Minnesota Hospital Association

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Testimony of Mary Krinkie
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House Behavioral Health Policy Division
Regarding HF 1529, March 10, 2021

Mr. Chair and members of the Committee. My name is Mary Krinkie and I am the Vice President of Government Relations for the Minnesota Hospital Association. My comments today will primarily focus on the A-1 amendment.

The A-1 amendment proposes a permanent exception to the hospital moratorium law if a hospital is seeking to add mental health beds. If the language ended there, MHA likely would not have objections to this amendment.

Our concern is with the additional criteria. Should it be a requirement that a hospital providing mental health beds must have an emergency room? And while the amendment does not impact Prairie Care given that they provide adolescent services, it is a successful model of providing inpatient mental health services without an emergency room. Similarly, the Anoka Metro Regional Treatment Center and the community behavioral hospitals do not operate an emergency room. As we know, these entities provide important mental health services to Minnesotans.

Emergency rooms are costly points of care – from staff to technology ready at all times for any critical response. There is no underlying base level funding for emergency rooms. New care models should not be explicitly prohibited due to not having an emergency room. For example, the state recently allocated up to $30 million in the last bonding bill for counties to partner with providers to create new mental health crisis centers, with the first one located in Rochester. Emergency rooms should not be viewed as the only way to access mental health services.

New models of care may also include hospitals that solely treat mental health or substance use disorders. While there is currently a federal Medicaid funding exclusion for Institutions for Mental Disease, referred to as IMDs, for facilities with more than 16 beds, there is some interest in trying to get this changed or waived under some circumstances with a new administration.

Other than COVID, inpatient volumes have been dropping steadily for several years and most hospitals have licensed beds that are not in use. Please do not think this amendment will swiftly add more mental health beds. Most hospitals could add mental health beds right now without having to go through the moratorium exception process. The moratorium law is not the barrier. The real obstacles are low reimbursements from both public and private payers and a lack of mental health professional staffing.

In closing, HF 1529 gives a lot of discretionary power to a government agency to monitor hospital services. Does the public really want to have hospital beds recalled or pulled from use that are currently in service to Minnesotans? MHA urges lawmakers to find solutions that add mental health services that utilize a carrot approach rather than big sticks.

Thanks for consideration of our comments.