Minnesota Department of Human Services
Elmer L. Andersen Building
Temporary Commissioner Shireen Gandhi
Post Office Box 64998
St. Paul, Minnesota 55164-0998

June 5, 2025

Dear Chair Schomacker, Chair Noor, Chair Hoffman, and members of the Human Services working group:

On behalf of the Minnesota Department of Human Services, I am writing to extend our appreciation for your work on the Human Services budget agreement. Developing a budget this session was not an easy task, but together you found a path forward that was collaborative and person-focused. Regrettably, I am unable to attend today's workgroup meeting due to a prior commitment with Tribal leaders. In lieu of public testimony, I want to highlight a few provisions of the bill for which DHS is particularly thankful:

- Investments in the **Community First Services and Supports (CFSS)** so that people have meaningful options to live and work in their homes. This funding will ensure implementation of the self-directed workforce contract between SEIU Healthcare of Minnesota and the state.
- Ensuring people with disabilities and older adults have continuity of care and have **access to individualized CFSS supports before, during, and following hospitalization**.
- Funding to implement standards adopted by the **Nursing Home Workforce Standards Board**. Good jobs are the foundation of Minnesota's caring economy.
- Utilizing data-based and person-centered approaches to address **disability waiver and nursing facility spending**.
- Strengthening health and safety protections for children and young adults with autism who use **Early Intensive Developmental and Behavioral Interventions (EIDBI)** services.
- Prioritizing **Tribal sovereignty** by creating a path for Tribal Nations to access the federally funded rates for members who use **Vulnerable Adults and Developmental Disabilities Targeted Case Management (VA/DD-TCM)**.
- Bolstering oversight of recovery residences and expanding access to supportive recovery housing options. This provision aligns oversight with national best practices and ensures that housing is not tied to a person's treatment status.
- Shifting to new **evidence-based models of SUD treatment that integrates clinical and social supports**, while also facilitating **transparent billing practices**.
- Historic investments in reimbursement rates for **substance use disorder treatment services.** These rate increases, combined with recent evidence-based standards, have the potential to change the trajectory of people's recovery journeys.

- Improved **care coordination and discharge planning for competency attainment programs.** This change will help to ensure that individuals receive the support needed to effectively participate in legal proceedings.
- Funding the **operating adjustment for state-operated safety net programs** which offer services for people with mental illness, substance use disorders, and developmental and intellectual disabilities.
- **Program integrity initiatives** focused on preventing fraud and improper billing in the Medical Assistance **Housing Stabilization Services and Recuperative Care programs**.

Overall, DHS appreciated the workgroup's collegiality and commitment to addressing budget shortfalls in a way that does not disproportionately impact any one community. We look forward to our ongoing partnership as we work to preserve these critical services.

Sincerely,

Shireen Gandhi
Temporary Commissioner

SEIU Healthcare MN & IA

June 5, 2025

Chair John Hoffman
95 University Ave W
Minnesota Senate Bldg
Room 2111
St. Paul, MN 55155

Co-Chair Mohamud Noor
5th Floor
Centennial Office Bldg
658 Cedar Street
St. Paul, MN 55155

Co-Chair Schomacker
2nd Floor
Centennial Office Bldg
658 Cedar Street
St. Paul, MN 55155

Dear Chair and Co-Chairs:

SEIU Healthcare MN & IA represents over 50,000 Minnesotans who work in hospitals, clinics, nursing homes, and self-directed homecare. On their behalf, we congratulate the members of the Human Services Working Group on your final bill that makes important progress for workers, the disabled, and the elderly, despite a difficult state budget situation and looming threats from the Federal Government.

We are extremely pleased that the bill contains our top two priorities. The bill fully funds the tentative labor agreement between our Union and the State. The two-year agreement covers over 35,000 homecare workers in PCA Choice, the Community First Service and Supports (CFSS) budget model program, Consumer Directed Community Supports (CDCS), and the Consumer Support Grant. We and the state reached a settlement that reflects the current budget environment, making progress for the workforce and the people they serve in a number of areas while increasing wages for some members. There are concrete steps towards creating a defined-contribution retirement program for this workforce in the future, but currently without any ongoing funding for workers to begin accruing retirement benefits.

In addition, the bill funds the new minimum wage rule from the Nursing Home Workforce Standards Board. In addition to the funds required by the existing statute to bring the rules into effect, the bill provides additional up-front funding and makes a similar funding system effective, as long as the CPI/4% cap on nursing home reimbursements remains in place. The rules provide an industry-wide minimum wage for all workers of $19 an hour in 2026 and $20.50 in 2027. There are higher minimum wages for Certified Nursing Assistants ($22.50/$24), Trained Medication Aides ($23.50/$25), and Licensed Practical Nurses ($27/$28.50).

With both proposals, the legislature can have absolute confidence that the money will go directly to workers and will help ensure quality care for our seniors and the disabled. We strongly encourage all members of the legislature to support this bill.

Sincerely yours,

Rick Varco
Political Director
SEIU Healthcare MN & IA

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The Long-Term Care IMPERATIVE

A Minnesota Collaboration for Changes in Older Adult Services

June 5, 2025

To: Members of the Human Services Working Group
CC: Governor Walz, Speaker Demuth, Speaker Emerita Hortman, Majority Leader Murphy, and Minority Leader Johnson
Re: The Human Services Omnibus Bill

On behalf of the Long-Term Care Imperative, which represents over 2,000 providers across the senior care continuum, we thank you for the opportunity to provide feedback on the Senate's Human Services Omnibus Finance Bill. We appreciate the work that has gone into this proposal, but we must express our deep concerns regarding several provisions that pose serious challenges for Minnesota's long-term care system and the older adults who depend upon it.

A CPI-U operating cap, effective January 1, 2026 takes money away from providers who made good-faith investments in staff and resident care in 2024, and erodes access to care over time.

- Many nursing home providers invested in wages or other care-related costs, believing that their investment would be substantiated through a 2024 cost report and then returned via 2026 rates.

- The spreadsheet accompanying the proposal does not reflect a realistic consideration of current and future Consumer Price Index for All Urban Consumers (CPI-U) rates. The projected cuts fall between estimates based on the Governor's proposed 2% cap and the Senate's proposed 4% cap, even though recent CPI trends remain closer to the Governor's original 2% and the Federal Reserve maintains a long-standing 2% target rate.

An operating cap is not just a budget tool or a line item on a spreadsheet. It has serious consequences for access to care in communities across Minnesota.

- We recently obtained 9-30-2024 cost report data for numerous nursing homes. As a reminder, the 9-30-2024 cost report will be used to calculate January 1, 2026 rates. This analysis is freed from the averages used by the DHS forecast and fiscal noting process and reflects the real world impact from the CPI-U cap in 2026.

The following examples represent actual nursing homes throughout the state, and take into account changes in census, changes in acuity, and increased expenses. It is important to note that **most funding losses are from the care-related expense areas** (nursing, C.N.A., activities, social work., etc).

Facility Location	Change in Census (2024 vs. 2025)	Change in Acuity (2024 vs. 2025)	2026 Loss in Operating Funding Due to Cap (Medicaid and Private Pay)
North	Increased Census	Increased Acuity	($598,298)
Twin Cities	Decreased Census	Decreased Acuity	($1,625,803)
Twin Cities	Increased Census	No Change	($777,209)
Southeast	No Change	Decreased Acuity	($586,979)
South Central	Decreased Census	Decreased Acuity	($493,167)
West Central	Decreased Census	Decreased Acuity	($363,262)
Northeast	Increased Census	Increased Acuity	($344,955)

Policy reform to the Nursing Home Workforce Standards Board fails to address a fundamental problem: the Board is not required to care about the impact to individual nursing homes.

- We appreciate Article 1, section 2's attempt to provide upfront funding for future board mandates. This would be an important guardrail for future Legislatures that did not exist before. However, given the Board's existing broad authority to interpret the cost of these mandates, we have little confidence that either the Legislature or nursing homes will see the value of this reform, nor do we believe it will give the Board any pause before enacting future unfunded mandates.

- Our outstanding concern is that the NHWSB will continue operating without adequate checks and balances. The elimination of the Value Based Reimbursement (VBR) model compounds these impacts, as the proposal provides only two years of funding for any future mandates that extend indefinitely and offers no functional mechanism to incorporate these increases into provider rates due to the operating cap. To ensure functionality under this new model, we believe that future mandates must be funded through a permanent rate add-on.

- The LTCI has long advocated for board reform that includes regular rulemaking, requiring facility-specific cost estimates of mandates, and equitable affirmative voting rights. In light of this budget, it is functionally incongruent to increase costs through an unelected board while also holding providers to an operating cap. That is why we continue to believe that board reform requiring a two-thirds majority from each stakeholder group for any mandate approval is critical. At present, the only voice that is guaranteed is the Executive Branch, but it is providers and workers who will bear the consequences of an operating cap.

We appreciate and acknowledge the bill contains $52 million over four years to pay for the costs of the minimum wage rule, effective January 1, 2026. We are concerned that this funding is a temporary fix. Its implementation is incompatible with the newly proposed capped rate structure, making it unsustainable for nursing homes to effectuate over the long term.

Minnesota has no plan to care for a growing population of older adults.
This budget has serious consequences for Minnesota's aging population, and we are profoundly disappointed in this outcome. We have heard some elected leaders promise that these caps and cuts will not impact access to care. That is simply not true, and one only has to look to the fight at the federal level over Medicaid to see those same leaders decrying this kind of budget. This bill will accelerate the financial decline of nursing homes, ultimately leading to facility closures and reduced access to care for Minnesota's seniors whether they are coming from their local community or their local hospital. Nursing home care is a Medicaid entitlement, and these cuts jeopardize it.

The reality is that the funding cuts in this agreement create the conditions of financial distress that could cause a provider to seek an investor, buyer or closure. We are rapidly approaching the year when the median baby boomer is over 80 years old. Instead of investing in their care- instead of safeguarding access in towns across the state, this budget sends a very clear message that Minnesota seniors and the people who care for them are not part of the vision for One Minnesota.

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June 5, 2025

Chair Hoffman, Chair Noor, Chair Schomacker, and Members of the Human Services Working Group:

Thank you for the work this committee has done in a difficult year to ensure the care and rights of the most vulnerable Minnesotans.

We appreciate inclusion of the agreed-upon compromise language on assisted living contract terminations in Article 8, Sections 7 – 12. However, we are gravely concerned about the inclusion of Article 8, Section 6. This section allows assisted living facilities to completely circumvent a resident's appeal rights in a contract termination proceeding. We are concerned that larger providers are pushing for this change to create a loophole in termination rights. In a case from 2022, MDH clearly found and ordered that residents have a right to appeal the non-renewal of services. This language unilaterally removes this right, part of long-awaited due process protections the Legislature gave residents in 2019, and it takes us backwards while silencing the resident's voice during the termination process. The inclusion of this language will harm vulnerable residents in assisted living facilities by increasing the likelihood that residents are discharged to homelessness without any ability to challenge an unfair or illegal termination.

When the Senate Human Services Committee heard this bill in March, a resident in her 80s who uses a walker testified that she began preparing herself to become homeless when her assisted living facility was not honoring her contract termination rights. It is only because of the essential protections in Chapter 144G that this resident has a home today. **Article 8, Section 6 is an erosion of these rights and will make it harder for residents like her to remain housed.**

Furthermore, Consumer Advocates worked on compromise language on assisted living contract terminations with Residential Providers Association of Minnesota (RPAMN) and the Long-Term Care Imperative (LTCI) in good faith. The version that passed the Senate was agreed to by RPAMN and did not include this or other provisions that would weaken resident rights.

To have this provision, which did not pass the Senate and was never heard in the House, slipped into a final bill without any transparency eliminates consumer rights in favor of industry interests.

Industry interests, especially for-profit interests, should not solely dictate rules and regulations in long-term care. To that end, this bill makes some inroads with the inclusion of Article 8, Sections 1 and 4 which provide some clarity and to the definitions of “controlling person” and “controlling individual” for nursing home and assisted living facility change of ownership applications. However, these definitions will not actually help prevent private equity and other ownership models from operating long term care settings in ways that harm residents.

Similarly - Article 8, Section 14 is the bare minimum of enhanced transparency requirements when non-profits are sold to for-profit companies. Consumer Advocates strongly prefer the previous version that passed the Senate because it required the inclusion of specific information to be disclosed on an application to MDH and DHS. Consumers deserve the right to know who owns their home and the right to assurance that those owners are using the life savings and taxpayer dollars that pay for long-term care in a fiscally responsible and appropriate manner. The Consumer Advocates Coalition will continue to advocate for these rights.

Thank you for your consideration of these important issues.

AARP Minnesota

Alzheimer’s Association, MN/ND Chapter

Mid-MN Legal Aid

Minnesota Elder Justice Center

Office of Ombudsman for Long-Term Care

Office of Ombudsman for Mental Health and Developmental Disabilities

LIVING WELL
DISABILITY SERVICES
Transforming Lives

Chair Hoffman, Chair Noor, Chair Schomacker and members of the Human Services Working Group,

I write on behalf of Living Well Disability Services to express my disappointment with the budget agreement released by the Human Services Working Group. Living Well started as Dakota's Children in the 1970s and 52 years later we continue to care for some of same children that came to us in the 70s. We strive to deliver exceptional services that transform the lives of the 300 people we care for in over 30 homes across the Twin Cities Metro.

First, it's necessary to recognize the difficult budget situation members of this working group faced this session as well as the inadequate budget target legislative leaders dedicated to care for people with disabilities in Minnesota. I know these were tough decisions to make.

I would like to thank the working group for not taking the Governor's proposal to limit billing days to 365 days, as well as the House's proposal to eliminate the absence and utilization factor from the Disability Waiver Rate System (DRWS).

However, I must express deep disappointment with the working group's decision to balance the bulk of the committee's cut target on the back of people with disabilities and the people who care for them. The final agreement cuts over $500 million in investments into DWRS. Legislators, including many members of this working group, have made important progress in the last few years to address the inadequate wages direct support professionals (DSPs) receive and begin to catch-up rates within DWRS to meet the needs of the people it serves.

This budget agreement is a massive step backward in that work and will yield damaging consequences for people with disabilities, the dedicated staff who care for them and providers like Living Well.

While we would have liked to see more balance in the final product, I appreciate the time many of you have taken to meet with me and members of our organization this session. We stand ready to continue working as a partner as we move forward to do what is right for people with disabilities and the people who care for them.

Sincerely,

Tom Gillespie
President & CEO
Living Well Disability Services

June 5, 2025

To: Human Services Working Group

Re: Human Services Omnibus Budget Bill

The Minnesota Consortium of Citizens with Disabilities is a statewide organization of self advocates, providers, and disability advocacy organizations working to improve the lives of Minnesotans with Disabilities. Tens of thousands of Minnesotans with disabilities rely on long term care Medical Assistance (MA) services to thrive in community. We are alarmed at both the federal uncertainty around Medicaid funding to states and the target this committee received. We know there will be tough choices to make, but it's critical to express both our support for the positive aspects of this bill and our concerns regarding several components of this bill.

Preservation of Medicaid Waivers and Eligibility:

We are thrilled and grateful to the working group for rejecting a proposal that would have changed eligibility requirements for CADI and BI waiver recipients. It could have lead to several thousand individuals being kicked off the waiver program. As federal leaders consider drastic cuts and changes to Medicaid, we ask for continued partnership with you to preserve the eligibility criteria we have in Minnesota for these and other disability programs.

Self-Attestation for Continuation of Services

We are pleased to see the inclusion of common sense provisions that save time and reduce stress for persons with permanent disabilities. The assessment process is long and cumbersome, and while it's important to get accurate information about a person's condition, many Minnesotans with lifelong disabilities don't experience much significant change to the condition year after year. It's important that the law recognize this and make it easier for them to remain qualified and able to receive services.

County Cost Sharing

As this bill implements some new requirements for cost sharing, we ask DHS, county, and legislative leaders to be mindful of fairness statewide. The current centralized system helps ensure fairness and equity for Minnesotans no matter where they live. As this beings to change, we recommend DHS work with counties to ensure fairness in the implementation of waiver and disability policy statewide.

Investment in Wages is a Proven Method for Ensuring Well-Being of Persons with Disabilities

Despite many of the cuts this bill has to make, we applaud the funding of some direct care workers in this bill. While not all direct care workers will benefit from these changes, it is critical to invest to keep investing in the workforce in the face of cuts to other parts of our system.

Swimming Lessons for Persons with Disabilities

We also applaud the inclusion of a provision to allow recipients of CDCS to pay for swimming lessons for kids ages 12 and under. This simple change to law will have a profound impact for people with disabilities, especially children with autism who are at higher risk of drowning than their peers.

Finally – we must point out that absent from this bill are more incentives for persons to utilize Consumer Directed Community Supports. This program has consistently proven to help keep people in the community in the most person-centered and integrated way possible, while also being, in aggregate, a cheaper alternative to traditional waiver budgets.

We also suggest DHS do more to help ensure money allocated in waivers goes as much to the direct support workers who people with disabilities rely on. With wages still averaging only $16.50 - $18.50, we must do everything we can to make sure the resources keep this professionals in the field.

As a whole, we believe this bill achieves the difficult goal of creating some cuts while avoiding the most draconian measures of kicking people off waivers by narrowing eligibility criteria. The cuts it does make, however, will likely not be without consequence. We fully support ensuring that billed services are actually being provided, and as people who advocate daily for adequate supports for ourselves and our communities, we also understand that our reimbursement systems and waivers are imperfect attempts to compensate for underlying deficiencies in funding and infrastructure. With the existing staffing and housing shortfalls, no reductions to waivers are without consequences for people and we urge you to continue pushing for adequate disability funding in future sessions.

Sincerely,

Jason Bergquist and Jennifer Walton, Board Co-Chairs

Minnesota Consortium for Citizens with Disabilities

Driving Excellence in Addiction Care

To: Senate Conferees Hoffman, Fateh, Maye Quade, Mohamed, and Abeler
House Conferees Schomacker, Noor, Gillman, Jacob, Keeler and Curran
From: Brian Zirbes, MARRCH Executive Director
Subject: MARRCH letter of support for Human Services Funding Bill
Date: June 3rd, 2025

We are writing to express our gratitude to the authors for MARRCH's funding proposals in the Senate (Abeler, Hoffman, and Utke) and House (Frederick, Baker, Hicks, Fischer, and Virnig). We are very appreciative of the engagement, dialogue, and support with Chairs Hoffman, Schomacker, and Noor this session. We appreciate the opportunity to work with DHS, bill authors, and other stakeholders on these important funding proposals. We also want to extend our gratitude to the committee staff for their expertise and support while these proposals worked their way through committees.

The Substance Use Disorder (SUD) rate increases under consideration are coming at a pivotal time. On page R38A-BH, Sec 45 (House) and Section 23 (Senate), we request that the conferees consider using the percentages below for SUD rates eligible for an increase.

Percentages developed by MARRCH's Legislative and Policy Workgroup reflect the percentage of the total dollar differences identified in the Burnes and Associates study. We recommend that whatever pot of funding is agreed to, it is proportionately spread across all rates needing an increase.

Service Description	Current Rate	Modeled Rate	$$ Difference	% Difference	**% of Total $$ Difference ($467.14)**
Comprehensive SUD Assessment	$162.24	$234.06	$71.82	44.30%	**14.62%**
Treatment Coordination	$15.02	$37.13	$22.11	147.20%	**4.50%**
Individual Therapy	$86.53	$140.27	$53.74	62.10%	**10.94%**
Group Therapy	$42.02	$42.97	$0.95	2.30%	**0.19%**

Peer Recovery Support	$15.02	$28.43	$13.41	89.30%	**2.73%**
High Intensity Residential	$224.06	$355.02	$130.96	58.40%	**26.66%**
Low Intensity Residential	$79.84	$216.90	$137.06	171.70%	**27.90%**
WM Medically Managed	$515.00	$576.18	$61.18	11.90%	**12.45%**
					100.00%

* blue highlights are from Burnes and Assoc Rates report.

