

Minnesota House of Representatives

June 4th, 2025

The enclosed letters and Written Testimony were sent and provided to the Conference Committee for House File 2434, the Human Services Budget Bill during the 2025 Regular Legislative Session. We have printed it for distribution here during the Human Services Public Work Group meeting in advance of the 2025 Special Session.

We have also printed a packet of Written Testimony that was received once this Public Workgroup hearing was posted.

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Nick Stumo-Langer (he/him)
Committee Administrator, Minnesota House of Representatives
Minnesota House DFL Caucus
Human Services Finance and Policy Committee

Nick.Stumo-Langer@house.mn.gov
Centennial Office Building #3528

**Minnesota
House of
Representatives**

June 4th, 2025

Dear Conference Committee Member,

As a provider of Family Residential Services (FRS), 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.

As you reconcile differences between the House and Senate versions of the bill, I urge you to:

- **Reject any reimbursement rate reductions** for Family Residential Services.
- **Support stable financial outcomes** for FRS homes, such as a 51% rate increase to the existing flat rate tiers, or 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.

Please consider the following about Family Residential Services (Foster Care) dually licensed as 245D Waiver Services providers:

- 1) **Family Residential Services (Foster Homes) Versus Community Residential Services (Corporate Group Homes)** - Exact same licensing requirements and statute compliance. The only difference is that Family Providers sleep in their own bed and work 24/7 with supplemental help as needed.
- 2) **No staffing shortage or crisis** - The FRS provider is the staff 24/7 with supplemental help as needed.
- 3) **FRS homes are an avenue to prevent the State of MN from moving BACKWARD** to large congregate living facilities due to an ongoing staffing crisis. I have been working in this field for **40 years** and would consider budget cuts to FRS/Waiver providers a step backwards.
- 4) **Lower rates of Medicaid dollars used for emergency room visits or hospital admissions for medical or mental health needs** due to the consistency of the family provider working 24/7.
- 5) **Needs versus Physical Address** - NEEDS of an individual DO NOT change based on their Physical ADDRESS. Budgets should reflect needs and not an address.
- 6) **Person Centeredness (Choice, Wants, Rights)** - Individual living arrangements are NOT a one size fits all. For the approximately 1,200 individuals residing in FRS homes, it has been determined by their extended team that it's the best environment for them and the choice of the individual.

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,

Becky L Gaul

Gaul Family Adult Foster Care

After working at the state level as a Vocational Rehab Counselor, I switched to a Case Manager for the county and had a CADI/DD caseload. Going into FRS and CRS homes for annual meetings I could see the difference and I wanted to be part of that. I started an Adult Foster Care Home in 2020. My husband who is the only other staff we have is a nurse, we have 3 children who are very active and wanted one special person to join our family. We waited many months after getting licensed, having people touring our home and waiting for that perfect fit for the right level of care we felt we could provide. I schedule and attend all client meetings. I do all the 245D paperwork, and complete required training.

We have been asking friends and family if they would be willing to become staff so we can go out on a date or even a walk after dinner. Unfortunately, many people don't find the very low pay we could offer worth it to help our roommate with such often bathroom cares, mobility issues and the patience of the constant repetition.

The assumption that FRS homes only take the people that need very little cares or just need a safe environment to live is a joke really. It angers and saddens me that this is the perception as it is NOT the reality. Our roommate needs micro prompts for every simple task. But the biggest difference between FRS and CRS homes, is that our "roommate" became part of our extended family – they aren't just a job and a paycheck.

There are CRS homes I have been in that I wouldn't leave my child with, and that is for simple reasons that are easily preventable. The front doors are always unlocked for staff coming and going, some of the staff could hardly speak English, and the clients hardly had any privacy or consistency with the high turnover. I learned that during the Pandemic how CRS homes had to be run for safety and that is actually the main reason our person moved in. They were extremely high risk, however being bound to your room not seeing their family on typical weekend visits and eating the same junk food day after day sitting in bed on a table isn't the quality of life the guardians wanted for them.

