

Representative Peter Fischer, Chair
Human Services Policy Committee
Minnesota House of Representatives
February 27, 2023

Dear Chair Fischer and Committee Members,

On behalf of Zumbro Valley Health Center am sending this letter to support **Representative Bierman's House File 1683 – Targeted Long Term Rate Reform for Intensive Mental Health Services.**

Zumbro Valley Health Center is a community mental health center providing mental health and substance use services to southeastern MN for over 50 years. We were one of the first CCBHC (Certified Community Behavioral Health Centers) in the nation. We create better outcomes for our clients, improve health equity in our area and differentiate our care by providing comprehensive, integrated care mainly to clients who are publicly insured or who are uninsured.

We are the only provider of inpatient residential treatment program (IRTS) in our community and we also have two adult residential crisis beds. This program also mainly serves clients who are publicly insured or uninsured.

Current workforce crises, capacity shortages and lacking infrastructure limits us, and our mental health system, from meeting intensive mental health services needs that has resulted in children and adults having to access hospital level of care instead. This trend is overwhelming hospitals, financially straining our state, and most importantly is not the appropriate treatment model for our community members in need of intensive mental health services.

We support HF 1683's proposals to support services with cost-based or state set rates that are structurally unable to keep pace with service demands, inflationary pressures and facility improvement needs. Proposals in this bill include:

- Allowance for estimated staffing costs/ investments in cost-based rates
- Coverage of room/ board costs for residential services to MNCare enrollees
- Establish a single, streamlined rate structure for BHH, including an annual inflation adjustor
- Establish a cost-settlement process for PRTFs and an annual inflation adjustor

By enacting these proposals, service providers will be better equipped to increase service capacity for intensive mental health services and therefore better meet the intensive mental health service needs of children and adults. Please support Representative Bierman's HF 1683.

Thank you for your consideration and support of the mental health needs of our clients, communities, children and families.

Sincerely



Beth Krehbiel, RN/FACHE
CEO

Zumbro Valley Health Center

Offices