Other notable sections:

- DHS to determine financial eligibility for the Behavioral Health Fund
    - R25A-BH Section 40 (House only). Concern remains about DHS' capacity to manage eligibility across the state. Issues will result in bottlenecks which will have an adverse impact on clients accessing services and providers being reimbursed.
    - Recommend: Adopt the Senate version. If this proposal moves forward, we suggest DHS start first with counties that are interested in passing this off to DHS and take a phased approach over a couple of years.
- Limit BHF eligibility to 60 days
    - R27A-BH Section 38 House/Section 20 Senate seek. Although we are in support of the concept of clients in SUD treatment getting on Medical Assistance to cover other health needs, we have concerns that going from a one-year window to 60 days will have adverse effects on client eligibility and access to programs. Programs will run into issues of being paid for services rendered.
    - Recommend: Adopt the Senate version. With the uncertainty in the near future, a mid-stream change will be problematic. If this proposal moves forward, we suggest changing from a 60 day window to a 180 day window.
- Block new applications to Free Standing Room and Board
    - R32A-BH Section 43 (House only): By June 2025 FSRB applications will no longer be accepted and the service will be eliminated altogether by July 2027.
    - Recommendation:
        - Prefer Senate

        - If this advances, amend language to note that 'no new applications will be accepted after December 31, 2025. Any applications approved may continue to operate until June 2029. This will give the Recovery Residence Workgroup time to review, assess, and make recommendations for what the landscape of housing options should look like in Minnesota before taking an existing housing option off the table.
- Recovery Residence Workgroup
    - R65A-BH Section 64 (House only)
    - Recommendation: Prefer House language. Add MARRCH as an SUD stakeholder. On line 156.9 the representatives from SUD lodging facilities can be reduced from three to two.

As legislators work toward the end of Session, we want to express our gratitude for these meaningful policy changes. We look forward to the continued involvement and support of SUD policy and payment to help Minnesota take care of those most in need of accessible and effective treatment options.

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AARP Support for Age-Friendly Minnesota Council and Grants
Human Services Finance Working Group
June 5, 2025

Chairs Schomacker, Noor, Hoffman, and Working Members,

Thank you for the opportunity to submit written testimony on the 2025 Human Services Finance budget bill.

As we expressed in our letter as members of the Consumer Advocates Coalition, we appreciate the inclusion of the agreed-upon compromise language on assisted living contract terminations in Article 8, Sections 7–12. However, we are gravely concerned about the inclusion of Article 8, Section 6. This section allows assisted living facilities to completely circumvent a resident's appeal rights if their services are not renewed.

In addition to those comments, we are disappointed that funding for the Age-Friendly Minnesota Council and community grants from the Senate's bill was not included in the working group's budget bill. The Age-Friendly Council brings together state agencies, tribal communities, and older Minnesotans to develop a Multi-Sector Blueprint for Aging and invest in community grants that improve the lives of older adults across Minnesota. Without funding in this budget, the council is set to sunset in 2027. Because of the value of the Age-Friendly Council, we anticipate this will continue to be an ask of the Legislature into the future.

While AARP does not receive state funding or serve on the council, we partner with the state to improve the lives of older adults and people of all ages. For further discussion about this issue, please contact me at telness@aarp.org.

Thomas Elness
State Advocacy Director
AARP Minnesota

AVIVO

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A proud partner of the American Job Center network

June 5, 2025

Members of the Human Services Working Group Minnesota State Legislature St. Paul, Minnesota

Dear Members of the Human Services Working Group:

We write to you today with profound gratitude for your recognition of what works. Your decision to include a new Supplemental Services Rate for Avivo Village Minneapolis and Avivo Village Central Minnesota in St. Cloud is more than funding—it's a celebration of proven results, shared values, and the extraordinary cross-sectional collaboration that spans from the Governor's office to people most impacted, advocates, philanthropy, and countless champions working together for transformative change.

Thank you for seeing what we see: Avivo Village isn't just a program. It's vital infrastructure that makes our entire communities stronger and safer.

Five years ago, Minneapolis faced a crisis. Encampments. Visible homelessness. Overwhelmed public safety systems. The State, Hennepin County, the City, and Tribal Nations stepped up with a bold investment in Avivo Village Minneapolis—but the real brilliance came from those most impacted: we listened to Minnesotans living outdoors to learn what they needed to come indoors and access the care and services they deserve. **Their wisdom shaped and continues to shape everything.**

It worked beyond our wildest hopes. We created a secure, dignified, service-rich environment for people with nowhere else to turn. We became a national model that communities across America now study and replicate.

Your support comes when we need it most. The opioid crisis is exploding. Behavioral health needs are skyrocketing. Mental health challenges are intensifying. Yet Avivo Village Minneapolis has helped over 300 individuals with the highest barriers exit homelessness and move into permanent housing—while dramatically reducing pressure on jails, detox centers, emergency rooms, and first responders.

Avivo Village Central Minnesota represents the next chapter—an effort first led by the City of St. Cloud and now shepherded by Tri County leaders-Stearns, Benton and Sherburne alongside civic and faith leaders. With OHHS capital funding, the facility is being constructed—but needs operating support to open its doors and keep them open. With the Supplemental Services Rate, we're moving towards expanding this capacity regionally—meeting complex needs before they become public crises. **This is how you build infrastructure that transforms communities.**

Avivo Village Minneapolis exists because of extraordinary partnerships—State, County, City, and Tribal Nations coming together with unhoused individuals, those with lived experience,

philanthropy, and community advocates around shared values and unwavering commitment. **These collaborations prove what's possible when we align our hearts and our efforts.**

We know this is a brutal legislative session. That's exactly why investment in the Village model is so wise—it lessens burdens on public health and safety systems while delivering measurable, life-changing outcomes that ripple through entire communities.

You understand what is sometimes overlooked or not obvious: this is one of the most efficient, outcome-driven investments in our homelessness response system. Your support through the Supplemental Services Rate in HF2434 ensures that essential infrastructure keeps transforming lives—for the people we serve and the communities that embrace them with open arms.

The Avivo Village model, qualifying under Minnesota Statutes § 256I.05, stands as a beacon of what we can achieve together when we approach our most complex challenges with both deep compassion and strategic brilliance.

Thank you for getting it. Thank you for seeing that caring for our most vulnerable neighbors makes every community stronger. Thank you for recognizing that this isn't just about individual programs—it's about the infrastructure that lets communities thrive and flourish.

Thank you for celebrating the wisdom of people who have lived the experience. Thank you for honoring the partnerships that make miracles possible. Thank you for your courage in ensuring Minnesota continues to lead with both innovation and heart.

With profound gratitude, deep respect, and boundless appreciation,

Kelly Matter President and CEO Avivo Minnesota

June 5, 2025

To: Human Services Working Group Members

Dear Chair Hoffman, Chair Schomacker, Chair Noor, Representatives Gillman, Jacob, Keeler and Curran, and Senators Fateh, Maye Quade, Mohamed, and Abeler.

Thank you for your hard work addressing Minnesotans' needs during a significant budget cut. We appreciate that the Human Services Finance Omnibus bill includes several issues important to Gillette Children's.

Each year, Gillette Children's cares for over 26,000 patients from every Minnesota county at our 60-bed St. Paul hospital and clinics in Alexandria, Baxter, Bemidji, Burnsville, Duluth, Maple Grove, St. Cloud, St. Paul, Mankato, and Willmar. We rely on the support of our community and the Minnesota Legislature to continue this vital work.

We are thankful to see the inclusion of:

- **MnCHOICES Abbreviated Annual Reassessments – Article 2, Section 19, Subdivision 25a**

MnCHOICES assessments are intrusive and often traumatic for individuals and families, as well as time consuming and costly to counties. The bill language allows for MnCHOICES enrollees, ages 22 to 65, to opt for an abbreviated assessment, with a full assessment only required every three years. Even though children were not included, this change should reduce the county backlog, expediting the assessment process for all enrollees.

- **Changes to the MnCHOICES Assessor Qualifications and Use of MnCHOICES Certified Assessors in Hospitals – Article 2, Section 14, Subdivision 13 and Article 2, Section 15, Subdivision 14**

Changing the MnCHOICES assessor qualifications from a bachelor's degree in social work to an associate's degree in a closely related field with training and certification from the state, will speed up the approval process while ensuring qualified professionals are determining eligibility. Allowing qualified hospital employees to perform assessments will alleviate discharge delays and help ensure patients have needed supports in place to thrive after discharge.

- **Damon Leivestad Direct Care Sustainability Act; Community First Services and Supports Reimbursement During Acute Care Hospital Stays – Article 2, Section 65**

Patients in acute care hospitals will benefit when direct care staff receive hands-on training from hospital staff to ensure a smooth transition home. We appreciate that the omnibus bill includes the language Damon worked so hard to advance.

- **Medical Assistance Disability Determination Changes and Same Day Disability Determination - Article 3, Section 1, Subdivision 29a**

Same day disability determination will ensure patients with rare diseases or complex conditions in need of immediate care will receive expedited approval for Medical Assistance coverage to allow for timely treatment. Allowing the state medical review team to access electronic health records held by Medical Assistance providers will support efficient and accurate disability determinations and mitigate determination delays. We are grateful for these changes.

We must acknowledge the serious impact of the substantial budget cuts assigned to the Human Services Committee. Many Gillette Children's patients depend on disability caregiver support services simply to live their daily lives. The significant funding reductions for waiver-funded disability services will negatively affect children with disabilities, especially given the severe shortage of direct support professionals.

As a state, we must do better. Continued investment in every part of the disability caregiver workforce is essential.

Thank you for your thoughtful work and dedication to improving access and services for children with disabilities, rare and complex conditions, and traumatic injuries.

Sincerely,

Barbara Joers

President and CEO

Marnie Falk

Director, Public Policy

NAMI
National Alliance on Mental Illness
MINNESOTA

June 5, 2025

Dear Members of the Human Services Working Group:

Thank you for the opportunity to review the proposed language and spreadsheet. On behalf of NAMI Minnesota, I offer the following comments:

- Please do NOT change the term "mental health practitioner" to behavioral health practitioners." In 245I we refer to mental health not behavioral health. You can simply say in the SUD section of this bill that they need to meet the criteria of mental health practitioners. Advocacy groups among others truly dislike the term "behavioral' since these are not behaviors but symptoms. This change was not discussed at all with the mental health community, and we object to this change. (Article 4, Section 56, starting on line 170.34)
- We appreciate your putting in the instruction to the revisor's office to ensure that the terms "emotional disturbance" are changed throughout the statutes. We did try to change those terms in the policy bill but are concerned that there might be a few that were missed.
- We are pleased that the restrictive eligibility for the CADI waivers was removed.
- We appreciate the language around certifying recovery residences.
- We are disappointed that the funding was not included to increase the rates for protected transport, an alternative to people being transported by police when experiencing a mental health crisis.

Sincerely,

Sue Abderholden, MPH
Executive Director

MISSIONS INC.
PROGRAMS

Domestic Violence Services
Behavioral Health and Housing
Skilled Nursing Care

June 5, 2025

Dear Chair Hoffman, Chair Schomacker, Chair Noor, & committee members,

Thank you for your work on the Human Services Finance & Policy Working Group. I am writing on behalf of Missions Inc. Programs, a nonprofit located in Plymouth that provides housing, emergency shelter, and supportive services to domestic abuse survivors and those seeking recovery from substance use disorders. First, we would like to thank you for preserving the enhanced supplemental service rate for housing support providers. Our programs rely on the enhanced rate to provide specialized services to populations that need a higher level of support. Eliminating the enhanced rate would have been devastating to our programs and we are grateful that it was preserved in your agreement.

One aspect of the conference committee agreement is still very concerning to us: limiting eligibility for the Behavioral Health Fund to 60 consecutive calendar days. We understand that the purpose of this change is to encourage individuals to get on Medical Assistance, and we agree with that goal. However, we strongly believe that this change will result in fewer people being able to access substance use disorder treatment when they need it – which directly interferes with Minnesota's recent efforts to support direct access to treatment. A 60-day span of eligibility simply doesn't support the reality of what it takes for a person to make it into recovery.

Substance use disorder is a chronic, cyclical disease – and when someone is willing to access treatment, time is of the essence. We have many clients who go through our detoxification/withdrawal management facility multiple times over the course of the year, usually for only a few days at a time, before they successfully make it into treatment and recovery. We celebrate each time they return to our facility as a success, because they were willing to ask for help and take steps towards recovery. When someone is going through withdrawal – a painful and often medically dangerous process – accessing treatment quickly may be the difference between life and death. If their Behavioral Health Fund eligibility has expired, they will be faced with a choice between going through an unknown appeal process that may take weeks or to continue using drugs or alcohol in order to alleviate their withdrawal symptoms. Without exaggeration, not being able to access the Behavioral Health Fund will be a death sentence for many struggling with addiction.

As an organization, we are committed to providing detoxification and withdrawal management services to anyone who needs it, regardless of their ability to pay. Limiting Behavioral Health Fund eligibility to 60 days will result in much higher levels of lost reimbursement for care, further straining already tight budgets. In addition, if people are unable to access treatment when they are able and willing to go, they are more likely to end up in emergency rooms which will ultimately cost the state significantly more. Increased emergency room visits may be the best-case scenario – overdoses and instances of homelessness due to relapse are also likely to increase.

Our preference would be for this provision to be eliminated entirely. If, however, a compromise must be made, we recommend limiting eligibility to 180 days. That would make it much more feasible for individuals to apply for Medical Assistance while being covered by the Behavioral Health Fund.

Thank you for your consideration of this important issue.

Warmly,

Katy Daniels, CEO
Missions Inc. Programs

June 5th 2025

To:
Members of the Human Services Work Group

Subject: Request for Inclusion of the Autism Society of Minnesota in Waiver Reimagine Task Force Appointments

Dear Members of the Human Services Work Group,

I am writing to respectfully request the inclusion of the Autism Society of Minnesota (AuSM) in future appointments to Waiver Reimagine Task Force groups.

As Minnesota continues to engage in the critical work of redesigning and modernizing our waiver system, it is essential that the diverse voices and experiences of people with disabilities are actively represented. The autism community represents a significant and growing segment of individuals who rely on disability waiver services, yet their needs are often complex and highly individualized.

The Autism Society of Minnesota brings decades of direct experience supporting autistic individuals and their families across the full spectrum of needs—from those requiring round-the-clock, high-intensity supports to those who benefit from targeted, community-based services. Their inclusion would ensure that the nuanced perspectives of the autism community are centered in policy discussions and system design processes.

Without intentional inclusion of autism representation, we risk implementing changes that fail to meet the unique and varied support needs of this community. This could result in service gaps, inequitable access, and unintended consequences that harm some of Minnesota's most vulnerable residents.

We urge you to include the Autism Society of Minnesota in Waiver Reimagine Task Force groups to strengthen this critical work with the knowledge, lived experience, and advocacy expertise that AuSM provides.

2380 Wycliff St. #102 • St. Paul, MN 55114
Telephone: 651.647.1083 • *Fax:* 651.642.1230 • *Website:* www.ausm.org • *E-mail:* info@ausm.org

Thank you for your consideration and your ongoing commitment to building a waiver system that works for all Minnesotans with disabilities.

Sincerely,
Jillian Nelson

Policy Director

Minnesota's First Autism Resource®

2380 Wycliff St. #102 • St. Paul, MN 55114

Telephone: 651.647.1083 • *Fax:* 651.642.1230 • *Website:* www.ausm.org • *E-mail:* info@ausm.org

Lutheran Social Service of Minnesota

June 5, 2025

To: Members of the Human Services Finance Conference Committee
RE: HF2434 – Human Services Omnibus Budget Bill

Dear Chair Hoffman, Chair Schomacker, Chair Noor, and Human Services Conference Committee Members,

Thank you for the opportunity to share Lutheran Social Service of Minnesota's comments on House File 2434 – the Human Services omnibus budget bill. LSS is a provider of essential services across all 87 counties with more than 2,500 employees who serve one in 63 Minnesotans every year. We are committed to innovative, person-centered service delivery that promotes resilience and long-term stability for people in all stages of life.

Thank you for continued support of supported decision making by extending the availability of an existing appropriation (Article 12, Section 22, Subdivision 13 (c)). LSS has long recognized the need for strong, accessible alternatives to guardianship. Thank you for prioritizing this approach that preserves the dignity and rights of individuals while investing in cost-effective prevention and early intervention services. We are also grateful for additional funding for senior nutrition (Article 12, Section 16, Subdivision 1) which is critical to meeting the needs of a growing older adult population experiencing increased food insecurity.

We appreciate and understand the difficult decisions your committee must make to ensure a balanced state budget. However, we do remain concerned about the DWRS inflationary adjustment changes. We caution against reducing planned investments that were designed to create competitive wages and benefits for direct support professionals (DSPs). Rates for home and community-based services have not covered the true cost of service for several years and current rates are not sustainable. In the future, we recommend data-driven, timely approaches that will close the wage gap between DSPs and comparable occupations, including increases to the Competitive Workforce Factor as was included in the Senate's initial position.

We also have concerns regarding the new limitation on rate exceptions (Article 2, Section 36). Excluding transportation from rate exceptions will limit community integration and access to specialty care especially for people in rural communities where the built-in rate does not cover transportation needs. It provides access to services that help people gain skills and meet goals that help them move toward independence, and it covers the cost of care while supporting people in their community of choice who need access to specialty care. The existing rate exception process already prevents or significantly delays accessibility to the appropriate level

of care in the most community-integrated setting. We are concerned this proposal will worsen this – especially for people in greater Minnesota.

The new limitation on individualized home supports with training (Article 2, Section 34) will also create access issues for people with higher support needs who have chosen to remain in their own home. While the number of individuals LSS supports with more than 8 or 9 hours is small, it currently helps people remain in their housing and with their caregivers of choice. For example, we support an individual navigating high medical needs including a seizure disorder requiring 24 hours of care (16 hours of IHS with training and 8 hours of night supervision). If this were removed, she would not be able to continue to live in her own home where she's thriving and would likely need to return to a provider-controlled setting.

Lastly, thank you for not including the removal of the absence and utilization factor. This DWRS component helps retain open services especially for individuals who are integrating into residential living or have high medical needs. Removing this factor would have directly impacted providers, including LSS, through significant financial losses that would have further stressed an already strained community-based provider system and negatively impacted access to services and choice for waiver participants.

Thank you, again, for this opportunity to share our comments. LSS is thankful for your thoughtful leadership, care, and consideration to ensure the most critical needs of Minnesotans are met.

Sincerely,

Erin Sutton
Senior Director of Public Policy
Lutheran Social Service of Minnesota

June 5, 2025

Dear Chair Hoffman, Chair Noor, Chair Schomacker, and members of the Human Services Finance Working Group,

We write with deep concerns about the Human Services Finance bill language dated June 4 at 3:24 pm. The lack of investment for capacity increases at the state and local level to assist those suffering from mental health crises, who have not been convicted of a crime, and are awaiting critical services while languishing in jails threatens the lives of thousands of vulnerable Minnesotans and the safety of local county law enforcement staff.

The House and Senate entered conference committee at the end of the regular session with significant and meaningful approaches and a commitment to initiate capacity increases that were recommended by the Priority Admissions Task Force of which our associations represented Minnesota's elected county attorneys and elected county sheriffs. This included a House proposal led jointly by DFL/GOP members and leaders to allocate approximately $20 million dollars in the 25-27 biennium and $23 million dollars ongoing in future biennia to make initial capacity improvements. The Senate followed suit and after a floor amendment, set aside $75 million dollars to address capacity expansion at AMRTC. These actions outlined important steps necessary to address the crisis and allowed for the policy language delaying enforcement of the 48-hour rule contained in a separate policy bill to advance.

Without any consultation with the Minnesota Sheriffs Association or the Minnesota County Attorneys Association, critical subject matter experts on this issue, the final bill released abandoned these initial capacity increases. Instead, the bill offers one-time investments to the Direct Care and Treatment agency in FY26 and FY28 AND conditions those resources on a separate allocation in a future bonding bill. This result falls short of the important commitment the state should make to support its most vulnerable citizens, protect their

constitutional rights, and support local law enforcement entrusted with the care and safety of thousands of Minnesotans suffering with mental health needs for months and at times years in jails.

We call upon our fellow elected officials to remedy this situation immediately by including the recommended capacity increases the stakeholders and subject matter experts outlined in the reports of the Priority Admissions Task Force, and subsequent Priority Admissions Review Panel which included the Attorney General, Commissioner of Human Services, and the Executive Medical Director of DCT, and were represented in versions of the House and Senate bills as they entered conference committee. In the alternative, we ask that you similarly condition the delay in the 48-hour rule on the implementation of the future capacity contemplated in a future bonding bill and add that language to the final bill that passes during the upcoming special session.

The crisis to serve those most vulnerable in our society and save both their and law enforcements' lives must be taken seriously. This cannot be kicked down the road one more time.

Robert Small, Executive Director, Minnesota County Attorney's Association

James Stuart, Executive Director, Minnesota Sheriffs' Association

June 5, 2025

To the Chairs and Members of the Human Services Conference Committee,

I'm not here to walk you through this bill line by line. I'm here to talk about the system behind it—the one that too many Minnesotans must navigate every day just to access the care and support they deserve.

Minnesota's human services system is vast. But for those who rely on it—people with disabilities, older adults, families living in poverty—it is not vast in opportunity. It is vast in complexity. Vast in red tape. Vast in barriers.

We have built a system that demands the most from those who have the least. People are asked to prove, again and again, that they are still poor enough, still sick enough, still disabled enough to qualify for help. And when they do qualify, they face waitlists, outdated systems, and a patchwork of disconnected programs.

