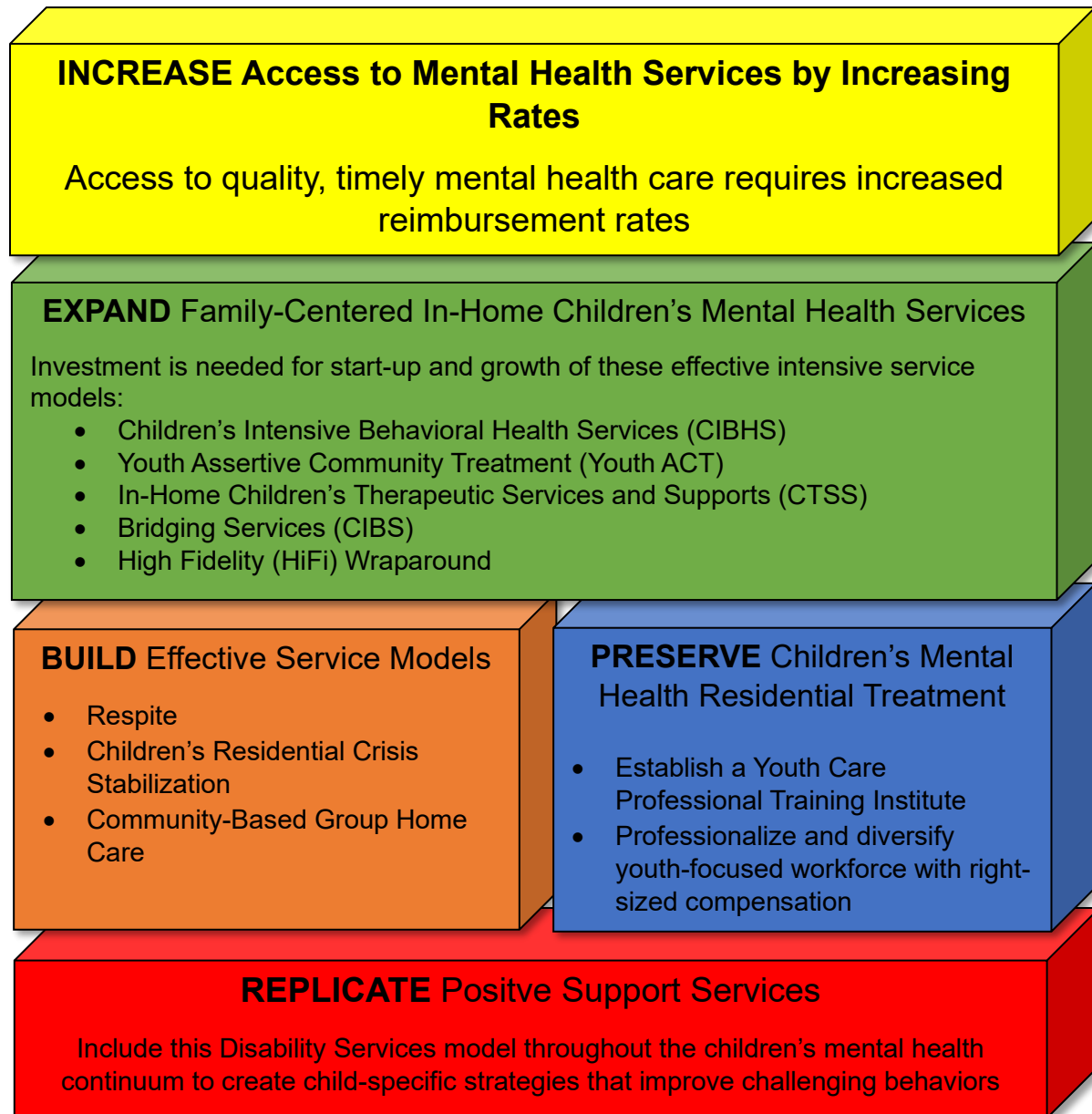
This is not a problem that any one part of the system can solve by itself. State agencies, counties, community providers, families and health systems all need to be responsible for their individual parts and work together to meet the needs patients, getting them the right level of care at the right time.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

Building Blocks for Children’s Mental Health

August 2023

Children’s mental health needs¹ are going unmet, due to a lack of mental health services. Children are waiting for months to access needed treatment and families are too often forced to rely on hospital emergency departments as their front door to care. This crisis is not new and it’s getting worse. It is harming children and families, debilitating our emergency systems and needs immediate attention.

The solution is to build the mental health system children and families need to live their best lives. The following Building Blocks outline the investments and infrastructure required to solve the current crisis and provide treatment to our children.



¹ In this document, “mental health” is inclusive of behavioral health needs for children who may have a variety of presenting diagnoses.

