



CATHOLIC CHARITIES
Twin Cities

Catholic Charities at Elliot Park
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May 2, 2023

Representative Tina Liebling, Chair
Representative Robert Bierman
Representative Dave Pinto
Representative Heather Keeler
Representative Joe Schomacker

Senator Melissa Wiklund, Chair
Senator Kelly Morrison
Senator Liz Boldon
Senator Robert Kupec
Senator Jim Abeler

Re: SF2995 HHS Omnibus Budget Bill

Chair Liebling, Chair Wiklund, and Members of the HHS Conference Committee:

In this time of a record state budget surplus, Minnesota has a historic opportunity to disrupt trends in homelessness, advance health equity, and help those most in need in our communities. On behalf of Catholic Charities Twin Cities, I urge you to include these transformative investments and reforms in the HHS omnibus bill:

Emergency Shelter Services

Please adopt the House position to invest \$70 million in ongoing funding for the Emergency Services Program (ESP) and \$40 million in ongoing funding for the Homeless Youth Act (HYA). These investments are needed to stabilize our state's emergency shelter system, prevent the closure of life-saving programs, and scale services to better respond to Minnesota's homelessness crisis. As the state's most flexible funding sources for youth and adults experiencing homelessness, ESP and HYA can support overnight and day-service shelter operations, including housing navigators, medical and mental health help, and employment counseling, as well as the shelter workforce behind them.

We ask you to further build on these investments by including one-time funding for the Hennepin County and Ramsey Continuum of Care shelter requests, as proposed by the Senate. These programs were launched during the pandemic to respond to the critical needs facing our communities and are helping to accelerate positive housing outcomes in partnership with nonprofits, but they now face a funding cliff that threatens to close services while hundreds of vulnerable individuals remain in need.

Homeless Elders Program

Please adopt the Senate position to invest \$1.5 million in Catholic Charities' Homeless Elders program. Since 2008, Homeless Elders has helped low-income older adults experiencing homelessness find stable housing by providing intensive case management and assistance navigating the complexities of Minnesota's aging and disability services. The program's strong reputation in the region means social workers, shelter providers, hospitals and others are making more referrals than the team can support, however, and the wait list to receive assistance averages 60 individuals and 3-4 months, leaving already vulnerable individuals at risk for poorer health outcomes and premature death.

Modifying Housing Support Countable Income

Please adopt the shared House and Senate position to reform Housing Support income calculations, ensuring tenants aren't required to pay more than 30% of their unearned income (including SSI, RSDI and veterans' benefits) toward housing. Shared language also excludes tribal per capita payments and lived experience income from countable income. Under current formulas, individuals can pay up to 90% of their monthly unearned income

toward Housing Support costs. These reforms will help more individuals exit homelessness, help those with housing keep it, and help those who are ready to transition off the program build the skills and savings needed to do so successfully.

Recuperative Care

Please adopt the shared House and Senate position to establish a statewide MA reimbursement for recuperative care. Recuperative care decreases emergency room visits and hospital readmissions, helps prevent the need for higher-cost components of medical care, and provides a safe place for people experiencing homelessness to heal. Establishing this reimbursement will strengthen partnerships between the public, private and nonprofit sectors that are working to improve health and patient outcomes for individuals experiencing homelessness.

Childcare Assistance Program (CCAP)

Please adopt the shared House and Senate position to increase CCAP rates to the 75th percentile. CCAP is the main form of childcare support for low-income working families. Increasing rates to the federal standard of 75% of market rate will help expand affordable childcare options for families and help providers better recruit and retain quality staff to care for and educate children in their programs.

Community-Based Mental Health Rate

Please adopt the Senate position to increase the community-based mental health rate to 8%. Including this rate increase is the most important thing Minnesota can do to support timely access to quality mental health care, such as that provided by children's day treatment programs. The need for this care has only grown as we've witnessed the mental health impact of the pandemic, but stagnant MA rates have strained the ability of providers to maintain these vital services and to hire and retain trained staff.

Housing and health are inextricably linked. Passage of these provisions would help strengthen and repair our state's safety net and advance efforts to address the inequities Minnesota currently experiences in both. We ask for your support.

Sincerely,



Lorna Schmidt
Director, Public Policy & Advocacy