This isn't just inefficient—it's inhumane.

And it's not just individuals who are struggling. Providers, counties, case managers, and community organizations are all trying to hold up a system that is buckling under its own weight. We are spending enormous time and resources maintaining a structure that no longer serves the people it was built for.
That's why I urge you to look beyond the budget lines and ask the bigger question: **Are we investing in a system that works—or are we simply keeping a broken one afloat?**

This session, we missed key opportunities to make meaningful change. One example is the lack of funding for the expansion of the Community Care Hub—an initiative that represents a shift toward whole-person care, service coordination, and addressing the social drivers of health. These are not side projects. They must be the foundation of a new approach.

Equally concerning is not addressing the ongoing administrative backlog at DHS. As of today, the Department is still years behind in processing complete applications and one to two years behind on basic administrative updates to existing licenses. These delays are not just bureaucratic—they are harming vulnerable Minnesotans every single week. Yet, even modest reforms, such as conservative ICS language, were left out. As the *Star Tribune* Editorial Board recently wrote, "inaction has consequences." Inaction is giving permission and allowing it to continue.

There is, however, a glimmer of progress. It's encouraging to see a growing openness to rethinking our state's fiscal and budgeting processes—perhaps even embracing dynamic scoring. Other states are already using innovative fiscal strategies to prioritize long-term savings through smarter investments. We should be learning from them—and leading with them.

I urge you to keep these conversations alive. There is a broader appetite—even, perhaps, in the Governor's office—to pursue cost savings through innovation rather than just cuts or tax increases. Whether we're addressing state-level challenges or preparing for federal impacts, now is the time to think—and act—differently.

Because the truth is: we don't need to tweak the system. We need to transform it.

We must stop investing in outdated models that silo care, prioritize compliance over compassion, and treat people as problems to be managed rather than humans to be supported. We must demand that DHS and other agencies not only administer programs but lead innovation, reform internal processes, and seek creative solutions. **We must build systems that are simple, navigable, and centered on dignity.**

And we must do it together. This is not the responsibility of one agency or one legislature. It's on all of us—policymakers, advocates, providers, and community leaders—to say: We will not accept a system that works for the bureaucracy but fails the people.

Let's not pass another budget that keeps the lights on without changing the direction. Let's be bold enough to build something better. **Let's make this the moment we stopped asking, "How do we fix what's broken?" and started asking, "What do people truly need—and how do we build that?"**

Sincerely,

Josh Berg

Accessible Space, Inc.
Board Member, ARRM
Board Member, Trellis/Juniper
Board Member, Governor's Workforce Development Board
City Councilmember, Elko New Market

MINNESOTA
RARE DISEASE ADVISORY COUNCIL

June 5, 2025

To: Senate Conferees Hoffman, Fateh, Maye Quade, Mohamed, and Abeler
House Conferees Schomacker, Noor, Gillman, Jacob, Keeler and Curran

From: Erica Barnes, MN RDAC Executive Director
Subject: Support for Expedited Disability Determination Language

We are writing to express our sincere gratitude to the authors for RDAC's policy proposal in the senate (Boldon, Coleman, Kupec, Miller, Nelson) and the House (Murphy, Reyer, Elkins, Hemmingsen-Jaeger, Bierman, Franson, Freiberg, Virnig, Howard) and share encouraging news and respectfully urge your support for the inclusion of critical disability determination language in the final Human Services omnibus bill. We are equally as grateful for the collaboration with the Department of Human Services, legislative staff and experts in the rare disease community for crafting legislation that will improve access to care for some of Minnesota's most vulnerable patient populations.

On May 7, the Senate adopted an amendment to H.F. 2434 (as amended via the A19 amendment), which includes language establishing an **expedited disability determination process within the State Medical Review Team for high-risk populations**. This language, originally offered by Senator Boldon and adopted through the A23 amendment and included in line 91 of the Human Services Working Group signed spreadsheet agreement, will help ensure that vulnerable Minnesotans receive timely access to critical services.

Specifically, the adopted Senate language would:

- Require the commissioner to implement an expedited disability determination process for:
  - Individuals in facilities who cannot be discharged without home- and community-based services.
  - Individuals experiencing life-threatening medical conditions needing urgent access to treatment or medication.
  - Individuals diagnosed with a condition on the Social Security Administration's Compassionate Allowance List and
  - **Children under age two who have screened positive for a rare disease.**
- Require hospitals to complete medical assistance applications before submitting expedited requests.
- Direct the commissioner to designate staff to coordinate expedited requests and ensure timely communication and documentation exchange with counties and tribal agencies.

The full text of the adopted amendment is included here for your reference and can be found on page 189, line 6.

This language is especially important for individuals and families affected by rare diseases. Many rare diseases progress quickly, are life-threatening, and require immediate medical care. But the

usual disability determination process can take too long, causing delays in getting the services people urgently need. For families who have just received a rare disease diagnosis, every day counts. Including children under age two who screen positive for a rare disease will help ensure they get early support during a crucial time in their development.

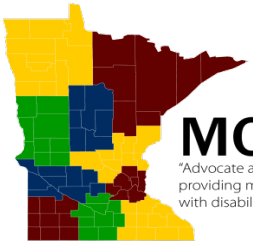
We believe this policy is a necessary step to ensure timely care for people facing urgent medical challenges. We respectfully urge you to support including the Senate language in the final House Human Services omnibus bill.

Thank you for your attention to this matter and for your continued service to the people of Minnesota, including the 1 in 10 living with a rare disease.

Sincerely,

Executive Director

Minnesota Rare Disease Advisory Council



MOHR

"Advocate and support members in providing meaningful services to persons with disabilities and communities served"

June 5, 2025

Dear Chair Hoffman, Chair Noor, Chair Schomacker and Members of the Human Services Omnibus Budget Bill Working Group,

On behalf of MOHR, thank you for the opportunity to provide comments on the Human Services Omnibus Budget bill. MOHR is a nonprofit association of 100 providers working to advance employment and a wide array of learning and enrichment services for people with disabilities. Our members provide employment and day services supports to Minnesotans with disabilities in every corner of the state.

I would like to acknowledge the very challenging situation you all faced this session as you worked to finalize a human services budget bill within the constraints of a significant budget cut target. We know you all worked to be as thoughtful as possible with the task of having to identify areas of cost savings that would have the least impact on Minnesotans.

With that said, the final posted spreadsheet and bill draft for the Human Services Budget bill contain savings of over $500 million from waiver-funded disability services. This level of reductions to future reimbursement rates will have a real impact on the lives of people with disabilities who access waiver-funded disability services as well as their staff. The state reimbursement rates for our services go primarily to staff wages. Reductions to future funding like these will further perpetuate the already too-low wages we are able to offer to our staff, which in turn will make it harder for people across Minnesota with significant disabilities to access the supports they need to gain new skills and increase their independence. This is coming at a time when our service provider members across the state already have waiting lists of Minnesotans with disabilities for whom our providers cannot find staff.

We would like to sincerely thank this working group for not adopting one of the most destabilizing proposals discussed this session, which would have significantly reduced the absence the utilization factor for day services provided to people with disabilities.

Again, thank you for your leadership and service on this very critical and complex working group this session. We look forward to further work together to strengthen our state's support for Minnesotans with disabilities and the invaluable staff who provide them services.

Respectfully,

Robin Harkonen

Robin Harkonen |MOHR, President |ERDAC, President |R.Harkonen@erdac.org

June 5, 2025

Dear Chair Hoffman, Chair Noor, Chair Schomacker, and Human Services Omnibus Appropriations Bill Working Group Members:

On behalf of ARRM, a statewide trade association of over 230 provider organizations, businesses, and advocates advancing Home and Community-Based Services that support both adults and children with disabilities, we write to express deep concerns over the unprecedented funding reductions included in the Human Services Omnibus Appropriations bill.

First, we do want to acknowledge the difficult decisions you and your colleagues faced in meeting this year's budget targets. We understand the challenges of balancing competing priorities. Unfortunately, the decision to eliminate well over $500 million in future funding for disability waiver services represents a destabilizing shift that may harm thousands of Minnesotans with disabilities and the essential workforce that supports them.

This magnitude of loss is not simply a budgetary adjustment. It is a structural blow to the long-term sustainability of our service network. It directly impacts:

- **Wages for Direct Support Professionals**, already averaging just over $17 an hour, at a time when vacancy rates exceed 30%.
- **Access to services**, with many providers facing impossible financial decisions that could result in closed programs or shuttered homes.
- **The overall viability of our system,** which is already under extreme pressure.

We can not continue to ask waiver service providers to do more with less, and we certainly can not continue to look at services that support people with disabilities as a place to solve the State's budget shortfalls.

We appreciate that the Working Group ultimately chose not to adopt several of the most damaging proposals, such as the removal of the absence and utilization factor from Residential Services and capping the number of billable days at 351, which would have had a catastrophic impact. However, the funding reduction that remains in the final agreement, paired with licensing fee increases, is still deeply concerning and, when implemented, will push many providers to a breaking point.

To those outside the system, these cuts may appear manageable, but this perception is dangerously misleading. **There is simply no room left to absorb more reductions without compromising care, access, and safety for people with disabilities.**

(651) 291-1086 info@arrm.org www.arrm.org 860 Blue Gentian Road, Suite 190 Eagan, MN 55121

In recent legislative sessions, there has been bipartisan recognition of the need to stabilize and invest in all caregiving professions, especially the disability services sector. As we look beyond the 2025 session, we urge you all to commit to the disability services industry. The State must fund our services at a level that allows our members to pay wages that support our workforce and their families.

I would sincerely like to thank all of the members of the Human Services Working Group for the thoughtful discussion and debate this session and the incredibly hard work that went into putting together this challenging budget. Your work to find a balance in the final bill is appreciated.

Thank you for the opportunity to provide comments.

Sara Grafstrom
Senior Director of State and Federal Policy, ARRM

Nick Stumo-Langer

From: Fatma Mohamud <fatmamohamud95@gmail.com>
Sent: Thursday, June 5, 2025 11:59 AM
To: Nick Stumo-Langer
Subject: Please Delay the Bill – It Will Harm Children Who Rely on These Services

Dear Representative Stumo-Langer,

I am writing to urge you to reconsider and delay the bill that is currently being proposed. If passed, it will result in hundreds of children losing access to vital services that are making a real difference in their lives.

I have nieces and nephews who currently receive these services, and I've seen firsthand the incredible improvement they've made—progress that would not have been possible without the support they're getting. Taking that away from them, and from so many other kids, is simply not fair.

These services are not a luxury—they are a lifeline. Families across the state depend on them, and a sudden change would cause harm that cannot be undone.

Please take the time to listen to families like mine. Delaying this bill could mean the difference between continued progress and serious setbacks for countless children.

Thank you for your time and consideration.

Sincerely,

Fatuma Mohamud

Nick Stumo-Langer

From: Mohamud Ahmed <Mahmed@bvolence.com>
Sent: Thursday, June 5, 2025 11:57 AM
To: Nick Stumo-Langer
Subject: Parents of Divergent Kids Minnesota

Dear Members of the Minnesota Legislature,

I am writing to you to let you know that this bill will be affecting making mental health services accessible to all people across the state and even more so in rural areas. These are some testimonies from a few parents that I was able to connect with in the short period of time.

I am a White/Native American mom with a kid on the spectrum that was denied services in a lot of places due to the nature of my child's behaviors. I could not get him to daycare and other major autism centers were not able to care for the needs of my child. Without this small EIDBI providers I would not be here today to tell you the new chapter of my life of being a homeowner, and the increase of quality of life my family have noticed in me. I too have a history of mental health, and I believe the changes you guys are doing will put people like us out of service because this clinic will have a much harder time in being able to be meet your licensing needs.

I am a Somali immigrant Mom of 4 kid on the spectrum, this bill makes it harder for me and my family to get mental health services accessible to us. We can't fit the criteria for these bigger agencies, and sometimes we are put on a longer hold such as 2 to 4 years just to get services. I was waiting 3 years for services before I found this clinic that was willing to work with my family and our complex needs.

I am an African American mom of 1 kid on the spectrum, I recently moved to Minnesota and every bigger organizations such as Frasier, caravel were telling me to wait years on a waitlist, when I knew that my child needed services asap, evidence shows that the earlier the child gets support the better of he will be in the future in terms of becoming independent. My child would be service less without this small clinic. I do hope that I can find a speech clinic that is able to be accommodating to my small family needs as they are. I know this bill will make it much more challenging for them to provide and make services accessible to my family, please rethink your decisions on this bill.

I am African American mom of 1 kid on the spectrum, I can't say enough good things about this clinic and why they help my family. They don't just care about my child they care about the family in general they make sure I can access other resources because they know it takes a village to raise a kid. They also push me to pursue higher education and knowledge in parent training, other places I've been to would barely give me any training as a parent. This place pushes me. I don't know much about the bill, but I do know if does affect this place and they have to close their door I won't have a place I trust to have my best interest about my child and I have had a lot of places be passive

aggressive in the way they deal with me and my kind.

I am a Caucasian American mom of 2 kid on the spectrum, the amount of support this clinic has been able to help me is unreal. I have my own mental health problems and I have to fight for custody and the county and what not. This clinic has helped me understand that there are somethings that are in place to keep my childs safety in consideration even when I'm not the best version of myself. I know that there is no place like this anywhere else. I know my child is a high intensity child and no one else was willing to work with us. The last place I was at MAC told me my child Graduated!! From their program and I didn't understand what that meant, because she was not in any better situation. This clinic was the only place willing to work with my complex needs and my child's needs.

The EIDBI program has been instrumental in our children's development, providing individualized treatment plan and culturally inclusive care therapies that have significantly improved their communication, social skills, and overall quality of life. The dedicated professionals working with my child have become an integral part of our lives, offering not just therapy but hope and support.

I am writing to express my deep concern over the proposed legislation that seeks to implement new licensing requirements and impose a moratorium on enrolling new EIDBI providers after December 31, 2025 . While I understand the intent to ensure quality and oversight, I fear that these changes may inadvertently reduce the availability of qualified providers. This could lead to service disruptions for families like mine, who rely heavily on consistent and specialized care for our children.

The potential loss of experienced therapists due to increased administrative burdens or licensing hurdles is alarming. Our children require stability and continuity in their therapeutic relationships to make meaningful progress. Any interruption in services can lead to regression, undoing months or even years of hard-earned gains.

I urge you to consider the real-life implications of this legislation on families across Minnesota. Please work towards solutions that enhance oversight without compromising access to essential services. Our children's futures depend on it.

Thank you for your time and consideration.

Sincerely,
Parents of Divergent kids of Minnesota

Nick Stumo-Langer

From: Ruth Kutcher-Bier <ruthb@alightaba.com>
Sent: Thursday, June 5, 2025 11:47 AM
To: Nick Stumo-Langer
Subject: PROPOSED EIDBI LEGISTLATION

Dear Mr. Stumo-Langer,

I'm writing to express concern about the proposed changes to EIDBI services, specifically the limitations on telehealth supervision. While I appreciate aspects of the proposal that aim to improve oversight—such as increased background checks and site visits—the telehealth restrictions would significantly limit access to services for many Minnesota families.

As a BCBA, Minnesota-licensed LBA, and owner of an ABA therapy company serving families in rural communities with limited access to therapy resources, I have seen firsthand how critical telehealth is in bridging care gaps. Telehealth allows me to supervise staff, support families, and collaborate on complex cases across the state—something that would be impossible to do in person given the geographic distances involved. If the proposed requirements go into effect, I would no longer be able to support my clients under Minnesota Medicaid, as I cannot feasibly meet in-person supervision requirements across all locations.

This is not an issue of quality or fraud—telehealth is widely and effectively used across DHS programs, including therapy, prescribing, and crisis services. The real challenge is the workforce shortage. Many highly qualified providers live out of state or are only able to serve through telehealth due to other constraints. Restricting this option will only deepen existing access gaps.

I respectfully urge you to reconsider the telehealth provisions in the proposal. Allowing continued flexibility for supervision via telehealth—especially for providers unable to travel—will help preserve access and continuity of care for vulnerable children and families.

Thank you for your time and consideration.

Sincerely,

Ruth Kutcher-Bier BCBA, LBA
Clinical Director
E: ruthb@alightaba.com
P: (984) 742-8483
F: (718) 691-7419
W: alightaba.com

The Bridge Autism Clinic
www.bridgeautism.com

Re: HF2434/SF3054 FILE_8417 HUM-SPS-A6 EIDBI Provisional Licensure

Dear Committee Members,

Please consider the following language to amend FILE_8417 HUM-SPS-A6 for the omnibus bill. It greatly clarifies the language for the EIDBI provisional license, improves the ability of the DHS to effectively surveil for fraud, and in so doing greatly reduces the likelihood of unanticipated costs.

Article 6 contains multiple effective dates, some of which appear to be contradictory. Given the immense paperwork changes required in order to comply, we recommend consolidating them all to the latest date, which is September 1, 2027.

- Rationale: This provides a feasible timeline for organizations, providers, and DHS.

Article 6 contains seven different background study provisions, some of which appear to be contradictory. In order to reduce regulatory confusion, we recommend consolidating these into a single reference to the language that is in Sec. 3. Subd. 12.

- Rationale: The importance of background checks is fully acknowledged and supported. The wording within Sec. 3. Subd. 12 provides balance to ensure both oversight of providers while not adding additional barriers to employment in an industry that is already battling a provider shortage.

Article 6. Sec. 10. Subd. 16(15) In order to have a well-defined method for surveilling this practice, we recommend striking “clinical supervision” and replacing it with “Observation and Direction.” (If it is left as “clinical supervision” the activities of the providers will be cursory and of low quality, and have the added liability of reducing access to care).

- Rationale: By adjusting the wording to “observation and direction”, it will allow for a more measurable and auditable criteria, as “clinical supervision” as written lacks clarity.

Thank you for your consideration,

Bryan Yanagita, M.A., BCBA, LBA
Clinical Director
The Bridge Autism Clinic
Advisory Council Chair
Autism Treatment Association of Minnesota (ATAM)

Nick Stumo-Langer

From: Joseph Carlson <carlsojd10@gmail.com>
Sent: Thursday, June 5, 2025 10:54 AM
To: Nick Stumo-Langer
Subject: EIDBI Proposed Legislation

Dear Legislative Committee/Stakeholders,

I am writing to express significant concerns regarding the proposed changes to Early Intensive Developmental and Behavioral Intervention (EIDBI) regulations, specifically the **Qualified Supervising Professional (QSP) supervision requirements**. While the intent of these changes may be to enhance oversight, the practical implications pose **severe operational challenges** for EIDBI agencies and could **negatively impact service quality** for children receiving care.

Key Concerns:

1. **Unrealistic Workload for QSPs**
    - Under the proposed legislation, QSPs must provide direct supervision every **16 hours of intervention**, along with **monthly in-person observations**.
    - A QSP overseeing a **15-person clinical team** with **10 children receiving 40 hours of intervention per week** would require **over 61.5 hours of supervision weekly**, **excluding** evaluations, treatment planning, administrative duties, and crisis interventions.
    - This workload **far exceeds** a sustainable full-time schedule, making compliance **impossible** without additional support.
2. **Contradictory Wording on Clinical Supervision**
    - The legislation defines **clinical supervision** as being directed toward the **client**, rather than the **staff** providing services.
    - Standard clinical practice dictates that **staff** receive supervision—not clients. This **misinterpretation** could lead to **confusion in implementation** and **diminished service quality**.
3. **Severe Provider Shortages**
    - Minnesota faces a **critical shortage** of licensed professionals, including QSPs and BCBAs.
    - **521 licensed BCBA/BCBA-D providers** exist statewide, many of whom may not be actively practicing.
    - **457 active EIDBI agencies** are listed on the DHS website, with more pending approval—creating **high demand** for qualified professionals.
    - The **credentialing process** for QSPs takes **5+ months**, making rapid hiring **impractical**.

4. **Exclusion of Qualified Professionals from Supervision**
    - The legislation **restricts supervision** to QSPs, **excluding** licensed BCBAs and clinical trainees who meet educational and experience requirements.
    - Other DHS programs (**ARMHS, CTSS, 245G, 245B**) **allow contractors** and clinical trainees to assist with supervision.
    - Limiting supervision to **only QSPs** places **unnecessary strain** on agencies and **reduces flexibility** in service delivery.

Recommended Adjustments:

✅ **Allow Licensed BCBAs and Clinical Trainees to Assist with Supervision** ✅ **Clarify Clinical Supervision Wording to Reflect Standard Practice** ✅ **Extend Implementation Timelines to Accommodate Provider Shortages** ✅ **Streamline Credentialing Processes to Reduce Delays** ✅ **Contractors or temporary workers who have been vetted though staffing agencies.**

The proposed legislation, as written, **creates barriers** to effective service delivery and **jeopardizes the quality of care** for children receiving EIDBI services. We urge policymakers to **reconsider these provisions** and implement **more flexible, sustainable solutions** that support both providers and families.