The biggest issue we face is a misunderstanding of what FRS homes bring to the table. We provide consistent, family-oriented programming. We provide the people we serve with a home and with people that they can depend on because we live with them. We do NOT just take the least level of care. We have seen our pay continually decrease and we have to fight to be able to financially support ourselves. I know another FRS provider who recently had a situation where the MN-Choice Assessment said the person only needed 4 hours of care so they gave them a rate of \$84.00 a day. They had to terminate the person served because with all the rules that only apply to FRS homes:

- You aren't supposed to work out of the home
- You must be available 24/7 for support
- You must have someone in the home at night
- You must provide half of the direct care
- You still need to do all the same paperwork as a CRS home

They could not afford to keep that person. It was a travesty that they were put in that position. It makes it impossible to live, especially if you only have a one-bed facility. The average I was told is \$138 daily. If you divide that by 24 hours – it is \$5.75 per hour. That isn't even minimum wage. If we want to take time off we have to pay someone to take care of our people – we have to pay them market rate (a rate that isn't even supported in the system). Imagine trying to hire someone so you can take a weekend off.

My question is this: Would the case manager have even asked a CRS home (shift staffed) to accept that \$84 rate? We hear that we aren't taxed and that is one of the factors in determining rates of an FRS home. That is an unfair factor for many reasons:

- **Foster Care is taking someone in as a family member and the income derived is much like "child support"**
- **Foster care providers lose their privacy, their freedom to just walk away from the house whenever they please without paying someone to come in goes away**

We also don't get the benefits CRS homes do when it comes to our actual facility costs because, for some reason, living in the home we provide services in is seen as a cost saving to us. However, most people get to leave their work at work. My work needs me to think for them 24/7, needs me to fill their water glass 6 times a day, all personal hygiene tasks, all reading and writing tasks, all chores tasks are taught and assisted, day in and day out. I get woken up in the middle of the night almost always for bathroom assistance. I never get to leave my job, and I do it because I know that I'm qualified and helping someone live their best life, they can with me and my family. Going in the community for activities regularly, attending sporting events my kids are in, having park picnics, shopping, playing games together as a family. The feeling that they never had siblings growing up and now they do or that their parents were never invited to their birthday party in their CRS home for over 9 years! The quality of life we provide is so much superior and rich, it's not just a job, but we also should be paid fair so we could get a break if we could find the staff eventually. Our housemate visits family on Saturdays and when we ask them to take them for extra time the response is I wish you had staff! Their own parents will sign them up for bowling or a dance and even us the phrase "I'll staff this" which completely blows my mind. They understand how much work it is, and know the feeling of being so tired that they made the choice to have their child live outside their home, despite all the fears that come with that choice. Our roommate is so much healthier and happier living with us, we are able to meet all his needs and we need DHS to back up our needs as qualified professional seasoned providers.

I've been seeing the emails about all the CRS homes shutting down due to staffing shortages. So, if FRS homes aren't going to get paid fair and can't help one single person that's getting pushed out of a CRS than who is going to care for them?

After reading my story I hope this is your takeaway:

- not all FRS homes are typical
- FRS homes take on all levels of support
- not all FRS homes can operate without support staff
- Daily rates and people we serve need to be person-centered because no two people are alike
- You need to be better or you will lose, in my opinion, the best type of programming available to those in need.

I keep hearing, FRS homes don't understand what is expected of them and they aren't qualified like CRS homes are to run their homes. I would challenge that and say that CRS homes can't offer the same level of family-centeredness as FRS homes can and therefore, they can't offer the same commitment of quality care as we do.

If it is a paperwork or understanding of the rules and regulations. Please help us become better at that by:

- Creating a paid mentoring program where you pay the people that you consider “quality” to mentor those that aren’t
- Make the website more user friendly and not so cumbersome so that we can find things easier
- Maybe dumb it down a little so that those who have no corporate head leading us, can better understand what you are saying
- Make sure everyone is following the same rules (every DHS Department, County, County staff interprets the mandates differently creating a system whereby the providers are the losers especially if our clients come from multiple counties)
- Thank us for the great job we are doing instead of only telling us what we are doing wrong