Contacts:

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Amanda Jansen | Children’s Minnesota | 262-442-3628 c

Proposal 2024

| Strategy – Building Block | Policies Supporting | Estimated Costs – 2025 (tails not included) |
|---|---|---|
| Increase access to mental health care by increasing rates | Update rates structure to reflect rate study projections and recommendations relating to Medicaid inpatient outpatient mental health services. | Included in Rep Her Mental Health Rates proposal – fiscal note to be announced |
| Expand Family-Centered In-Home Mental Health Services | Build teams statewide to implement intensive models that support families to care for children at home. One-time infrastructure investments to hire, train and launch teams statewide. | \$10M in FY25 |
| Build effective models | --Respite <i>Increase current respite grant with enhanced flexibility and Licensing/recruitment/enhanced funding</i> --Community-Based Group Care --MA Benefit for Children’s Residential Crisis Stabilization | \$4M in FY25 increase with additional flexibilities for distributing to families to the existing grant distributed to counties \$1M in FY25 to recruit, license and compensate new respite family providers \$2M in FY25 Waiting on fiscal note for cost |
| Preserve Children’s MH Residential Treatment | --Youth Care Professional Training Institute Professionalize and diversify our youth-focused professionals | \$1.5M in FY25 \$950,000 in FY26 Looking at 1115 waiver potentials and other planning |
| Replicate Positive Support Services | Using this disability services model, to integrate child-specific strategies to address challenging behaviors | PLANNING for 2025 |

Sustain what works:

- Mobile Transition Grants \$2.5M in FY25
- School-Linked Behavioral Health \$2.5M in FY26 and \$2.5M in FY27

Contacts:

Kirsten Anderson | AspireMN | 651-308-7765 c
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March 18, 2024

Dear Members of the House Human Services Policy Committee:

Professionals, government leaders, and communities have acknowledged the worsening children's mental health crisis in our state and country. At the same time, we are seeing our treatment capacity in Minnesota shrink. Children are boarding in emergency rooms and being placed on months-long waiting lists. Some with particularly severe symptoms are even sent to juvenile detention or homeless shelters because there are no suitable treatment facilities available to them.

There are many policies that would build up our mental health system. Many of you have authored and voted for some of them. But none of them will be able to reach their full potential without the foundational infrastructure and investments needed to solve the children's mental health crisis.

Half of all chronic mental illnesses begin by age 14. By investing in the building blocks of children's mental health, we can build the continuum that children and families need to access treatment and live their best lives. That's why NAMI Minnesota fully, enthusiastically supports HF 4671, the Mental Health Legislative Network's Children's Mental Health Building Blocks Bill.

Lisa, a NAMI Minnesota member and Executive Director of a special education school, has shared that trying to help children in mental health crises when the highest level of care is unavailable has led to burnout in teachers and social workers. A shortage of beds in both residential care facilities and hospitals has led to her students being discharged from the hospital after one or two nights. They are sent home or back to school with "no step down. There's no figuring it out. They are just left to their own devices."

Everyone at NAMI Minnesota has heard from parents of children with mental illnesses trying desperately to get their child the services they need. These parents call us devastated, furious, and absolutely baffled by the endless "no's" they received looking for help. The services that would be expanded and improved by HF 4671 are life-changing. This bill provides you with the opportunity to ensure children can access them. We encourage you to support it. Thank you for your consideration.

Sincerely,

Sue Abderholden, MPH
Executive Director

Sarah Knispel, MSW
Public Policy Coordinator



March 18, 2024

***Sent via email**

The Honorable Representative Fischer, Chair
Human Services Policy
551 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

RE: Residential mental health crisis stabilization for children

Dear Chair Fischer and Members of the House Human Services Policy Committee:

Olmsted County is grateful for your authorship of [HF 4671](#) and for the opportunity to provide our strong support for the bill. Many children and youth in our community and across the state face difficult mental and behavioral health symptoms each day. The current service delivery landscape does not offer adequate community-based solutions to address the needs of many families. The results are more youth needing care in emergency departments or in more intensive residential programs.

HF 4671 includes several proposals and appropriations for community-based programs to improve the state's mental health system for children. Olmsted County supports the bill in whole but would like to highlight one provision to provide a medical assistance benefit for children's residential mental health crisis stabilization services.

Olmsted County is proud of our local partnerships and grateful for the strong support from the Minnesota Legislature that enabled us to build and operate the Southeast Regional Crisis Center (SERCC). Through the SERCC, the county and local partners provide walk-in mental health services 24 hours a day, seven days a week, including community-based residential stabilization services for children, youth, and adults.

The residential stabilization services provided for adults at the SERCC are funded through medical assistance, but the same services for individuals under the age of 18 are not covered. Residential crisis stabilization services are critical for children and youth to access services needed to resolve a crisis episode. This supports families by working with individuals experiencing mental health symptoms in a community setting. The goal is to reduce more costly services, such as emergency department and child placement, as well as providing

connection to ongoing services needed to prevent future crisis episodes. Sustaining these programs is critical to supporting our communities.

Olmsted County has been working with our local legislative delegation on similar bill language to provide medical assistance coverage of children's residential crisis stabilization services. Representative Hicks and Senator Boldon introduced these bills ([HF 4779/SF 4619](#)) which are currently in the jurisdiction of the Health Finance Committees. We urge you to consider the approach these bills take to providing the common goal of establishing a medical assistance benefit but with a more urgent timeline to implement the coverage.

Thank you for your consideration and please do not hesitate to reach out with any questions.

Sincerely,

DocuSigned by:

Sheila Kiscaden

3/18/2024 | 11:25 AM CDT

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Sheila Kiscaden, Chair

Olmsted County Board of Commissioners

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