We appreciate your time and consideration in reviewing these concerns. Please feel free to reach out for further discussion or clarification.

Regards,

Joseph Carlson

Nick Stumo-Langer

From: Kristen Tyler <kristen_tyler@outlook.com>
Sent: Thursday, June 5, 2025 10:28 AM
To: Nick Stumo-Langer
Subject: EIDBI Proposal Concerns

Hello Mr. Stumo-Langer,

I hope this email finds you well. My name is Kristen Tyler, and I am a behavior analyst that resides in Minnesota. I am reaching out to you, because I read through the EIDBI proposal. There are some great things included in there that add a layer of protection for families, like site visits and ongoing background checks of providers. However, there are some components that would directly impact me and the clients I have the privilege of working with. The requirements for employment and telehealth supervision are my two main concerns. I am an independent contractor that contracts with ongoing support for 3 agencies in Minnesota. I have ongoing caseloads with 2 or the agencies and 1 that I offer supervision for ABA students and collaboration for difficult situations/second opinions. I feel that having the option to be an independent contractor has given me the confidence and freedom I need to make clinical decisions on a case-by-case basis for my ongoing clients. I previously worked for a corporate company, where I was employed, that dictated every clinical decision. I felt that my hand was forced on countless occasions when I was an employee. Now that I am an independent contractor, I feel that I can stand up for my clients on what is medically necessary and not fear corporate backlash. Additionally, by contracting with different agencies, I feel like I have a farther reach to help for clients, families, and technicians. This wouldn't be possible without telehealth, which evidence supports (some articles referenced below). The new proposed telehealth requirements would make it impossible for me to provide the necessary supervision to technicians since I am unable to travel for in person supervision. If this proposal passes, I would have to discontinue with all of my clients funded by Minnesota Medicaid, because I cannot meet the supervision requirements.

Again, there are pros and cons to the proposal. There is an enormous need for providers to service clients that qualify for EIDBI services. I feel that this proposal limits the ability for current providers to provide high quality services and are steps backwards, which may be detrimental to many clients' progress. I am requesting reconsideration for the requirements of employment and telehealth supervision. I am requesting that providers can continue to have the option to be independent contractors. I am also requesting to reconsider the telehealth requirements to provide all ongoing supervision via telehealth for supervisors that cannot travel in person.

Please take this into consideration when making a final decision on the proposal. Thank you for hearing my concerns.

References

Sorrell, J. R., Stratton, K. K., Bates-Brantley, K., & Wildmon, M. E. (2025). Training Future Teachers to Conduct Trial-Based Functional Analyses Using Virtual Video Modeling and Video Feedback. Behavioral Interventions, 40(1), e70000.

Sump, L. A., Richman, D. M., Schaefer, A. M., Grubb, L. M., & Brewer, A. T. (2018). Telehealth and in-person training outcomes for novice discrete trial training therapists. Journal of applied behavior analysis, 51(3), 466-481.

Kind regards,

Kristen Tyler, MS, BCBA, LBA
Behavior Analyst

Nick Stumo-Langer

From: Jennifer Miller <jenmiller@aingamn.com>
Sent: Thursday, June 5, 2025 10:12 AM
To: Nick Stumo-Langer
Cc: Lydia Majors-Roland; Ashleigh Sheak; Sedona Kintz; Spewak, Daniel
Subject: proposed EIDBI legislation public hearing testimony

Dear legislation committee/stakeholders,

We are sending this testimony on behalf of Ainga Mental Health and Consulting, currently consulting in the ABA modality of EIDBI programs in MN. We currently represent 16 all in state licensed mental health professional QSPs, 9 of which have stated that if this legislation passes as it stands now, they would no longer be willing to or be able to work as a QSP. We currently represent 12 licensed behavior analysts (BCBAs), half of which operate out of state due to the current professional shortage in the state of Minnesota. Meaning just from our agency alone if this legislation passes as is, a total of **15 licensed professionals** currently working in the state EIDBI program would leave due to the **unworkable limitations and requirements**, seeking employment elsewhere instead of remaining in the program. Only worsening the already extreme licensed professional shortages.

✅ Key Points from the Current Policy Landscape

1. **BCBAs as QSPs (Qualified Supervising Professionals):**
    - As of **January 1, 2025**, Licensed Behavior Analysts (LBAs) are eligible to enroll as QSPs under Minnesota's EIDBI benefit, provided they meet all other qualifications
    - However, **being a QSP is optional**, not mandatory, for LBAs. This does not resolve the **professional shortage**, especially since many BCBAs may opt out due to the **high administrative and supervisory burden**.

2. **Supervision and Scope Limitations:**

    - LBAs **cannot complete autism diagnoses or assessments in any capacity.**
    - LBAs also **cannot supervise mental health clinical trainees**, necessitating the employment of a **licensed mental health professional** within each EIDBI agency
    - Additionally, **four other EIDBI modalities** (e.g., DIR/Floortime, ESDM, PLAY Project, RDI) require different certifications, further complicating staffing and supervision and LBAs are not an option.

4. **Insurance Credentialing Delays:**
    - Although licensure became available in January 2025, **many BCBAs and agencies were not informed** of the timeline for insurance credentialing.
    - As of June 2025, **some insurance providers still do not require LBA credentialing**, creating inconsistencies in billing eligibility.
    - Credentialing can take **up to 6 months**, potentially halting services and billing during that time.
5. **Telehealth Concerns:**
    - Senator Abeler expressed concern about **telehealth supervision** being insufficient.
    - However, **telehealth is widely used** across DHS services (e.g., therapy, urgent care, prescribing), and **no widespread fraud** has been reported in those areas

- The **real issue is not telehealth or contractors**, but rather the **shortage of qualified professionals**, many of whom live out of state due to workforce gaps.

❌ What We Don't Want

- **Short timelines** for implementing changes.
- **Employment restrictions** that exclude the use of contractors and temporary agencies.

✅ What We Do Want

Ability to contribute

- **Access to legislators to consult and share information, insights, and knowledge regarding the roles and requirements related to supervision and oversight allowing for accurate and informed decision making.**

Workforce Flexibility & Support

- Agencies should be allowed to **utilize contractors and temporary agencies**.
- **Expedite licensing** through collaboration with state professional licensing boards to address workforce shortages.
- **Streamline credentialing** processes across all roles.

Oversight & Accountability

- **Increased oversight from DHS** due to apparent oversight challenges.
- Support for **state licensing and oversight** of EIDBI agencies.
- **External compliance reports** (similar to 245G requirements) when under conditional license or when fraud, waste, or abuse is suspected.
- The oversight responsibility of the program should not fall solely on the QSP.
- The number of requirements is too vast for one or even two individuals to manage effectively.
- Other **master's-level, educated, trained, and qualified** professionals who would also be risking their future licensure could assiist the QSPs.
- Sharing oversight and supervision responsibilities, as seen in other **Minnesota Department of Human Services (DHS)** programs, would create a more sustainable structure.

Supervision & Training

- Supervision should be conducted by **QSPs, LBAs, other modality professionals**, or **supervised Level 1 professionals**.
- **Clarify supervision language** in statutes to align with standard practices.
- Require **initial and/or annual training** for all EIDBI staff on relevant practices and modalities.

"A journey of a thousand miles begins with a single step."
-Lao Tzu

Jennifer Miller MSW, LICSW
she/her/hers
Co-CEO/Co-Founder
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Nick Stumo-Langer

From: Sophia Ketchum <sophiaketchum@aingamn.com>
Sent: Thursday, June 5, 2025 10:03 AM
To: Nick Stumo-Langer
Subject: Testimony on Proposed EIDBI Legislation

My name is Sophia Ketchum, and I am a Level 1 Clinical Trainee and BCBA-in-training currently working in the EIDBI program. I am writing to share my perspective and firsthand experience with the major problems in the proposed EIDBI legislation.

To be very direct: the individuals writing this bill do not seem to fully understand how the EIDBI program works, how clinical care is delivered, or how ABA and other modalities function in real life with Minnesota families. The new requirements would severely harm access to care for children, burn out providers, and create impossible staffing standards.

The QSP Requirements Are Completely Unrealistic

The idea that a single QSP can meet these supervision demands is not grounded in reality. The requirement for in-person supervision every 16 hours, plus monthly in-person observations, sounds good on paper, but it is logistically impossible. A typical QSP would need to work 60+ hours per week just to supervise, before even touching evaluations, family meetings, crises, planning, or administrative work.

Many current QSPs, including myself as I become eligible, will simply not be able to maintain this position under these new rules. The expectations are not sustainable and would force many of us to walk away from the role entirely, which further worsens the workforce shortage we are already experiencing.

They Are Ignoring the Workforce Shortage We Are Already Facing

There are only a few hundred licensed BCBAs and QSPs in the entire state — many of whom are not even practicing full-time in EIDBI. Meanwhile, there are hundreds of EIDBI agencies needing staff. Even if we wanted to meet these new rules, there aren't enough licensed people available to do it.

That's why agencies have had no choice but to rely on consultants, contractors, and temporary staffing agencies who bring in vetted and qualified professionals. Without these resources, many families would be sitting on waitlists indefinitely or lose services entirely.

Level 1 Clinical Trainees CAN Provide High-Quality Supervision

What this bill fails to acknowledge is that Clinical Trainee Level 1s like myself *are* trained, supervised, and capable of providing quality in-person supervision and Observation & Direction (O&D) sessions under oversight. We receive clinical training, hands-on practice, and provide real-time feedback to Behavior Technicians during client sessions.

Allowing Clinical Trainees to participate in supervision ensures:

- More consistent oversight of direct care staff.

- Immediate coaching and correction during sessions.
- Maintained treatment integrity and client progress.

Limiting supervision to only QSPs eliminates the layer of support we provide, which is critical for high-quality care and development of newer staff.

Fraud Is Not the Problem When Licensed Professionals Work Together

Fraud prevention seems to be one of the justifications behind these rule changes. But the way to prevent fraud is not to eliminate staff and restrict roles—it's to increase accountability.

At agencies like Ainga Mental Health & Consulting, we already have multiple safeguards:

- Licensed and Clinical Trainee staff working together.
- Direct observation, supervision notes, data audits, and internal checks.
- Multiple layers of documentation reviewed by several people.

When teams of qualified professionals are all involved—QSPs, BCBAs, Clinical Trainees, consultants—fraud becomes nearly impossible. The issue isn't who is allowed to supervise; the issue is ensuring strong oversight structures. This bill completely misses that point.

In Summary

If these changes go into effect as written:

- Families will lose services.
- Agencies will not be able to hire fast enough to meet demand.
- Existing supervisors like myself will have to walk away.
- More children will be left on waitlists with no access to care.

I strongly urge you to reconsider these proposals and work with providers who understand this work, the staffing shortages, and the real-world logistics of clinical care.

Thank you for your time and consideration.

Sincerely,
Sophia Ketchum
EIDBI Level 1 Clinical Trainee / BCBA-in-training

Sophia Ketchum

Level One Provider
Phone: (612) 323-6691
Email: Sophiaketchum@aingamn.com
Pronouns: She/Her/Hers

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Behavioral Dimensions

Behavioral Dimensions, Inc. feedback regarding HF2434/SF3054 FILE_8417 HUM-SPS-A6 EIDBI Provisional Licensure which we believe improves the ability of the DHS to effectively surveil for fraud, and in so doing greatly reduces the likelihood of unanticipated costs.

Background Studies: there is confusing and conflicting information about background checks

Sec. 3. Minnesota Statutes 2024, section 245C.04, is amended by adding a subdivision to

3.2 read:

3.3 Subd. 12.**Early intensive developmental and behavioral intervention**

3.4 **providers.** Providers required to initiate background studies under section 245C.03,

3.5 subdivision 15, must initiate a study using the electronic system known as NETStudy 2.0

3.6 before the individual begins in a position allowing direct contact with persons served by

3.7 the provider or before the individual becomes an operator or acquires five percent or more

3.8 ownership.

AND
Sec. 11. Minnesota Statutes 2024, section 256B.0949, subdivision 16a, is amended to

Subd. 16a.**Background studies.**(a) An early intensive developmental and behavioral

20.28 intervention services agency must fulfill any background studies requirements under this

20.29 section by initiating a background study through the commissioner's NETStudy 2.0 system

20.30 as provided under sections 245C.03, subdivision 15, and 245C.10, subdivision 17 chapter

20.31 245C and must maintain documentation of background study requests and results.

(b) Before an individual subject to the background study requirements under this subdivision has direct contact with a person served by the provider, the agency must have received a notice from the commissioner that the subject of the background study is: 21.2 21.3

Recommendation: allow agencies to hire and begin training employees while awaiting background check results and receive supervision at all times until results of the background check are received. In order to reduce regulatory confusion, we recommend consolidating these into a single reference to the language that is in Sec.3. Subd. 12.

Clinical Supervision (CS) and Observation and Direction (O and D)

Subd. 16.**Agency duties.**(a) An agency delivering an EIDBI service under this section must: 18.19 (15) provide clinical supervision for a minimum of one hour for every 16 hours of direct treatment per person, unless otherwise authorized in the person's individual treatment plan; and 19.31 19.32

Recommend change Article 6. Sec. 10. Subd. 16(15) In order to have a well-defined method for surveilling this practice, we recommend striking "clinical supervision" and replacing it with "Observation and Direction." (If it is left as "clinical supervision" the activities of the providers will be cursory and of low quality, and have the added liability of reducing access to care). "clinical supervision" to Observation and direction"

(16) provide required EIDBI intervention observation and direction at least once per month. Notwithstanding subdivision 13, paragraph (l), required EIDBI intervention observation and direction under this clause may be conducted via telehealth provided that no more than two consecutive monthly required EIDBI intervention observation and direction sessions under this clause are conducted via telehealth. 20.2 20.3 20.4 20.5

Recommend add the language: add "unless otherwise authorized in the person's individual treatment plan";

Thank you for your consideration,

Jay O'Neill

President

Behavioral Dimensions, Inc.

Nick Stumo-Langer

From: Stephanie Teixeira <stephanieteixeira@aingamn.com>
Sent: Thursday, June 5, 2025 8:23 AM
To: Nick Stumo-Langer
Subject: Testimony Regarding EIDBI Proposed Legislation

Importance: High

Madam Chair and Members of the House,

My name is Stephanie Teixeira, and I am a Board Certified Behavior Analyst (BCBA) providing EIDBI services in Minnesota. I'm here not just on behalf of clinicians, but on behalf of the thousands of children and families whose futures hang in the balance.

While I fully support the intent of Senate File 3054 to prevent fraud and abuse, the implementation outlined in this bill—especially its licensing mandates, supervisory constraints, and agency restrictions—will irreparably damage the very system it seeks to protect.

The introduction of provisional licensure for all EIDBI providers by 2026 (Sec. 1) might seem like a move toward professional standardization, but it ignores workforce shortages and current capacity limitations. The bill gives agencies a tight window, less than a year, to submit and complete a new and complex licensure process, with the threat of immediate disenrollment (Sec. 1.17, 1.23) if they fall short.

This timeline is not feasible in a state where:

- We have 72% of counties classified as mental health provider shortage areas.
- The demand for BCBAs has grown by 74% from 2023 to 2024—but supply has not kept pace.

The only solution until there are more providers is utilizing contractors or temp agencies (including out-of-state professionals).Credentialing licensed professionals with insurance companies alone can take over six months per individual. All of the timelines listed, some as early as July 1, 2025, are simply impossible to meet under these constraints.

Being able to utilize *all* master's-level professionals—such as Clinical Trainee Level 1s—is crucial. These individuals are highly educated, trained, and licensed, and have professional reputations and careers to uphold. They are competent and motivated to provide high-quality services, yet this legislation limits their inclusion.

It's worth noting: I myself could qualify as a Qualified Supervising Professional (QSP), but under the burden and rigidity of this legislation, I likely never would. This isn't due to lack of competence, but due to systemic barriers and risks it creates for professionals.

This bill will not root out fraud. It will push out competent, ethical providers, leaving families with no one to turn to.

The bill requires in-person supervision at least once every three months, and limits telehealth supervision to no more than two consecutive sessions—and only if another staff is physically present and not billing (Sec. 7, 16.30). This reflects a fundamental misunderstanding of:

- Clinical supervision efficacy, which does not depend on physical presence but on frequency, quality, and responsiveness.

- Telehealth's effectiveness, already sanctioned by DHS, as a tool for real-time observation, parent coaching, and fidelity monitoring.

You cannot require this level of in-person supervision and also sustain a system that serves Greater Minnesota, where QSPs may live 100+ miles from the child. This sets up services to fail.

The bill introduces disclosure rules for consulting contracts (Sec. 2.6) and redefines agency structures to limit flexibility. These requirements imply wrongdoing by consultants, yet consulting agencies:

- Often have stronger internal compliance because of multi-layered quality review systems.
- Use division of labor to separate service provision from billing and oversight, reducing fraud risk.
- Allow smaller, rural, and culturally responsive professionals to contribute without creating redundant infrastructure.

By creating barriers for consultants, this bill disproportionately harms equity, access, and innovation. Instead of limiting consulting, we should be leveraging it as a fraud prevention tool.

The moratorium on new EIDBI provider enrollment from July 2026 through December 2027 (Sec. 12) effectively freezes the growth of a system still trying to meet current demand.

- What happens to children on waitlists in 2026?
- What about providers who complete licensure after July 1 but cannot enroll?

This punishes legitimate, compliant professionals—especially those newer to the field—while failing to address known fraudulent operators already within the system.

To truly combat fraud and ensure quality, I propose:

- Mandatory compliance officers for all EIDBI agencies, not just high-risk ones, with annual internal audits and whistleblower protections.
- Enhanced real-time claims monitoring, using data analytics to flag suspicious billing patterns.
- Stronger penalties for fraudulent actors, including expedited removal and cross-agency reporting.
- Provisional licensure with flexible timelines and DHS technical assistance, especially for small and rural providers.
- Telehealth supervision standards, not limits—defined by training, security, and outcomes, not geographic proximity.
- Centralized consultant registries with transparent reporting, peer reviews, and fidelity tracking—not blanket restrictions.

We are not debating bureaucracy—we are shaping the systems that mold tomorrow's adults. Children with autism and related diagnoses need continuity, trust, and access. When we threaten that, we threaten their ability to live, learn, and contribute as adults.

We must be vigilant against fraud, but never at the cost of compassion, competence, and common sense.

Madam Chair, Members of the Committee, SF 3054, in its current form, does not protect families. It restricts access, displaces good providers, and penalizes innovation. We can do better. We must do better.

Thank you for listening to those of us on the ground—and more importantly, to the families who rely on us.

Warm regards,
Stephanie Teixeira, MA, BCBA, IBA

she/her
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Nick Stumo-Langer

From: julie eittreim <eittreimfamily@yahoo.com>
Sent: Thursday, June 5, 2025 8:15 AM
To: Nick Stumo-Langer
Subject: Rejecting Flat Rates and Tiered system to prevent FRS's from closing

Dear Mr Stumo-Langer
I am requesting that you share this with the House Committee on Human Services June 5, 2025, during the Public Written Testimony.

My name is Julie Eittreim and I have been a Family based Adult Foster Provider since 2015. Previous to this I was a social worker in the Developmental Disabilities Unit at Wright County. I left my job as a social worker to be able to provide foster care for individuals that I knew were looking for a family setting versus a corporate group home.
I need the Senate Committee to understand the crisis that is looming if the Flat Rate, Tiered System, and the proposed minimal 25% increase from original proposal will cause. Yes, it will be a crisis and will go against Person Centered Services and Planning that the Department Of Human Services was mandated to provide. Family Providers will be forced to close their doors as they will not be able to provide the needed services to continue to operate. The individuals we serve will lose their homes, in many cases their only family, their social connections, boyfriends, girlfriends, church community, employment, and sense of safety. This will not be by choice, that I have to close, it will be necessary. In my home I have three women, two of which require 1:1 staffing for mental health, health and safety, and dementia issues. Their plans require one to one staffing. I have had the same staff for over two years, I pay them 21.00 per hour which I have to in order to keep quality, trained staff which in turn provides consistency for the ladies I serve. I will have to close my doors, fire my staff, and the ladies, who have no family, will be shuffled into a corporate group home or nursing home. I ask you; Do you think a corporate group home or nursing home is more cost effective? I can guarantee you they are not! If Family homes have to shutter their doors thousands of people will be displaced. Family Providers don't want to shut our doors but we cannot reasonably operate our programs on the proposed Flat Rates, Tiered System. I wish the members of this committee would come out and spend several days in my home to see the programming, opportunities, services that the ladies are provided. I believe that you would understand why these cuts are going to be so devastating.
I am asking you to please reject the Flat Rate, Tiered System and move any changes out until at least 2028 after a Task Force Including Family Residential Services Providers has been developed and done a more thorough study of rates and equity are examined. I am asking you to look closely at the devastating effects, on the individuals we serve, that will occur if these cuts are imposed and Family Residential Services have to close.
Respectfully
Julie Eittreim
Eittreim Family Foster Care
1700 Whitetail Run
Buffalo MN 55313
612-388-3942

Julie Eittreim

Nick Stumo-Langer

From:	Denise Scholljegerdes <dscholljegerdes@axis-mn.com>
Sent:	Wednesday, June 4, 2025 11:06 PM
To:	Brion Curran; Dawn Gillman; Steven Jacob; Heather Keeler; Mohamud Noor; Joe Schomacker; Nick Stumo-Langer
Subject:	Please, no rate tiers for FRS
Attachments:	A screenshot of a document AI-generated content may be incorrect..png

Dear Human Services Conference Committee members;

I appreciate the 25% increase in the flat rates but flat rates are not the fair and equitable answer to meet the changing needs of people. The current DWRS system addresses changing needs and additional supports needed. Please keep DWRS.