Thank you for taking the time to read this,

Capri Loegering, MS
Living Freely

TO: Senator John Hoffman, Senator Omar Fateh, Senator Erin Maye Quade, Senator Zaynab Mohamed, Senator Jim Abeler, Representative Joe Schomacker, Representative Dawn Gillman, Representative Steven Jacob, Representative Mohamud Noor, Representative Heather Keeler, Representative Brion Curran

Dear Human Services Budget Conference Committee Members,

Our statewide [Minnesota Community Action network](#) works to build community resiliency and self-sufficiency through the delivery of a broad spectrum of supports and services that assist people on their path out of poverty. Over 424,000 Minnesotans achieve greater stability each year through our homeless prevention and housing assistance, living wage job preparation, regional transit provision, Head Start and early childhood programming, financial asset building, energy bill assistance and other locally determined programs.

We want to THANK YOU for your leadership and hard work to craft a robust Human Services bill! With tight targets, you prioritized key funding to meet the needs of your constituents, many of whom seek our services. We ask that you lend strong support to the following provisions in your final Conference Committee Report, which enables us to better serve our community members, your constituents, throughout Minnesota:

- Please support the **Senate version** of the provision within the Human Services Finance Omnibus Bill to launch an ***Expanded Community Care Hub in Minnesota*** at **\$4.95 M in FY2026-27 and FY2028-29**. *Community Care Hubs* are a proven approach to align clinical care with social supports, improving health outcomes while saving taxpayer dollars. By investing in this model, we can build a stronger foundation for healthier, more resilient communities across our state!
- Please support the **House version** of the provision within the Human Services Omnibus Bill to fund ***Senior meals, assisted transportation, homemaker and chore services*** at **\$3.5M in one-time funding for FY2026-27**.

Thank you for all you do for all of us!

Sincerely,

Scott Zahorik, Arrowhead Economic Opportunity Agency (AEOA)
Patrick McFarland, Anoka County Community Action Program (ACCAP)
Barb Moran, BI-County Community Action Programs (BI-CAP)
Kendra Krolik, Community Action Partnership of Hennepin County
Lori Schwartz, Community Action Partnership of Lakes and Prairies
Debi Brandt, United Community Action Partnership
Sonia Gass, Community Action Partnership of Ramsey & Washington Counties
Catherine Johnson, Inter-County Community Council (ICCC)
Marta Carrigan, KOOTASCA Community Action
Denise Stewart, Lakes and Pines Community Action Council
Liz Kuoppala, MAHUBE-OTWA Community Action Partnership
Sharon Millner, Northwest Community Action
Deb Larson, Prairie Five Community Action Council

Jeff Hansen, Community Action Partnership of Scott Carver and Dakota Counties

Jennifer Hengel, Southeast Minnesota Community Action Council (Semcac)

Darci Goedtke, Southwestern Minnesota Opportunity Council (SMOC)

Jenny Larson, Three Rivers Community Action

Colleen Orne, Tri-County Action Program (Tri-CAP)

Teresa Carter, Tri-County Community Action Partnership (TCC)

Jason Carlson, Tri-Valley Opportunity Council

Debi Brandt, United Community Action Partnership

Missy Becker-Cook, West Central Minnesota Communities Action

Carrie Tripp, Wright County Community Action (WCCA)

Nick Stumo-Langer

From: Tami Lubowitz <redhead317@hotmail.com>
Sent: Sunday, May 18, 2025 4:24 PM
To: Nick Stumo-Langer; Megan Rossbach
Subject: Be a champion! Please protect and prioritize Family Residential Services homes & Disabled Vulnerable Minnesotans!
Attachments: original-3C17E391-6257-43C3-AC49-A428A9BE312E.jpeg;
original-9BC7E5B6-3467-4AD7-B034-1D89348DE3DE.jpeg; original-B12061BA-94C6-4DDC-B218-A7A5C3DE8916.jpeg

May 18, 2025

Dear Conference Committee Members and MN Leadership:

Across the state, disability waiver service providers support more than 34,000 Minnesotans with disabilities in community settings, and employ roughly 27,000 Minnesotans. We employ 4 in our FRS, and historically had up to 7 employees.