Below are actual data of homes of the 6 FRS providers we contract with thru what I believe are now called Host Homes. Guessing on the MnChoice casemix value (DHS has not provided this to us), only 1 of the 13 individuals supported will receive an increase. The providers with loses will most likely close homes, while the other home that has an increase will take the rate increase without providing any additional support. The people affected by the closures will end up in more expensive services, thus seeing even more increases. Only 1 of the 13 people supported may move home with family.

Please review my projected decrease of $-771.84 per day with the 25% increase. Most providers will close and most of the people will end up in more expensive supports, if they

can find supports. Several of these people have been with their “families” for 10+ years.

We have been working with FRS providers for over 30+ years. I can attest that FRS is a cost saving program to the State. All the people we support have lower rates than their previous service providers, whether they came from a CRS, crisis center, state program or hospital.

There are just so many unknowns at this point. MNChoices has not been fully vetted yet and no one trusts it’s accuracy. Whether DHS has the data details, it’s not being shared with providers. There’s been no communication with counties, individuals, families or providers in how this would or could look. Please don’t gamble at the very livelihood of these providers, and the long-term homes of the people who live there. We can’t afford any of the FRS providers to leave this industry with our ongoing workforce crisis.

DWRS works, if it’s implemented correctly. Have the counties focus on reviewing the 6790 forms, just like the CRS forms were during banding of DWRS. The Flat Rate Tiers are moving backwards and don’t reflect the changing needs to support people. Allow MNChoices to be tested and give individuals and families waiver reimagine budgets to make planned informed choices over a course of time, at least one year. Don’t uproot people without any type of notice. The system can’t support this massive closure of homes. More time is needed. We can even get counties to renewal medical assistance applications timely. How are they going to find new homes and supports for all these people? I firmly believe moving forward with the tiered flat rates will end up costing the state more dollars.

Thank you for your hard work this year dealing with the significant budget deficits.

Sincerely,

Denise Scholljegerdes
3853 133rd Lane NE
Ham Lake MN 55304

AXIS Inc.
2345 Rice Street Suite 112
Roseville, MN 55113

Denise Scholljegerdes
AXIS Inc, CFO
Supporting people with disabilities

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Work: 651-357-1100 • Mobile: 651-231-3149 • Fax: 651-774-6823

Nick Stumo-Langer

From: Britt Johnson <brittjohnson@aingamn.com>
Sent: Wednesday, June 4, 2025 9:33 PM
To: Nick Stumo-Langer
Subject: EIDBI Legislation Testimony

Hello,

I am writing to express great concern about the proposed changes to EIDBI. While seemingly created with the best intentions, the practicality of the supervision requirements being placed only on the QSP and the removal of independent contractors will negatively impact hundreds of children needing these services.

I am a LPCC and a QSP. The proposed supervision requirements would make my work load near impossible to complete on my own. Being a QSP includes much more than just providing supervision. I also complete CMDEs, communicate and meet with parents, conduct coordinated care conferences with client's schools or other providers (speech, OT, PT etc.), review documentation to ensure accuracy and professional standards, and conduct progress monitoring on data. While I completely agree with a set standard of supervision, and in-person supervision being provided, the idea that a QSP alone can complete all of this is unrealistic. Many other fields within mental health allow clinical trainees to assist with this. A team of providers such as the QSP, BCBA, and Level 1s all providing supervision allows for diverse perspectives, suggestions, and overall, more oversight, which I believe it the ultimate goal. Just because BCBAs now are also licensed, does not mean that this will reduce the workload, having clinical trainees such as Level 1s with Master's Degrees to assist with providing supervision is necessary.

Secondly, the removal of allowing independent contractors will make it so that many of these smaller agencies are not able to find the required professionals needed to continue their services. This will put hundreds of children without medically necessary services. There is a severe provider shortage. I currently work as a contractor, and would not work in EIDBI any other way. As a contractor, I have the support of my contracting agency which helps me ensure ethical work is being done and professional standards are upheld at the EIDBI centers I work with. Not only do contracting agencies provide support for myself as a QSP, but they provided support for the EIDBI centers, which overall produces higher quality of care for clients.

I also urge you to consider the timeline of these implementations. Affiliations with an agency take 30 days, and that is after they find the required professionals - which may take months, if even possible at all. Affiliations with insurance companies may take even longer. Making the timeline of implementing these changes such a short window, will no doubt cause many companies to close as they cannot meet these standards this quickly. This is unfair and harmful to clients and families who will suddenly be left without services and supports from EIDBI. As a professional, it goes against most codes of ethics to so quickly remove services from clients.

For myself, if this legislation is passed as if, I will not be working in EIDBI any longer as the requirements will be unrealistic and unmanageable.

While much of this bill is well meaning, the real-life implications of a ban on independent contractors and supervision loads placed only on the QSP, will be harmful to many in our state. I urge you to take into account what the professionals in the field, doing this work every day, are saying.

Thank you,

Britt Johnson MS, LPCC
she / her / hers
763-370-1970
brittjohnson@aingamn.com
Ainga Mental Health and Consulting
aingamn.com
info@aingamn.com

IMPORTANT WARNING: This message is intended for the use of the person or entity to which it is addressed and may contain information that is privileged and confidential, the disclosure of which is governed by applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this information is strictly prohibited. If you have received this message in error, please notify the sender immediately and arrange for the return or destruction of these documents.

The Honorable John A. Hoffman
Chair, Human Services Committee
Minnesota Senate
95 University Avenue W.
Minnesota Senate Bldg., Room 2111

The Honorable Jim Abler
Human Services Committee
Minnesota Senate
95 University Avenue W.
Minnesota Senate Bldg., Room 2207
St. Paul, MN 55155

The Honorable Joe Schomacker
Co-Chair, Human Services Finance and Policy
Minnesota House
2nd Floor Centennial Office Building
658 Cedar Street
St. Paul, MN 55155

The Honorable Mohamud Noor
Co-Chair, Human Services Finance and Policy
Minnesota House
5th Floor Centennial Office Building
658 Cedar Street
St. Paul, MN 55155

Re: HF2434/SF3054 HUM-SPS-Article 6- EIDBI Reform

Dear Senator Hoffman, Senator Abeler, Representative Schomacker, Representative Noor and Members of the Human Services Finance Conference Committee:

On behalf of MAC Midwest, I am writing to express our concerns regarding the proposed changes to the Early Intensive Developmental and Behavioral Intervention (EIDBI) program outlined in *Article 6- EIDBI Reform*. We are writing to support amendments that will greatly clarify the language for the EIDBI provisional license, improve the ability of DHS to effectively surveil for fraud, and in so doing, greatly reduce the likelihood of unanticipated costs.

As service providers of autism therapy and as concerned citizens, we are fully aware that fraud, waste, and abuse in human services and the maltreatment of children are serious issues that must be addressed. We support efforts to strengthen integrity in the system. However, we are deeply concerned that several proposed provisions would significantly weaken, and even limit, access to autism care for thousands of Minnesota's children, young adults, and their families.

Background Studies

The proposed legislation requiring background studies for individuals affiliated with EIDBI providers imposes an unnecessarily stringent standard that is out of step with similar services. While ensuring client safety is undeniably important, this legislation singles out EIDBI providers with requirements that are stricter than those applied to other comparable roles in education, healthcare, or therapeutic services.

By mandating that a background check must be completed and a clearance or set-aside notice received before an individual can begin working, the bill creates a barrier to timely service delivery. Most other service sectors, whether in special education, mental health counseling, or pediatric care, allow provisional or supervised employment while background studies are pending. This flexibility acknowledges the real-world challenges of workforce shortages and the need for continuity in care.

To be clear, no one is arguing against the value of background checks. The concern is proportionality. If other sectors with comparable levels of client vulnerability can operate with more balanced safeguards, then this legislation unfairly burdens EIDBI providers and the families they serve. Equity in regulation means applying consistent standards, not singling out one sector for disproportionate scrutiny.

Clinical Supervision

In Article 6, Section 10, Subdivision 16(15), we support replacing the term *"clinical supervision"* with *"observation and direction."* This change modernizes and clarifies the expectations for oversight in disability services and directly addresses the challenges of workforce shortages and administrative inefficiencies that have hindered access to care for children.

The current requirement for clinical supervision imposes unspecified and general requirements that create bottlenecks in service delivery. In many communities, especially rural or underserved areas, the availability of licensed clinicians to provide supervision is limited. By replacing this term with 'observation and direction,' the statute empowers other qualified EIDBI

professionals to oversee day-to-day service provision, alleviating delays and expanding access for families in need.

Observation and direction is also a billable service under the EIDBI benefit, whereas clinical supervision is a broad, non-specific term. Using a designated billable service allows for clearer documentation, oversight, and auditing for potential fraud or misuse.

Telehealth

We support the proposed amendment to Article 6, Sec. 10, Subd. 16(16), which adds the phrase "*unless otherwise authorized in the person's individual treatment plan"* following "*sessions under this clause are conducted via telehealth."* This change is essential to ensure equitable access to EIDBI services, particularly for rural and underserved families. Without this flexibility, many families in remote areas, who may lack providers in their area, consistent internet access, or technology, will be excluded from vital parent training and/or direct treatment. Allowing individualized treatment plans to authorize alternative formats ensures that care decisions are made based on each child's and family's specific needs, rather than rigid policy limitations.

MAC is a non-profit and has been providing services to Minnesotans for nearly 30 years. Like many others, we were deeply distressed by the reports of financial fraud and mistreatment of children, not from legitimate providers, but from individuals who sought to exploit a system designed to support some of our state's most vulnerable residents. We fully support efforts to identify and stop fraud, waste, and abuse. However, these efforts must not come at the expense of ethical, high-quality providers who follow the rules and deliver critical services to thousands of families across Minnesota, many of whom have no other options for care.

Respectfully,

Jen Diederich, BCaBA
jdiederich@mnautism.org
Office: 952-767-4200
Cell: 612-488-9012
mnautism.org
5860 Baker Road, Minnetonka, MN 55345

ATAM – The Autism Treatment Association of Minnesota

June 4, 2025

The Honorable John A. Hoffman
Chair, Human Services Committee
Minnesota Senate
2111 Minnesota Senate Bldg.
St. Paul, MN 55155

The Honorable Jim Abeler
Human Services Committee
Minnesota Senate
95 University Avenue W.
Minnesota Senate Bldg., Room 2207
St. Paul, MN 55155

The Honorable Joe Schomacker
Co-Chair Human Services Finance and Policy
Minnesota House
2nd Floor Centennial Office Building
658 Cedar Street
St. Paul, MN 55155

The Honorable Mohamud Noor
Co-Chair Human Services Finance and Policy
5th Floor Centennial Office Building
658 Cedar Street
St. Paul, MN 55155

Re: HF2434/SF3054 FILE_8417 HUM-SPS-A6 EIDBI Provisional Licensure

Dear Senator Hoffman, Senator Abeler, Representative Schomacker, Representative Noor and Members of the Human Services Finance Conference Committee:

Please consider the following language to amend FILE_8417 HUM-SPS-A6 for the omnibus bill. It greatly clarifies the language for the EIDBI provisional license, improves the ability of the DHS to effectively surveil for fraud, and in so doing greatly reduces the likelihood of unanticipated costs.

Article 6 contains multiple effective dates, some of which appear to be contradictory. Given the immense paperwork changes required in order to comply, we recommend consolidating them all to the latest date, which is September 1, 2027.

Article 6 contains seven different background study provisions, some of which appear to be contradictory. In order to reduce regulatory confusion, we recommend consolidating these into a single reference to the language that is in Sec. 3. Subd. 12.

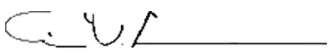
Article 6. Sec. 10. Subd. 16(15) In order to have a well-defined method for surveilling this practice, we recommend striking “clinical supervision” and replacing it with “Observation and Direction.” (If it is left as “clinical supervision” the activities of the providers will be cursory and of low quality, and have the added liability of reducing access to care).

Contact: Eric Larsson, PhD, LP, BCBA-D, LBA - elarsson@lovaas.com - 612.281.8331 – atamn.org

Article 6. Sec. 10. Subd. 16(16) In order to fully encompass all forms of EIDBI services, we recommend inserting the phrase “unless otherwise authorized in the person's individual treatment plan” after “sessions under this clause are conducted via telehealth” (If this flexibility is not added, then rural families will be denied access to valuable parent training services, where no other service currently exists).

If these proposed amendments are not clear, please contact me for further information.

Sincerely,



Eric V. Larsson, PhD, LP, BCBA-D, LBA
Chair,
Autism Treatment Association of Minnesota
elarsson@lovaas.com
612.281.8331

Nick Stumo-Langer

From: Tami Lubowitz <redhead317@hotmail.com>
Sent: Thursday, June 5, 2025 12:00 PM
To: Nick Stumo-Langer; Megan Rossbach
Cc: David Zak
Subject: Additional appeal to Human Services budget Conference Committee

Hello team,
I'm emailing on behalf of our employee who can't access her email during her shift. Please distribute this to the Work Group members and the public at the hearing this afternoon, as well as post this on the public hearing webpage.

Dear House & Senate Human Services Conference committee members,

Thank you for serving this Legislative session and today, navigating a difficult task when many of you voted for starting this budget 2 years ago, and some of you were handed it at the beginning of the session!

We are David & Tami Lubowitz. We thank you for your service and your attention to the pleas of Family
Residential Services Providers today on behalf of our businesses and the Disability Community we serve.

We own The Way Home in St Cloud. We started an Adult Foster Care business in 2014 after purchasing a
home with more space than our family need. We have a desire to help people, and upon learning the home
had previously been licensed for Adult Foster Care we started our educational & professional journey of caring
for people with various disabilities in our home by starting with a 245A AFC (Adult Foster Care) license. Within
a few years of an intense learning curve, we both left our former professions, became 245D licensed, now
running a FRS (Family Residential Service) home since 2018. Over the years we have filled a great need in
our community caring for individuals suffering with severe & persistent mental illness, which result in various
behaviors, medical and mental health appointments, and even police calls to our home. Countless times
friends, acquaintances, neighbors, even strangers have privately thanked us for the work we do, many stating
"I could NEVER do what you do!". For those same reasons, we're also excluded from some family & friend
invites!

Please permit us to paint a picture: we do not serve “easy people” in our family homes, as some might think or suggest. Some examples of those we’ve served: serious & persistent mental illness, some on anti-psychotic medication, daily rides to 6AM methadone dosing, take home methadone treatments, cognitive impairment, etc, in a family setting. We’ve had our lives threatened and threatening hate letters left behind when someone’s mental health disrupted her services. David is 6’7” and took a hit across his face by a tiny 18 year old female who intentionally swung a large shoulder bag, like a bat to his head, while he was seated at a table. We have served many, who, for a variety of reasons, including their history of behaviors, have limited or no natural family support, meaning they do not leave our home to go to family or social events, holidays, or some rarely, many NEVER overnight, meaning we have limited or NO natural breaks. That was even worse during Covid for example, when 1 young lady did not spend a single night away from our home for nearly 2 years.

Those we serve are treated as an extension of our family. They call our grandmas “Grandma”. We provide a stable family function for each, that for various reasons, many of those we serve, do not come from or have.

That function includes people of a household to call family and consistent relationships with people who are caring, responsible, trustworthy, dependable, and compassionate. Our FRS serves as a safe place to call home, provides dignity, opportunities and experiences many have not had chances to participate in prior to placement in our home. We provide person centered hobbies and activities they already enjoy, community inclusion, as well as creatively introduce new experiences and growth opportunities. Their preferred involvement in the home and in the community provides as much “normalcy” as possible for individuals who have trauma histories far from ideal backgrounds.

We currently care for 1 vulnerable adult in our home, who has lived here since Aug 1, 2023. We hire supplemental DSP (Direct Support Professionals) to assist us with providing care & support as well, for limited & much needed breaks to continue the work of care-giver. Because of those limitations we travel/ vacation 1 or 2 times a year for max of 3-5 days. Due to being sensitive to the needs of who we are currently serving, safety

situations described above, and proposed flat rates 1/1/2026, we are selective about filling the 2 current
openings we have. We currently employ 2 part time supplemental DSP in addition to ourselves. We need to be
able to continue to hire supplemental DSP to accommodate potential future additional individuals we serve in
our home. Our home would physically allow us to revert/expand our capacity of 3 to 4 (which we had
previously) yet with limited DSP and looming flat rate cuts we are uncertain about and very leery of
filling/expanding capacity.
State & county workers inspect our paper work, our homes, and even our personal bedrooms. Our residence
is a place of business that is open 365 days a year. It IS a GOOD work, yet please understand although we get
to sleep in our own beds, we do NOT have work-life “balance”, have very limited intimacy, privacy, and
autonomy in our own home. We’re willing to continue serving vulnerable adults in our home for a PROFESSIONAL income, yet we can’t live off accolades, to give this much of ourselves; all we own: home,
vehicles, belongings, our privacy, & time.
As we shared, FRS providers support and care for vulnerable adults living with a disability, in the provider’s
own residence, 24/7. This is what we’ve chosen to do for our livelihood, leaving prior professions, giving people
a feeling of living in a family and the consistency and care they need, along with supporting their choices. This
FRS is part of the ecosystem of disability service providers in MN. However, beginning January 1, 2026, our
payment rates will be set to a new flat rate system, which threatens our work, livelihood, and possibly our
ability to stay open, by imposing cuts from 40-80%! These cuts could mean that homes like The Way Home,
and others across MN, will have to consider if they can continue to afford to care for our state’s vulnerable
adults, care for fewer vulnerable adults, or shut their doors altogether. If we or others are financially forced to
close, then where will these vulnerable adults move to? Where will Amy move to? There is already a crisis in
finding good homes in our area and throughout the state. She and her Mom want her to stay locally and here
at this FRS, as we have best meet her needs than any other provider in 16 years.
If these rates happen, I do not know if The Way Home will be able to continue to provide care for Amy, or at

the level of support that she needs to thrive in this way, due to the cut to our wages, supplemental DSP (Direct
Support Professionals) we employ, and community experiences and opportunities we provide her. We do feel
that the current DWRS (Disability Waiver Rate Setting) framework rate is more fiscally appropriate to meet her
needs, yet we have already experienced rate scrutiny and denial because of the budget pressure. We can
calculate the rate for her living in a community residential services setting, which is significantly higher cost
than FRS.
DHS followed other states' models to create the frameworks rates to pay FRS owners and DSP staff for the
work we do. It is concerning DHS is pursuing to reduce/ eliminate FRS in this way! Why dispose of a payment
method that has value? MN DHS, FRS, & CRS have all invested 7+years into learning and working together.
Why cost the taxpayers more by inventing another system in the hopes it works? Why risk traumatizing and
disrupting the lives of vulnerable adults in MN with the potential of a mass of homes closing? Where will the
vulnerable live? At what cost?

Direct Support Professionals (DSPs) are the backbone of home and community-based services (HCBS), providing essential support to promote independence and community inclusion for people with disabilities. Yet, the ongoing workforce shortage has led to decreased access, from shuttering programs to rejecting new referrals. I urge you to support this crucial legislation. Your support will uphold a commitment to the well-being of the people with disabilities in our community and the DSPs who tirelessly serve them.

**Without Family Residential Services thriving throughout our state in all communities, thousands of adults living with a disability
could find themselves without care, and without a place to call home. Family Residential Services are
already one of the most cost-effective ways to provide for our most vulnerable adults. It is critical that you fund these rates and find a better way forward together.**

Thank you for your time,
David & Tami Lubowitz
David's Cell: (320) 492-2447
1292 10th Ave North
Saint Cloud, MN 56303

Gratefully,

Tami Lubowitz
C: 320.345.1367
Eph 3:20 Immeasurably more!

Nick Stumo-Langer

From: Sarah Jewell <sjewell@RiverValleyLaw.com>
Sent: Thursday, June 5, 2025 11:47 AM
To: Nick Stumo-Langer
Subject: FW: Meeting Notice - Human Services Finance and Policy Working Group Hearing - 6/5/25

Importance: High

Hi, Nick~

Please confirm receipt of this email once you have it. I am writing to the Human Services Finance group below.

I find myself in the unique position of being both an attorney and in helping my husband with compliance on his Adult Family Foster Care home, (Jewell Family Foster Care Programs – Avon, MN) where we both live. My husband has been an Adult Foster Care Provider for over 25 years, having obtained his license in April, 2000 in Minnesota. He has operated his business in the area around St. Cloud, MN continually since then. He has exceeded the number of average years of providers who typically burn out – by 19 years, since the average number of years that most folks can do this job is about 5-6 years.

So, during that time, my husband, God Bless his soul, has provided a STABLE and CONSISTENT living environment to male adult clients with disabilities like Developmental (as in, Down's Syndrome) and ADD (Attention Deficit Disorder) ADHD (Attention Deficit Disorder/Hyperactivity Disorder) and other mental illnesses, including but not limited to brain damaged clients, bi-polar clients, schizophrenic clients, and other forms of disabilities. We have served some of the same clients for OVER 20 YEARS. If they did not like the home environment, or if their families did not like the home environment, they would have figured it out by now.

With that lengthy background, I am also aware that the State of MN was sued because it failed to treat disabled clients fairly across the entire state – and was approving more pay to providers, and approving more benefits and services, to disabled persons who resided in the Twin Cities Metro area – than those in rural areas. This hits home because we operate on a 10 acre hobby farm which is a big plus for our guys, they love the animals and the nature and the birds and the peace and quiet of being outside of a city. That is their choice, they want to keep it that way.

What you are doing – in my humble opinion (I understand I am biased due to my affiliation with the group home where I also live) violates the terms of the Jesson agreement. I do not think Judge Donovan Frank in the US District Court, would care to see another claim that would allege something along the same lines – because DHS's proposal to cut ONLY FAMILY FOSTER CARE HOMES pay, and NOT to cut the pay of any CORPORATE homes, is discriminatory – *because it disproportionately affects rural and outstate locations* – where the Family Foster care homes may be the disabled person's only choice for their community area. Or, there may be limited choices and this is the best option they have. Or they may have to move far away from their biological families or friends in order to find a larger corporate setting.

By UNFAIRLY AND DISPROPORTIONATELY TARGETING FAMILY GROUP HOMES, DHS is attempting to do the same thing again, which is to funnel disabled persons out of family foster care homes and into corporate home settings and by financially draining Family homes, as these cuts will force the closure of some of them --- which of course, will Benefit the Corporate homes – whose Funding IS NOT BEING CUT.

This makes we ask, "Why are you targeting Family group homes and NOT corporate homes as well?" Does someone stand to gain from this move? It certainly isn't the disabled persons who would benefit. In other words, if there is such a budget crisis, then WHY NOT CUT THE FUNDS OF BOTH FAMILY AND CORPORATE HOMES BY A LOWER PERCENTAGE

AMOUNT – SO THAT YOU ARE BEING EVEN HANDED AND FAIR IN MAKING SUCH CUTS ACROSS THE BOARD? We all know and understand that cuts are not fun or easy. But they sure as hell should not be discriminatory or you are looking at risking the State's reputation with the federal government again – as occurred in the prior cases before Judge Frank.

I find it hypocritical that DHS has promoted – for many years now – the concept of "*person-centered choices*" for where a disabled person wants to live, who they want to see, where they want to go, etc. in fact, we have had mandatory training on this as well as the county human services folks, to make sure we know the disabled PERSON gets to choose.

As you know the family foster care providers have to abide by the same regulations and rules as corporate homes – which are intense as I have completed all the forms and documents personally so I can tell you from firsthand experience it is difficult but we know the reasons why it needs to be done – and we do it. Why then are we being financially punished when corporate homes are not being touched?

Please note, what you are considering before you, could potentially take away the disabled person's choice (by default due to lack of funding) to be able to choose what setting they want to live in and with whom. Please think about that – you are affecting the disabled persons' lives by cutting their programs unfairly when they had CHOSEN to live in a family foster care setting. There is no budget reason or policy reason to do that, unless you have it out for family programs and want to enhance corporate homes' ability to thrive in the market.

If you need to cut, then cut to a lesser amount for both programs (both corporate homes and family foster care homes) to make it fair to both kinds of foster care homes so you will avoid legal issues and avoid the appearance of bias against family foster care homes. Family providers do not have it better than corporate homes because we operate in our homes.

Think about that argument – do you want to be woken up in the middle of the night due to a loud thunderstorm that scared your client? That is what we do, because we are 'on call' 24/7. All of the doctors, medical providers, nurses and even medical interpreters – are PAID to be 'on call' – because at any moment's notice, they could be called away to attend to someone's needs.

If anything, family foster care providers should be paid MORE because they are on call at all times. A shift worker in a corporate setting is paid for their 8 hour shift then they get to leave and go home. The work never ends for family providers, that is why it takes a very SPECIAL person to be able to do it well and to stay with it long. I urge you to read the letters from the other family providers and really think about what is being proposed here and WHY.

Thank you.

Sarah R. Jewell
On Behalf of Jewell Family Foster Care Programs

From: MN House Human Services Finance and Policy <mnhousehhsfinance@public.govdelivery.com>
Sent: Wednesday, June 4, 2025 3:00 PM
To: Sarah Jewell <sjewell@RiverValleyLaw.com>
Subject: Meeting Notice - Human Services Finance and Policy Working Group Hearing - 6/5/25

Human Services Finance and Policy Working Group Hearing
June 5th, 2:00pm
MSB 1150

House Chairs: Chair Schomacker, Chair Noor
House Conferees: Rep. Gillman, Rep. Jacob, Rep. Curran, Rep. Keeler

Senate Chair: Sen. Hoffman
Senate Conferees: Sen. Maye Quade, Sen. Fateh, Sen. Mohamed, Sen. Abeler

Agenda:

- Non-partisan detailed spreadsheet walkthrough
- Non-partisan bill summary walkthrough
- Member Discussion

*Testimony: Public Testimony will not be taken during the hearing. Written Testimony can be submitted to nick.stumo-langer@house.mn.gov no later than 12:00pm Thursday, June 5th.

Nick Stumo-Langer

From: Tami Lubowitz <redhead317@hotmail.com>
Sent: Thursday, June 5, 2025 11:35 AM
To: Nick Stumo-Langer; Megan Rossbach; David Zak
Subject: Please distribute & post letter from our employee: please share w/

Hello team,
I'm emailing on behalf of our employee who can't access her email during her shift. Please distribute this to the Work Group members and the public at the hearing this afternoon, as well as post this on the public hearing webpage.
My name is Portia Hunstiger. Since August 2020 I have worked Part Time as a supplemental DSP (Direct Support Professionals) at a Family Adult Foster Care business in Saint Cloud. The husband and wife owners who employ me have a desire to help people and started their journey of caring for people with various disabilities in their home with a 245A AFC (Adult Foster Care) license in 2014. In 2018 The Way Home, LLC became 245D licensed as FRS (Family Residential Service) home.
I have cared for as many as 3 vulnerable adults with Rate EXCEPTIONS due to HIGH BEHAVIORS complex mental health diagnosis and currently care for 1 vulnerable adult living at the home, who has lived here since Aug 1, 2023. Over the years I have filled a great need in our community. I assist with providing care and support for individuals navigating many different diagnoses, suffering with severe & persistent mental illness, developmental disabilities, and cognitive impairment. It IS a GOOD work. The proposed flat rate would be a mistake for FRS, even with the modest increase!
I am writing you today in hopes that you will be a champion for Vulnerable Adults living with disabilities. I am also asking that you reconsider Governor Walz's budget that would dismantle so much work that has been accomplished in Disability Services.
(Omnibus Bill pertaining to FRS providers) As I shared, my FRS employers provide support and care for vulnerable adults living with a disability, in their own residence. This gives people a feeling of living in a family and the consistency and care they need, along with supporting their choices. This FRS is part of the ecosystem of disability service providers in MN. However, as I have been told by my employers, beginning January 1, 2026, payment rates will be set to a new flat rate system, which threatens our livelihood and our work caring for Minnesota's vulnerable adults, by imposing cuts 40-80% for providing the same level of care.
It is your responsibility to ensure that FRS providers can continue doing this critical work. Why risk traumatizing and disrupting the lives of vulnerable adults in MN with the potential of a mass of homes closing? Where will the vulnerable live? At what cost?
Without Family Residential Services thriving in our state, thousands of adults living with a disability could find themselves without care, and without a place to call home. Family Residential Services are already one of the most cost-effective ways to provide for our most vulnerable adults. I
t is critical that you reject these budget cuts and find a better way forward together.
Thank you for taking this incredibly kind and humble step to save disability services in Minnesota. Thank you for your time,
Portia Hunstiger

4312 Co Road 120
Saint Cloud, MN 56303

Gratefully,
Tami Lubowitz
C: 320.345.1367
Eph 3:20 Immeasurably more!

Nick Stumo-Langer

From: oakhill@runestone.net
Sent: Thursday, June 5, 2025 11:29 AM
To: Nick Stumo-Langer
Subject: URGENT- PLEASE SAVE FRS HOMES

June 6, 2025

Dear Representative Stumo-Langer,

Please keep Family Resident Services homes OFF the Tier System. Support vulnerable adults' Family Residential Services (FRS) homes by keeping these homes on the Disability Waiver Rate System (DWRS). Our residents with disabilities do not know this change is coming. Both will be devastated if they must move because we are not paid a living wage. Where will they go? They are older retired vulnerable adults who no longer have parents or unemployed family members that can give them 24/7 care for their individual needs. Our guy writes "I love you", "good friend", "joy" on his letter board each morning and shows me, his DSP. Our other resident and I have a 14-year standing joke about *mustard*. We all kayak together and roast marshmallows around the campfire. Though these are fun activities, this job is much more complicated. **This is an intensive job behind the scenes**, and it takes an enormous amount of work to facilitate all the resident activities, appointments, daily routines (esp. with people exhibiting different mental illnesses and behaviors), fixing/maintaining resident items, and the ongoing daily administration tasks.

Why are the most vulnerable adults' Family Residential Services (FRS) homes being singled out? Wouldn't it make more sense to cut all DHS funding, at a minimal percentage, across the board rather than eliminating one very essential group? Personally, I'd rather take a 3 to 5% cut in the DWRS framework over the **58% to 66% cut that our home is going to experience in the Tier System** (**with the 25% increase)**. The Tier System will force FRS homes to terminate residents' services because their Providers/DSPs need to find a living wage job. **The Tier System does not allow for FRS providers to afford to pay their portion of living in their own homes** (mortgage, car insurance, vehicle loan payments, provider food costs, utility bills, internet, business/office expenses, etc.) It also limits resident choices because DSPs cannot afford **participation costs** related to resident activities (movies, camping, garage sales, restaurants, etc.)

FRS homes are 245D and AFC Licensed. Why are FRS providers being forced to the Tier System while CRS homes continue to remain on the DWRS? Page one of the DWRS illustrates the same base and current pay rate for DSP in FRS and DSP in CRS homes. Differing only in sleep hour wage. **FRS homes' administration and DSP** (providers maintain both jobs in FRS) **are required to follow the same 245D standards and training as CRS homes. Re- evaluating payment for FRS seems unfair and discriminatory.** Please refer to the 245D intensive services policies and forms page as an indication of DHS's equal requirements for FRS and CRS 245D licensed homes: https://mn.gov/dhs/partners-and-providers/licensing/hcbs-245d/intensive-services-sample-policies/

Please refer to the DWRS framework as an illustration of what services the Tier System will take away from residents' in FRS homes in relation to DSP/administrative staff: https://mn.gov/dhs/partners-and-providers/news-initiatives-reports-workgroups/long-term-services-and-supports/disability-waiver-rates-system/rate-setting-frameworks/ Page one illustrates the equal payment for FRS and CRS DSP with the exception of sleep hour wages. On the Tier System FRS providers would no longer have a fair current Competitive Workforce Factor DSP wage, no benefits, client programming and supports, program related expenses, etc. Refer to the final page of the DWRS to understand that the services FRS and CRS homes provide are intensive and follow the same required 245D guidelines. In addition, programming expenses have already been adjusted per the type of residential services, FRS (6.30%) CRS (18.45%). **The services for vulnerable adults in FRS homes should not be limited because they chose to live in a family environment.**

How is the Tier System going to compensate homes whose residents are at home full time vs. those homes whose residents are at a day program for a portion of the day? The DWRS already does this by subtracting resident hours when they are away from DSP care. **FRS providers are working three eight-hour shifts per day (without overtime compensation). This certainly leaves no time for an FRS provider to get an additional job. FRS providers have a right to earn a living wage for the three eight-hour shifts per day they work.** Our residents deserve to stay in their family residential home with unique family experiences! Consider the long-term impact this will have on residents and the disability community in general. **Please keep Family Residential Services homes on the DWRS. Please keep vulnerable residents in their family (FRS) homes.**

Respectfully,

Erik Filipiak, Administrator/DSP
Oak Hill Adult Services

Nick Stumo-Langer

From: Katie Olson <ktolson19@gmail.com>
Sent: Thursday, June 5, 2025 10:44 AM
To: Nick Stumo-Langer
Subject: FRS' Rate Tiers-REJECT I BEG YOU

Dear Mr. Stumo-Langer,

As a provider of Family Residential Services (FRS) in Cold Spring Minnesota, I am reaching out to urge you to ensure that FRS homes are protected and prioritized as you finalize the Human Services omnibus bill. There are approximately 1,200 FRS homes statewide, serving several thousand individuals with disabilities in community-integrated, family-style settings. These homes are a cornerstone of Minnesota's residential service landscape, especially in rural and greater Minnesota, where alternative models are limited or unavailable.

However, FRS providers are facing increasing financial and regulatory strain. Unlike larger residential settings, FRS homes operate with limited administrative capacity and workforce flexibility. Policy and budget decisions that might seem small on paper can have disproportionate impacts on FRS homes, forcing closures and displacing individuals who rely on these homes for safe and cost-effective care.

The current rate tiers that are proposed offer a 52% rate decrease in my current rates and would force me to terminate services for the people who I have been serving for 5 years. I would need to head back into the workforce and I feel horrible about these guys I care for and love but I have a family, a mortgage and bills that continue. I cannot possibly work 24hrs a day on the rate tiers and still comply with all 245d regulations and person centered supports.

I do appreciate that a 25% raise has been agreed to for the FRS providers, but I want to make sure that you understand the significance of that rate. Below is the breakdown of the rates that are currently in budget and what the rates would be with the 25% increase.

With the 25% increase the rates would look like this:

Tier Current Proposed
1 $154.32 $192.90
2 $186.70 $233.38
L $201.89 $252.36
3 and 4 $243.22 $304.03
H and E $304.62 $380.78

These rates may look good, but they are for me working 24 hours not 8 hours. My home requires me to work 24/7 to meet each person's needs.

As you finalize this budget, I urge you to:

- Reject any reimbursement rate reductions for Family Residential Services
- Support stable financial outcomes for FRS homes, such as keeping FRS homes on the DWRS.
- Recognize FRS as a unique and essential part of the DWRS system, and ensure its sustainability in both budget and policy
- FRS Providers represented on a new budget focused task force

The long-term viability of the FRS model depends on legislative understanding and support.

Thank you for your service and for keeping small, community-rooted providers like ours in mind as you finalize this critical legislation.

Sincerely,
Katie and Seth Olson
Grace Living Homes
Family Residential Service Provider

I am writing to express my concerns regarding the proposed flat tiered rate system for Family Residential Services (FRS). I believe this methodology will have a detrimental impact on both the individuals receiving services and the providers of those services.

As the COO of Axis, Inc., I contract with six FRS providers to support a total of 13 clients. While the county has not provided specific information regarding the tier each client will be assigned, we anticipate that 12 out of 13 individuals will experience a significant reduction in their rates. FRS services currently represent the most affordable option and offer a stable workforce.

However, the proposed rate tier system poses a significant risk to the continued provision of FRS services. Five of our six providers may choose to discontinue their services due to the substantial cuts imposed. This would result in 12 individuals facing the daunting prospect of finding new homes, entering into crisis situations, or falling through the cracks of the system.

Furthermore, the implementation of the rate tier system would have a detrimental impact on the state's budgetary resources. Additionally, this plan devalues the lives and personal choices of Minnesota's most vulnerable citizens.

Therefore, I urge you to reject the proposed rate tier system and to continue utilizing the Disability Waiver Rate Setting (DWRS) methodology until a more equitable and fair system can be developed.

Thank you for your consideration.

Sincerely,

Linda Hughes
COO
Axis, Inc.
2345 Rice St, Suite 112
Roseville, MN 55113
651-357-1108
lhughes@axis-mn.com

Nick Stumo-Langer

From: rick vaughn <rpmrickzz4@gmail.com>
Sent: Thursday, June 5, 2025 10:00 AM
To: david.zak@mnsenate.gov; Nick Stumo-Langer
Subject: FRS flat rate effect

Dear Senate and House, Human Services budget Conference Committee.

First, I want to thank you for your work on this, this year. It is not easy to deal with significant budget deficits and trying to help all those you serve.

I do appreciate that a 25% raise has been agreed to for the FRS providers, but I want to make sure that you understand the significance of that rate. Below is the breakdown of the rates that are currently in budget and what the rates would be with the 25% increase.

With the 25% increase the rates would look like this:

Tier	Current	Proposed
1	$154.32	$192.90
2	$186.70	$233.38
L	$201.89	$252.36
3 and 4	$243.22	$304.03
H and E	$304.62	$380.78

These rates may look good, but they are for me working 24 hours not 8 hours. My home requires me to work 24/7 to meet each person's needs.
The framework currently puts the persons I serve at: $558.08 which is $23.25 per hour per day, **BUT, even with the 25% increase, THIS IS GOING TO DROP to $192.90 which is $8.04 per hour, and the new wage I'm about to receive is $3.09 below the 2025 state minimum wage.** I must still provide all the same care and must still complete all the 245D paperwork, but for this person that is a **65.4% pay cut**.

Do you believe that FRS homes will want to stay open and complete all the needed paperwork, and provide the needed care for this huge cut?
Has any other group at the state been asked to take this significant type of a pay cut?

We Love what we do and who we care for, but I also must pay my bills.

Please re-look at this and the effect it will have on those we care for.

Thank you for your time.

Rick and Juanita Vaughn

Vaughn Family Home AFC

Nick Stumo-Langer

From: Sam German <samq46@yahoo.com>
Sent: Thursday, June 5, 2025 9:58 AM
To: Nick Stumo-Langer
Subject: My brief word on FRS flat rate restructure

Hello, Mr. Stumo-Langer.

I'm sure you've received many emails about the proposed changes to the Family Residential Services (FRS) rate system, but here's another brief one.
The people we support require constant care and supervision, and the new proposed rates would cause many FRS homes to close their doors. For the 3 ladies we provide care for, our reimbursement is about 1/3 the cost of sending them to Community Residential Services (CRS), and we're able to provide more personalized, family-oriented care. If the new flat rate system goes into effect, even with the 25% increase from the initially proposed rates, an untold number of residents will be re-placed into CRS homes, thereby dramatically ***increasing*** the cost of care for disabled adults in MN. It may appear like a good idea to cut rates for FRS providers, but in reality, this change will be far more expensive.

It's hard to keep track of what's on the docket for us, but what we really need is to stay on the Framework rate system until there can be an effective analysis of the rates, which has certainly not been done. It's a reckless cut to a program that ***saves*** money for our great state, and I hope you can see why. I'm always happy to have a rational discussion on this topic.

Thank you for your time.

Sam German

612-443-7427

Nick Stumo-Langer

From: Becky Bosl <beckybosl123@gmail.com>
Sent: Thursday, June 5, 2025 9:32 AM
To: Nick Stumo-Langer
Subject: Testimony for Public Hearing for Suman Services Working Group Today

I would like to formally request my testimony be submitted for the public hearing for the Human Services working group today. Thank you in advance!

Dear Health and Human Service Committee Members,

Please Keep Family Residential Services (FRS) off the Tier Rate System. Support Senate File 3027 (MARSH). Please Support keeping our 245D Licensed Adult Foster Care Homes on the DWRS rate system. This rate system more accurately captures the hours we work each day 24/7/365 days a year. The services we provide are not only "direct cares". In our home, it is constant supervision, redirection, and verbal and emotional support and an immense amount of administrative tasks and training required by 245D licensing. Much of this is not reflected in the Tier Rate System.