Please be a Champion FOR Disability Services & OPPOSE the devastating funding CUTS to disability services that are being negotiated in the Human Services Omnibus bill. This is not progress forward, defunding Disability Services dollars that have been a long, difficult fight to achieve & implement! Cuts to Human Services must be done with a balanced approach and not the disproportionate de-funding placed solely on the backs of disability waiver services! These cuts directly threaten the waived services of tens of thousands of Minnesotans with disabilities, as well as the livelihood of Family Residential Service providers & CRS!

Defunding Home and Community-Based Services will have dire consequences in the next 4 years and beyond! Our sector already struggles to recruit and retain direct support professionals (DSPs) statewide. What happened to “essential workers”? Cutting funding will only worsen this critical workforce shortage. Any defunding will destabilize hundreds of provider organizations across Minnesota, responsible for the care of thousands.

We urge you and your colleagues, in both parties, to protect disability waiver services in the final budget. Minnesota's fiscal challenges deserve a bipartisan solution that sustains the full spectrum of care without disproportionately harming one group to fund another.

Thank you for your leadership, we stand ready to work with you to ensure that Minnesota's residents with disabilities continue to receive quality, fiscally responsible Home & Community-Based Services/care.

If you need a breather from meetings today and a glimpse into our world, please take some time to watch this video that will introduce you to Dan and his DSPs Direct Support Professional. Dan, and thousands of other people across the state who rely on waiver services to live and

work/serve in the community are the reason why funding cuts to waiver services cannot go forward.

You can watch Dan's story by copying and pasting this link into your browser:

<http://bit.ly/4kkld2Z>

Sincerely,
Tami Lubowitz

The Way Home
1292 10th Avenue North
Saint Cloud, MN 56303-2707

Gratefully,
Tami Lubowitz
C: [320.345.1367](tel:320.345.1367)
Eph 3:20 Immeasurably more!

Nick Stumo-Langer

From: Ann Girres <anngirres@gmail.com>
Sent: Monday, May 19, 2025 1:03 PM
To: Nick Stumo-Langer
Subject: Family Supportive Housing Program

Dear Mr. Stumo-Langer,

I ask that you support funding the Family Supportive Housing grant program (HF1644/SF1732), funded at \$750,000 in the Senate Health and Human Services Omnibus Bill (Article 16, Section 4). Family supportive housing is an essential multigenerational intervention that stabilizes a family through subsidized housing and onsite wrap-around services for each member. It gives parents the space and tools they need to be healthy and succeed, and children the stability to grow, learn, and be kids. It is challenging to sustain or create new family-supportive housing because there is no comprehensive state source of funding for services that support the entire family in these settings. The most effective way to provide services to a family is through a holistic, comprehensive approach that offers case management, services, and programming tailored to the entire family. This approach enables families to remain together and provides them with the necessary support to thrive. The \$750,000 included in the Senate Omnibus Bill to support a new grant program will fill a key state services gap, allowing current families in supportive housing to receive more robust support and build more homes. It will have intergenerational impacts on families and transform lives. It will fund a holistic, comprehensive approach that provides case management, services, and programming for the entire family. This approach allows families to stay together and gives them the support they need to thrive.

Sincerely,
Ann Girres

Nick Stumo-Langer

From: rwnewberry@juno.com
Sent: Tuesday, May 20, 2025 9:22 PM
To: sen.jim.abeler@mnsenate.gov; sen.omar.fateh@mnsenate.gov;
sen.john.hoffman@mnsenate.gov; sen.erin.mayequade@mnsenate.gov;
sen.zaynab.mohamed@mnsenate.gov; Brion Curran; Dawn Gillman; Steven Jacob;
Mohamud Noor; Joe Schomacker; david.zak@mnsenate.gov; Megan Rossbach; Nick
Stumo-Langer
Cc: rwnewberry@juno.com
Subject: FRS budget issues

When I was a child, an orphanage was my home. I know what it is like to live in an institution. The orphanage provided basic food and shelter, but it never provided what I choose to call humanity: There were no hugs, there was never a conversation between staff and client; there was never a discussion about hopes, dreams, future plans; there were no personal interactions. There were no hugs.