In the Blue-Ribbon Commission Report for 2020 it states: "Because this service is provided within the provider's home and is embedded within their daily life, establishing direct service hours is difficult…" I would argue that ALL of our daily life is embedded with providing services. There is no time out, no sick days, no paid vacations, hardly even an opportunity for a private conversation. When we are sick, mentally exhausted, stressed or overwhelmed whether its foster care related or personal, we still must show up and provide the same quality of work. In fact, in our home like many others, if our client can sense that anything is off or out of the ordinary, we see behaviors making things even worse. Whether we are in our home or somewhere else, the services, supervision, and supports are still being provided. We should not be discriminated against for offering these services in our homes and providing a family life setting for the people we serve.

Here is a list of just some of the documentation and service delivery requirements we as Family Residential Services must adhere to:

- Trained Medical Administration
- Supporting and Developing Service Support Outcomes
- Person Centered Planning and Delivery
- Individual Abuse Prevention Plans
- Maintaining Service Recipients Rights
- Policies and Procedures
- Extensive Annual Training
- Carrying out Housing Support Agreements
- Funds Management

- Medication Reporting, Documentation and Review
- Daily Progress Notes
- Quarterly and Annual Reports on Service Outcomes and Delivery
- Medical and Health related appointments, scheduling, and communication
- Collaboration with support teams, licensors, religious affiliations, guardians, families, friends, community groups, day service programs, etc.
- Meal planning, grocery shopping, household services, transportation, personal care etc.
- Holding all 245A and 245D licensing Requirements
- Household maintenance, safety, accommodations, and repairs to meet the state required standards

Please also consider the livelihood of the people we serve. Our homes are their homes, our families, friends, neighbors, and community are theirs too. I have had my client for 6 years now. She fits right in and loves it here. Her family chose us to provide services. She chose us. Some of her favorite things about living here are neighborhood gatherings, bonfires at our lake, spending time at the farm, our family dog, and enjoying the country life setting where she has room to ride bike, scooter, go rock hounding, and enjoy time outside where she is safe. She also loves her extended foster care family. Every birthday party, holiday, family gathering, movie night, games, etc. she is there too. She looks forward to her time with our families. This isn't just a business, it's her HOME. Our extended foster family, neighbors, and friends are part of her cultural identity. Each year at her annual meeting she is informed about her choices of where to live and whom to provide services for her. She chooses us. Every time. This is part of the Jensen Settlement and the Olmsted Plan affirming the right of individuals to live in the most integrated and least restrictive settings possible.

If our FRS home must close due to unsustainable funding, she has so much to lose. Currently she is a 10-minute drive away from her family. This allows her to visit her family often and attend her family events. She loves her job, her friends, extended foster family, special Olympics team, and her health care professionals. She stands to lose EVERYTHING she knows if she is forced to relocate. In rural MN, there aren't many options for housing and certainly not many with open beds.

When FRS homes are forced to close due to lack of funding, thousands of individuals will be in a similar situation. Currently we are the cost-effective option. Our rates are lower than other 245D settings such as Corporate Residential Settings and definitely lower than hospitals, nursing homes, institutions, and assisted living quarters. If our homes are forced to close, this will in turn COST the state and our taxpayers unforeseen expenses. It will create trauma, homelessness, mental health crisis, behaviors, high medical needs, emergency situations and more. These things can be very difficult to overcome. This will be devastating for our most vulnerable MN residents.

They did not cause the budget deficit, most do not understand it, and most cannot advocate for themselves.

Please help us keep our doors open, continue to provide quality care and support, all while maintaining a safe and loving home with CONTINUITY OF CARE to the individuals we support.

- **Keep Family Residential Services in the DWRS framework**

- **Reject the flat or tiered rate models that reduce individualized care**
- **Invest in strengthening DWRS, not replacing it**

Let’s keep our people HOME.

Thank you for your consideration.

--
Becky Bosl
Cedar Hills Foster Care
19605 150th Street
Sauk Centre, MN 56378
Phone: (320) 493-9500 or (320) 352-3453
Fax: (320) 352-3453
beckybosl123@gmail.com

Nick Stumo-Langer

From: LINDA FAIRCHILD <mfairchild1071@msn.com>
Sent: Thursday, June 5, 2025 9:17 AM
To: Nick Stumo-Langer
Subject: Ask counties about impact of FRS rates

Importance: High

Good morning Nick. Can you please attach the following letter to the Conference committee written testimony.

Thank you.

Dear Human Services Conference committee,

My name is Linda Fairchild and I do FRS in Wright County. I provide support to FRS providers through out the state via a monthly Zoom meeting. I have sent you all many letters letting you know how devastating this cut will be. Worse part to me is how so many providers are not aware and the counties all seem to have confusion about this change to a Flat Tier and the possible impact.
So I am asking you to check with the counties as I state below. When we the FRS providers talk to them the counties they seem so unaware of what the statue is and how this will impact our homes. Counties are very scared about what will happen when FRS homes start closing. So before you make a decision Please! Read my statement below.

I want to share that your HS Conference committee should ask any county about the impact this cut will have on FRS homes in their counties. Many county SW and CM have no idea of the flat tier rate and those that do know are told to not share or have been given misinformation.
Why is it a secret?

Counties are terrified that when this happens and homes give notice that they can not safely care for the persons with disablities what will the county do?
Many counties have the false notion that homes can have an exception but that is in statue that they cannot.
Some counties believe that it is not the truth that it is happening because it was not part of the 2023 Legislative report about what passed and would affect Human Services. That was horrible to not have DHS state in that report and webinar about the flat tier rate so many counties and many/most FRS providers are unaware.

I plead you to take time to ask any county about this. But I fear you will get a different response from Anoka as they seem to perceive FRS homes different but please ask the other members of the conference team to call their counties or checks with a SW or CM to see what they know of this and how fearful they are.

Thank you for your time and efforts to listen and try to help FRS providers.

Linda Fairchild

Fairchild's FosterCare
6718 Odean Ave. NE
Otsego, MN 55330
612-558-0321 cell
mfairchild1071@msn.com

Nick Stumo-Langer

From: Jessica Mello <melloadultfostercare@gmail.com>
Sent: Thursday, June 5, 2025 9:11 AM
To: Nick Stumo-Langer
Subject: Help save my FRS home

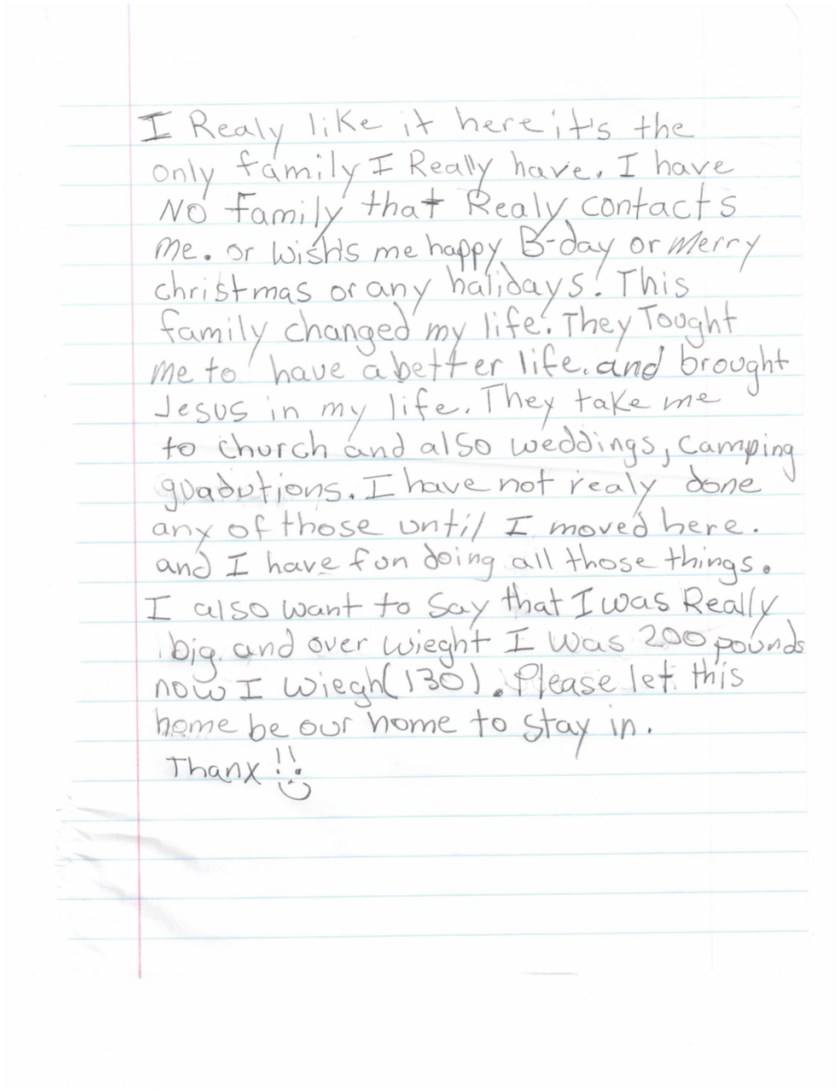
Good morning,
My name is Jessica Mello and I am a provider of a Family Residential Services (FRS) home. With the potential flat rate system coming into effect, I would have to close my home like many other providers would have to close as well. That is a lot of displaced clients. Where does that leave my clients? They would be forced to leave their family and everything they know and love after being a part of that family for 7 years. The new rate would break down to $9.00 a hour for 24/7 care. That would not pay the bills and is not a livable wage. Would you work for that hourly amount? I have the same requirements and responsibilities as a cooperate foster care if not more as we do not have revolving staff and are required to live in our home. Most people go home after work, we do not. Why should I be paid less? These new rates will impact so many clients and violate their rights. I urge you to increase the flat rate system at least another 25%.

Jessica Mello, BSN, RN, AFC Director, DC, DM
Mello Adult Foster Care
Baxter, Mn 56425
Phone: 218-393-4855
Melloadultfostercare@gmail.com

Nick Stumo-Langer

From: sjfridgen@embarqmail.com
Sent: Thursday, June 5, 2025 7:17 AM
To: Nick Stumo-Langer
Subject: letters from people we support, please save FRS HOMES

The people we support wanted to share their letters with you. These flat rates directly conflicts with the principles of the Omstead Plan and the Jensen Settlement, both of which affirm the right of individuals to live in the most integrated and least restrictive setting possible. Please consider their wishes, dreams and hearts when making decisions. Below are their letters. Thank you for your consideration.



I Realy like it here its the only family I Really have. I have NO family that Realy contacts me. or wishs me happy B-day or Merry christmas or any halidays. This family changed my life. They Tought me to have a better life. and brought Jesus in my life. They take me to church and also weddings, camping graduations. I have not realy done any of those until I moved here. and I have fun doing all those things. I also want to say that I was Really big and over wieght I was 200 pounds now I wiegh(130). Please let this home be our home to stay in.
Thanx !!

Dear State Sentent
Diese dont cut our Funding iNeed them
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My Family Beause I Want to work at My
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From Depect
Sorensen

Nick Stumo-Langer

From: Judyann Fridgen <sjfridgen@outlook.com>
Sent: Wednesday, June 4, 2025 11:15 PM
To: Nick Stumo-Langer
Subject: Urgent support needed to save FRS homes

Shawn and Judyann Fridgen
Fridgen Foster Care
651239th Ave NE Nelson MN 56355
320.493.9872, 320.815.7566

Dear Committee Members

We are Shawn and Judyann Fridgen. We operate a FRS program in Nelson Mn. We are desperately asking you to support, SF 3027 from MARSH. This is to keep FRS settings from being on the flat rate. We want to keep our programs open. We are also members of both Marsh and ARRM.

People say money talks and that's what matters in this budget. You have a very big job to do for the state of MN. But an even bigger job for the PEOPLE of this state.

Our program, like most of the other FRS settings in MN cannot survive the flat rate cuts that have been passed. Please remember these businesses run 24/7, and those rates we are looking at are actually three eight hour shifts. When breaking this down, this puts many of us below minimum wage. While this may have initially been seen as cost savings to many, there have been oversights. The proposed flat rate funding model would devastate this model of care. Even with the recently discussed 25% increase, the rate is not sufficient to reflect the intensity and customization of services we provide. A one-size-fits-all rate structure is a direct threat to the stability of thousands of Minnesotans who cannot afford to lose their homes. The programs that can remain open will have to make some hard decisions financially impacting those we support. When these programs can barely pay the heat bill, licensing fees, electric bill, office costs, insurance, they will be hard pressed to do community events with the people we support. Please understand that when we can't afford to go, we cannot take them in the community as many people we support need supervision to do this.
If FRS homes close, where will these people go? Higher-cost, more restrictive placements? Emergency rooms? Psychiatric units? We know what will happen—trauma, regression, and loss of dignity. And it will ultimately cost the state more.
Minnesota must do better. I respectfully ask you to:

- **Keep FRS in the DWRS system, where rates reflect real needs**
- **Reject the flat or tiered models that ignore service complexity**
- **Protect the homes that are keeping people safe, stable, and out of crisis**

These are not just budget decisions. These are moral decisions. I hope you will lead with compassion and protect the most vulnerable people in our communities.

. Please keep us from being on flat rates! We all feel this is discrimination as the CRS programs that do the same job we do will be paid substantially differently. How can the state of MN pay on program so differently for the same job, the same qualifications, the same costs, the same training, the same licensing standards? This is simply not fair.

But that's not the heart of this. The heart of this is in the people we support. The state of MN was one of the leading states serving vulnerable people with disabilities. We strived to be person centered. We strived for the rights of the people we serve!

What happens when our businesses close? When they are told they must look for somewhere else to live? Most people we support will not be able to obtain a new home in the same area. Can you even imagine the heartache they will sustain? They will struggle to understand why they cannot stay with the people they consider THEIR family (for some are their only family). They will miss what they know as their neighbors. But even worst and nobody is talking about this is they will miss their friends, their boyfriends, their jobs, their communities. If they cannot find a home in the same area, they will lose their healthcare connections such as Dr's, Dentists, Counselors, Psychiatrists. The continuity of care will be lost. Once our programs start to close, the CRS programs will be too full to take them. They are already dealing with a workforce crisis and cannot manage this. The people we support will struggle so immensely. This will cause mental health crisis, behavior crisis that our communities and families are not ready to handle. There will be people here in MN that will be forced to live in nursing homes, hospitals costing the state of MN far more than realized. PLEASE DONT DO THIS TO THEM! There is a far bigger cost to them than just the dollars/budget to keep these doors open. We are begging you to help us to keep our programs open. These special people of MN need you to be a voice for them.

As it stands right now, January 1, 2026 we will break hearts. Please help them! Please support Family Residential settings leaving us out of the flat rate altogether. Please share these concerns with your colleagues. We would love to have you meet our loved ones, to visit our home.

Thank you for your consideration

Shawn and Judyann Fridgen

Shawn & Judyann Fridgen
Fridgen Foster Care

Phone: **320.493.9875 Judyann**
Phone: 320.815.7566 Shawn
Email: sjfridgen@outlook.com
Fax 320.852.9933

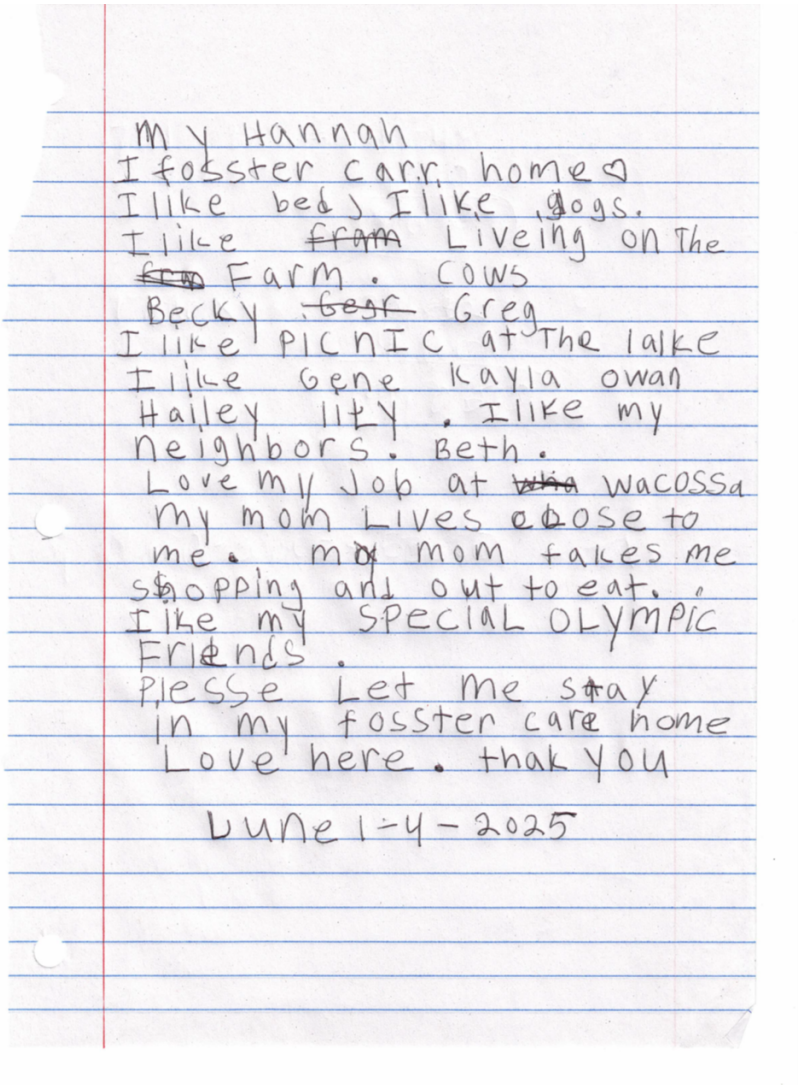
6512 39TH Ave NE
Nelson MN 56355

Nick Stumo-Langer

From: Becky Bosl <beckybosl123@gmail.com>
Sent: Wednesday, June 4, 2025 11:11 PM
To: Nick Stumo-Langer
Subject: Letter from my Client with Disabilities to Human Services Conference Committee June 5th

Nick Stumo Langer,

My client in our FRS (FAMILY foster care home) has written a letter for the Human Service Committee. Please consider her thoughts and her words and share with those on the committee. She deserves to be heard. These rate reductions will impact her significantly.



My Hannah
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I like ~~fram~~ Liveing on The
~~farm~~ Farm. cows
Becky ~~besf~~ Greg
I like PICNIC at The lake
I like Gene Kayla owan
Hailey lily. I like my
neighbors. Beth.
Love my Job at ~~wica~~ wacossa
my mom Lives close to
me. my mom takes me
shopping and out to eat.
I ike my SPECIAL OLYMPIC
Friends.
Piesse Let me stay
in my fosster care home
Love here. thak you

June 1-4-2025

Thank You!

--

Becky Bosl
Cedar Hills Foster Care

19605 150th Street
Sauk Centre, MN 56378
Phone: (320) 493-9500 or (320) 352-3453
Fax: (320) 352-3453
beckybosl123@gmail.com

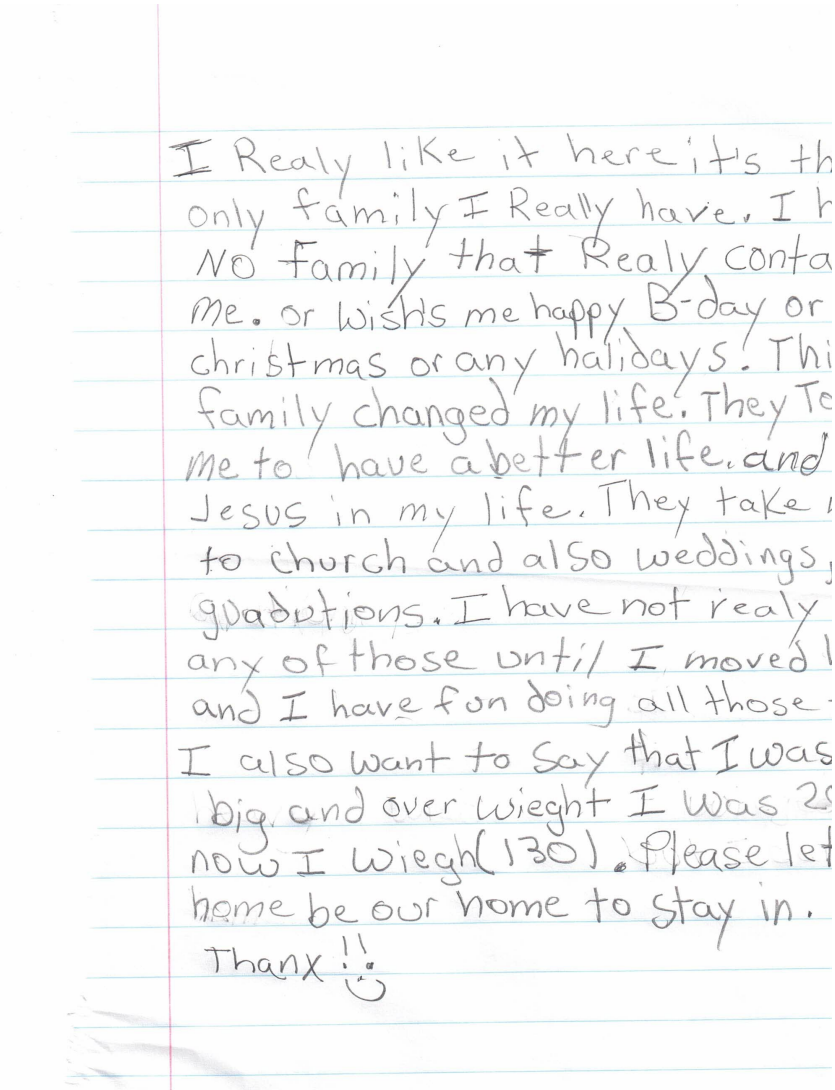
Nick Stumo-Langer

From: Judyann Fridgen <sjfridgen@outlook.com>
Sent: Wednesday, June 4, 2025 10:46 PM
To: Nick Stumo-Langer
Subject: Letters from clients to share at meeting

Shawn & Judyann Fridgen
Fridgen Foster Care

Phone: **320.493.9875 Judyann**
Phone: 320.815.7566 Shawn
Email: sjfridgen@outlook.com
Fax 320.852.9933

6512 39TH Ave NE
Nelson MN 56355



I Realy like it here it's th
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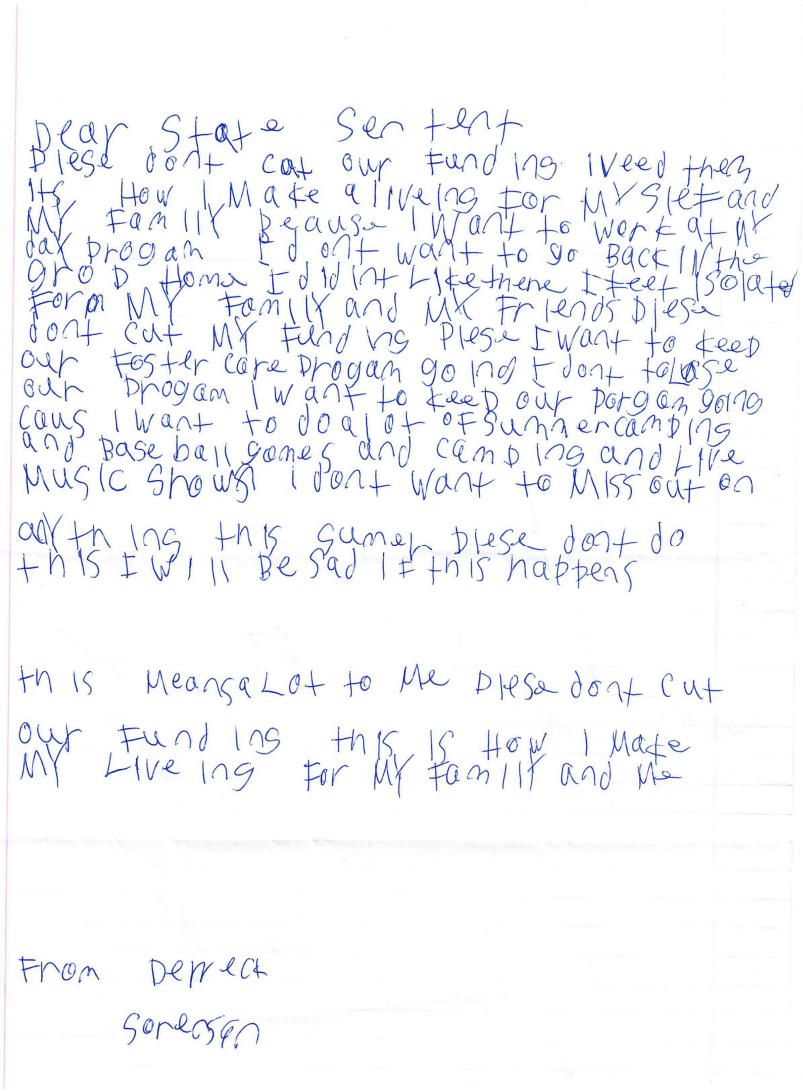
christmas or any halidays. Thi
family changed my life. They Te
me to have a better life. and
Jesus in my life. They take
to church and also weddings,
gradutions. I have not realy
any of those until I moved
and I have fun doing all those
I also want to say that I was
big and over wieght I was 2
now I wiegh(130). Please let
home be our home to stay in.
Thanx!!



Dear State Senate
Plese dont cut our funding i need them
its How I Make a living for MY Slef and
MY Family Beause I Want to work at MY
day progam I dont want to go Back In the
grop Home I did int Like there I feel Isolate
For MY Family and MY Friends Plese
dont cut MY funding Plese I want to keep
our Foster care Progam going I dont to lose
our Progam I want to keep our Porgam going
caus I want to do a lot of Summer camping
and Base ball games and camping and Live
Music Shows I dont want to Miss out on
anything this Sumer Plese dont do
this I will Be Sad If this happens

this Means a Lot to Me Plese dont Cut
our Funding this is How I Make
MY Living For MY Family and Me

From Derrick
Sorensen

--
Fax: (320) 352-3453
beckybosl123@gmail.com

As someone who has worked within the Autism service field for three years and has been a long-term ally of the Autism community due to having a sister on The Spectrum, I have direct experience with and exposure to the incredible need for accessible Autism services. The proposed alterations to the Human Services Bill seek to destroy and dismantle the services that hundreds of thousands of individuals desperately need to develop the skills necessary to navigate life as neurodivergent individuals.

My sister was diagnosed with Autism at 18 months and was told by numerous doctors and providers that she would never lead a normal life, never get married, never create strong social bonds, and never hold a job. My family was told time and time again that she would never be able to function properly in the world due to her disability. From her diagnosis at 18 months, my parents found ABA, speech, and occupational therapy services for my sister in order to provide the supports and structures necessary to teach her how to navigate her neurodivergence. These supports and services proved critical to her long-term success, as she is now a 24 year-old woman pursuing her PhD at Brown University while conducting research with the Navy on Seal whiskers and being the first openly Autistic contestant on Survivor. Through the intensive early intervention Autism services that were available to her, she has developed the essential skills of socialization, self-regulation, resilience, and autonomy that has proven every single doctor and provider who doubted her life-long abilities at her diagnosis.

Through working within the Autism community for three years, I have witnessed and directly implemented the ABA and social skills therapies desperately needed by neurodivergent communities. I have observed children who had never created positive social bonds outside of their family unit after being ostracized by peers due to their neurodivergence learn how to navigate social situations appropriately and create healthy bonds with friends. I have seen children flourish through learning to regulate and self-smooth the emotions and neural responses that had previously debilitated them through engagement in ABA, speech, and occupational therapies. I have seen children unlock special interest and focuses that enable them to both smooth themselves and create points of conversation and bonding with others as a direct result of intensive and early intervention therapies. These foundational life, socialization, and self-regulation skills that come naturally to neurotypical individuals require additional time, resources, and supports to be modeled and developed for individuals with Autism that have been supported and protected by the Human Service Bill for years.

With the proposed alterations of the Human Services Bill, these services that are crucial to the development and prosperity of individuals with Autism are at risk for detrimental dismantling that will disrupt the long-term prosperity and success of hundreds of thousands of individuals statewide. The proposed alterations to this bill will reduce access to critical services and pose irreparable damage to the livelihood of countless neurodivergent individuals. Altering the Human Services Bill is doing an incredibly disservice and injustice to vulnerable individuals, threatening the success and prosperity not only of the lives of individuals with Autism, but the lives of their friends and family members by offsetting the service delivery and wellbeing of these communities. It is essential that the rights and services of individuals are protected and enhanced, not dismantled and disregarded. As a community, it is our responsibility to advocate

for vulnerable populations and protect the livelihoods of all individuals, yet the alterations to this bill seek to destroy the delivery of services desperately needed and accessed by vulnerable Minnesotans.

Jenna Erickson
MSW, LGSW, LADC

Nick Stumo-Langer

From: LINDA FAIRCHILD <mfairchild1071@msn.com>
Sent: Wednesday, June 4, 2025 6:57 PM
To: Nick Stumo-Langer
Subject: HF 1894 line 590

Importance: High

Nick please share my letter below with House Conference Committee.

6/4/2025

Dear House, Human Services budget Conference Committee.

First, I want to thank you for your work in this year it is not easy to deal with significant budget deficits and trying to help all you serve.

I do appreciate that you and the Senate are giving the FRS providers a 25% raise but want to make sure that you are understanding the significance of that rate. Below is the breakdown of the rates that are currently in budget and what the rates would be with the 25% increase.

With the 25% increase the rates would look like this:

Tier	Current	Proposed
1	$154.32	$192.90
2	$186.70	$233.38
L	$201.89	$252.36
3 and 4	$243.22	$304.03
H and E	$304.62	$380.78

These rates may look good, but they are for me working 24 hours not 8 hours. My home requires me to work 24/7 to meet each person's needs.
I will have persons in my home who because of high medical needs have an exception. The framework currently puts their shared cost needs at: $841 per day and will drop to $380. I must still provide all the same cares and must still complete all the 245D paperwork, but for this person that is a 54% pay cut.

Another persons framework rate is $466 and will move to possibly $252 which is a pay cut of 46% and again must provide the same quality care and comply with 245D rules and regulations. They do not have an exception their rate is based on the framework and their needs.

Do you believe that FRS homes will want to stay open and complete all the needed paperwork, and provide the needed care for this huge of a cut?
Has any other group at the state been asked to take this significant type of a pay cut?

I love my people and want to continue to care for them, but I also must pay my bills.

Please re look at this and the effect it will have on those we care for.

Thank you for your time.

Linda Fairchild

Fairchild's FosterCare
6718 Odean Ave. NE
Otsego, MN 55330
612-558-0321 cell
mfairchild1071@msn.com

Nick Stumo-Langer

From: carrie snook <carrie1432@gmail.com>
Sent: Wednesday, June 4, 2025 6:41 PM
To: Nick Stumo-Langer
Subject: Save FRS Homes Please

Bill # SF 3027, SF 2297, HF 1894

Hello Nick,

My name is Carrie Snook, and I own and operate an FRS in my home. I have worked in the corporate field in Group homes. I started as a DSP, moved to a supervisory role over several homes, then to a QDDP role for 30 years. I started my own FRS home 9 years ago. I have 2 ladies that live in my home, and they have lived with me over the last 9 years. The ladies I serve have mild developmental disabilities and mental health concerns. One of my ladies came to my home and was on 20 different psychotropic medications, within 2 years of her living with me, and me building trust with her, she is now off of all psychotropic medications and is currently only taking vitamins. She is working in a community job and has been there for 8 years now. She continues to grow each year, is very happy, and loves the life that she has been able to build here in my home.

I support the two ladies in everything they want to accomplish in life. My other lady loves animals, so she saved her money, and she was able to buy her own dog. She loves this dog with all of her heart, and they need each other. I work 24 hours a day, 7 days a week with very little time to myself. Yes, I do work out of my home but I'm supporting my ladies every minute of the day, and assisting them in their daily tasks, so they can live their best lives.

As a FRS provider, I must have the same training as the corporations do. I also have to complete all the paperwork that is required by the state. The state also tells me I cannot get another job outside of the home because I need to be available 24 hours a day for my ladies. My husband and I have no time alone, and the only space that we have that is truly ours, is our bedroom. All other areas of the home are common spaces that the ladies, my husband, and I share. I don't get to clock out at the end of my shift and leave work at work, my work is with me 24 hours a day. The ladies are with me when I go shopping, attend other family outings/functions, holidays, and I take my ladies with me when we go on vacation. Essentially, they have become part of my family.

I'm looking for support from my legislators as DHS is wanting to put Waiver Reimagine, which includes a tiered rate system versus the DWRS rate system currently in place for FRS providers. This will greatly cut the amount of reimbursement I receive from the state to support the ladies that live in my home. I would no longer be able to afford to support the ladies in my home. I would not be able to support myself if they put this into place. I would need to get another job outside of the home, which DHS will not let me do, as I would not be available 24 hours a day for my ladies.

This will force me to close my FRS, and my ladies will then need to be placed into a group home. My ladies and I have discussed this, and they do not want this to happen as they both came from a group home, and they state that their needs were not met when they were living there. Living in a group home, their lives had no meaning, and they had no one that they could count on to support them. They state that they had DSP's and management come and go, and that there were never any consistent people working at their group homes to support them. They didn't get involved in their communities or the hobbies that they enjoy because oftentimes, the group homes were

supposed to have three DSP's working, and oftentimes there was only one DSP working. One DSP cannot provide adequate services to four people at one time. The clients that live in Corporate Homes don't have staff available to them to be able to go out into the community and enjoy the things that they love.

It seems that DHS is targeting FRS providers as we are the first ones to see budget cuts. I feel that DHS should spend more time at the corporations that have Group Homes, and question why they are getting paid so much more than FRS providers to provide less care. When corporations complete their service agreements, they are writing down and claiming that they have three DSP's on duty, when in reality, there is one DSP on duty. The corporations are then collecting the extra money from having to pay less for staffing. Isn't that considered Medicare fraud? That is what FRS providers have been told as we must account for all of the time we spend with our people.

I have talked with several FRS providers, and they are telling me that if all of this goes into effect, they will have to close their FRS and let their people go back to a Group Home. Is Minnesota really going backwards and let our people go back to an institutional style setting?

The proposed rates are very low and only pay $9.65 an hour and max time is 16 hours a day to get paid. Can you survive on $9.65 an hour? DHS also only wants to pay us for 351 days of the year when my clients are in the home 365 days and they have no family or other place to go. Do you want to work for free? DHS has always been about Person Center and giving clients options as where to work and live in the community. The clients have Hope and Dreams too and if you ask any client that currently lives in a FRS home if they want to move back into a group home the answer is going to be no way.

I'm going to give you an example of how much more money it is going to cost the state to place clients back into a Corporate Home.

1. State will be paying $4,420.20 more for 30 days to a Corporation for the Group Home rate.
2. Since DHS only wants to pay for 351 days worked for the year, I will be asking for a respite rate so the clients can go into Respite Care for those 14 days, which means this will be an additional rate to the state will be paying for.
3. I will not be able to afford my health care insurance that I pay for myself because I'm self-employed which is over 1200.00 a month. I will need to apply and get put on State Aid to pay for my medical care.
4. If I decided to keep my clients in the home, I will not be able to afford the Home Owners Insurance as DHS has us at a higher rate for any accident/incidents in our home. My Home insurance is over 5,000.00 a year.
5. I will not be able to afford my vehicle any more so that State will need to let the clients get unlimited transportation taken care through the state. This will cost thousands of dollars every year for each client. My current car insurance a month is 400.00 due to the fact I have a higher rate due to my clients in the vehicle to be covered if there is an accident.
6. I pay for all my own training out of my pocket that is required from the state. I would no longer be able to pay for this or my yearly licensing fee.

I would like to make a few suggestions on ways to cut back on spending.

1. Put a cap on all FRS homes to 2 clients, this limit in having to have extra staffing in the home that would be written into the contracts.
2. I worked in Corporate homes for 30 years, If you are wanting to look into fraud I would start there. I use to write service agreements for group homes and they list they have 3 staff working at all times, when in reality there is only 1 staff member working. I feel any FRS or Corporation homes should on a daily basis fill

out a report on how many staff are working on each shift, then you could see that you are over paying the corporations money that is not used for staffing for clients. I feel that DHS is targeting us FRS providers because we are a small group of us that are actually doing our jobs. I get phone calls from clients living in a group home asking me for a ride to a community activity because there Group home does not have staff available to take them.

3. Some reasons why you may be seeing an increase in FRS is due to clients that are living in Corporate homes are seeking out FRS placement.

4. Day Programs they are attending have no job sites for the clients to work at and they are stuck in house and they are bored because the Day Program has no involved activities for the client to participate in. I have received several calls from the Day Program my client attends asking me to keep the client at home for the day due to the fact they are short staffed or they don't have a job site. This means that nobody is claiming any funding during these days. Clients are now requesting to limit there time at Day Programs because they are bored and have nothing to do. Would you like to get up everyday at 6am and get ready to go to work to sit at a table all day and color, watch tv or go for a van ride? Are we as a state going back 20 years and wanting our clients to be institutionalized and limit what they can do? It sure seems as this state is going that way.

Thank You

Carrie Snook

612-290-8787

Carrie1432@gmail.com

Dear Committee Members,

If the proposed tier +25% for FRS goes through, instead of stopping them all together, teams are going to be getting notices of termination all over Minnesota in mass quantity over the next year. If you were to ask case managers how catastrophic that would be, they would tell you that with new legislation effective 7/1/25 it will be incredibly difficult and costly to find new placement for our clients. New regulations for placement in CRS removes the ability for a lot of our clients to be placed. They wouldn't be safe or thrive on their own, even if they could there aren't ICS openings. I know this because I've asked a few from different counties.

So again I ask, where are these clients going to go? Crisis placements? Hospitals? Nursing Homes? This will all cost even more than we are being paid now. Regardless, this is all going against the Jensen and Olsmtead act and them having the choice of setting to live in.

There is a chance here to stop a catastrophic collapse in the disability ecosystem. To turn the train around that's headed directly to towards institutions, because there is really no other options at this point as we remove choices from individuals and have a lack of housing available.

Alicia Olson
Olson Homes

Association of Minnesota Counties
www.mncounties.org

MINNESOTA INTER-COUNTY ASSOCIATION
www.mica.org

MACSSA
Minnesota Association of County Social Service Administrators
www.macssa.org

June 5, 2025

Chairs Hoffman, Noor and Schomacker—

From the outset of this legislative session, counties have been committed to working with our legislative and community partners to develop a human services financing framework that is efficient, effective and person-centered. We believe that this is critical not only to be good stewards of public dollars, but also to deliver dignified services through well-trained and supported human services professionals. Thank you for doing the difficult work of maintaining our shared values while meeting the challenges posed by our economic landscape. We are also grateful that you heard our county concerns and modified proposals that we believed would move our human services financing system in the wrong direction.

While the posted agreement maintains several smaller cuts to counties, we appreciate the effort made to eliminate the most significant cost shifts to county budgets. As the ink dries on this agreement offered by the Human Services working group, we have not yet fully examined the details and implications of the proposed statutory language. However, upon review of the agreement spreadsheet and accompanying materials, we believe this proposal is a better alternative to those introduced at the beginning of session.

As we review the bill language, we will be examining a few key areas that we have highlighted throughout the legislative session:

- MnCHOICES: We appreciate the work done to streamline our reassessment processes but have concerns about moving to a flat rate reimbursement model and changes that add more complexity to the process.
- Priority Admissions: We are looking closely at the interactions of the continued suspension of the 48-hour rule already passed in the human services policy bill and the dire need for investing in bed capacity. Our concerns about lack of bed capacity in the DCT system are exacerbated by the July 1st sunset of the legislature's two-year waiver of the Does Not Meet Medical Criteria (DNMC) cost of care for counties when an individual is delayed in transferring to another DCT facility caused by lack of bed capacity in the state operated system. This was originally linked to the 48-hour rule language that has now been extended by two years.
- Service authorizations: We have concerns about human services supervisors being required to conduct waiver service authorizations due to staff capacity.
- Rate exceptions for residential services: There is no statutory clarity in our rate exceptions authorization process, and this statute must be amended to clarify and avoid confusion as to the county role versus the role of DHS.

In the weeks and months ahead, counties commit to being your partner in tackling strong federal headwinds and uncertain state economic times. We stand eager and ready to engage in the Human Services Cost Savings Reform Workgroup to identify cost savings through future reforms, knowing that the contingent waiver residential

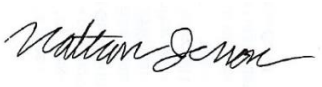
services cost shifts would be catastrophic for county budgets – particularly in light of looming costs to counties being proposed at the federal level. We value having a seat at the table in advance of decisions and can offer our human services experts as resources to fully understand how state policy modifications will impact our county budgets and the lives of the people we serve.

Again, thank you for your public service and continued partnership.

Sincerely,

Julie Ring
Executive Director, AMC

Matt Freeman
Executive Director, MACSSA
Human Services Policy Analyst, AMC



Nathan Jesson
Executive Director, MICA