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My career now, for which I trained, is to provide care to developmentally disabled adults, trying to provide humanity to those who truly need it. Minnesota statutes talk about providing person-directed care, and this is the kind of care I want to provide. However, it seems that Minnesota is now veering away from this idea. You will not get trained, dedicated providers at minimum wages. I am reaching out to urge you to ensure that **FRS homes are protected and prioritized** as you finalize the Human Services omnibus bill

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As you reconcile differences between the House and Senate versions of the bill, I urge you to:

- **Reject any reimbursement rate reductions** for Family Residential Services
- **Support stable financial outcomes** for FRS homes, such as a 51% rate increase to the existing flat rate tiers or keeping FRS homes on the DWRS.
 - For my home, if you use the 51% increase, I still will face a 32% pay cut while continuing to provide all the same care and paperwork.
 - This would put my pay at \$19 an hour, which does not seem right for a person who has trained, and done this job, as a career.
 - I pray you will look at why the current DWRS framework is not working and modify that.
- **Recognize FRS as a unique and essential part of the DWRS system** and ensure its sustainability in both budget and policy!

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.

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Sincerely,

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Richard Newberry

Richard Newberry AdultFosterCare
204 County Road 10
Barrett, MN 56311
817-905-1940
rwnewberry@juno.com

Nick Stumo-Langer

From: Steven Turvold <sjturvold@gmail.com>
Sent: Wednesday, May 28, 2025 8:40 AM
To: sen.john.hoffman@senate.mn; Mohamud Noor; Joe Schomacker
Cc: david.zak@mnsenate.gov; Nick Stumo-Langer; Megan Rossbach
Subject: Support for Ivy House Licensing Language in the Human Services Bill

Dear Senator Hoffman, Representative Noor, & Representative Shomacker,

As you work to finalize the Human Services Bill, I urge you to retain the Ivy House licensing provision.

Ivy House is a crisis nursery in New Ulm that provides short-term care for children during family emergencies. While based in Greater Minnesota, we regularly serve families from the Twin Cities, southern, and south-central Minnesota, underscoring a proven, widespread need for this model.

The proposed licensing framework is essential to replicate Ivy House's approach in other communities. It removes regulatory barriers that currently hinder expansion while maintaining the oversight necessary to protect children and families.

Please don't hesitate to reach out if I can be a resource as you review this language. I'm happy to provide more information on how this legislation will support vulnerable children statewide.

Thank you for all of the work you do and your commitment to Minnesota families.

Sincerely,

Steve Turvold
Board Member
Ivy House
mobile - 507.217.0090

Nick Stumo-Langer

From: Mary Jo Then <maryjo@jojosplice.net>
Sent: Wednesday, May 21, 2025 11:23 AM
To: Nick Stumo-Langer
Subject: Family Foster Homes

I want to thank you for taking up the fight to help keep family foster homes viable in MN. I am a family foster home provider. I know you are busy and my concerns seem small in the world that we are living in. All I ask is you take the 5-10 minutes it takes to read my letter.

About me and my family. I have three adults that live in my home with me. They all need total cares along with medical cares. I have had two of the adults in my home since I opened when the ICF they were living in closed. Their parents came to me and asked me if I would be willing to open a foster home for their child because the county was looking at placing them in a Nursing Home. One of the individuals was only 22 years old. So, I opened JoJo's Place.

The third individual in my home came from a cooperate home (I am by no means saying cooperate homes are bad. We all suffer from the staffing shortage). He came with multiple bed sores and was having significant health issues. It took us 6 months to get him healed and medically doing better. I was able to do this because of wonderful group of individuals that come into my home and help with the cares of the people living there. He is now attending a day program three days a week for a couple hours.

The parents of two of the adults are elderly and no longer are able to help care for their loved ones. They come into my home and visit several times a week and join my family for holidays.

I was making \$30+ an hour plus full benefits before I opened my Foster Home. I now make about \$12.00 an hour. But I employ 5 individuals. Several that were on public assistance and are now working full time for me.

On the DWRS system I am able to support the three people in my home along with the 5 staff.

On the Flat Tier rate system I am not sure how I can continue. I will probably have to close my home.

On DWRS I get roughly \$503 a day

On the flat rate I will only get \$243 (and this is only a guess as I am being told that the rate will not be known till the MnChoice assessment is done.) Remember I still have all the same bills. I will need to make cuts in staff and services.

A Cooperate home would cost \$578 a day

A Nursing Home is roughly going to cost \$321 a day (according to the internet)

I informed the guardians of the three adults that I have in my home the situation in January and asked them to start looking for a replacement home for their loved ones if the flat rate takes effect.

I love my family, but I need to be able to take care of them.

Mary Jo Then
508 4th Ave NW
Little Falls MN 56345
320 656-1311

Nick Stumo-Langer

From: Becky Bosl <beckybosl123@gmail.com>
Sent: Wednesday, May 21, 2025 11:31 AM
To: Nick Stumo-Langer
Subject: URGENT -NO TIER RATES FOR FRS HOMES

Dear Conference Committee Member,

As a provider of Family Residential Services (FRS) in 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 more than 3,000 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 family foster homes for safe and **cost-effective care**. This could lead to homelessness in our most vulnerable population.

As you reconcile differences between the House and Senate versions of the bill, I urge you to:

- **Reject any reimbursement rate reductions** for Family Residential Services
- **Support stable financial outcomes** for FRS homes keeping FRS homes on the DWRS.
 - For my home if you use the 51% increase on the proposed tiered rate system, Our foster care program will still face a 46% pay cut and continue to need to provide all the same care and paperwork. This is still not sustainable.
 - This is LESS than Minimum Wage, for a MN State 245d licensed home providing person centered, specialized care 24/7.
 - Please review the current DWRS framework to understand why this is appropriate for all 245D settings like ours.
 - Tier rates are only going to mean more negotiations with our counties. We are held to the same 245D standards as CRS homes and should be paid accordingly.
- **Recognize FRS as a unique and essential part of the DWRS system**, and ensure its sustainability in both budget and policy

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.

On behalf of our foster care client, please help ensure she can continue to live in our home (her home for the last 6 years!), keep her **proximity to her family**, friends, and workplace, allow her to keep her job, and keep her connected with her medical health professionals. Our people with disabilities should not have to endure a COMPLETE life disruption in effort to fix a budget problem they did not cause, and do not understand. Please support our most vulnerable people.

Sincerely,

Becky Bosl

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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: Brian Beert <beerttruck1962@gmail.com>
Sent: Thursday, May 22, 2025 4:17 PM
To: Nick Stumo-Langer
Subject: Family Residential Homes (FRH)

Hello Legislative Assistant Stumo-Langer:

I am writing to you concerning the changes in pay (Flat Rate) for Residential Adult Foster Care Homes. The reductions will force most, if not all providers to quit doing what they are doing, it just doesn't cover our costs. This will cost the state more money in housing and care of the individuals already in Residential homes and put them in more expensive Corporate homes where these individuals will not thrive. My client has one to one service and has immensely improved since leaving the Corporate home they were staying in previously. I know you all are trying to do your job and balance the state budget, but we are asking for more time and consideration in this matter. It affects not only me, but my client and his family.

Thank you for your time
Brian A. Beert

Nick Stumo-Langer

From: ANITA GARNER <anita.garner@gmail.com>
Sent: Friday, May 23, 2025 6:24 AM
To: Nick Stumo-Langer
Subject: Urgent support needed to save FRS homes

Dear Representative Nick Stumo-Langer,

As a special session begins, I urge you to consider the following:

As a provider of **Family Residential Services (FRS)** in 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.

Recognize, FRS is an essential part of the DWRS system and ensure its sustainability in both budget and policy. The DWRS system is based on the time the provider works with the person and is the only fair alternative. The Flat Rate System does not take into consideration the time spent or the extraordinary needs of the person receiving care.

Under the flat rate system, we would only be paid \$6.41 an hour. Yet, we are mandated by the state to pay our help \$11.15 an hour. How can we pay someone more than we make? How can we afford health insurance? How can we provide services? Even if the 51% increase is put in place, I will still be paid less than the minimum wage. This is not realistic, and the FRS home will not survive. The DWRS is the only alternative that makes sense.

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.

I understand the need to balance the budget. There needs to be a fairer way to cut expenses. Minnesota State Homes receive two and three times the rates that FRS providers make. There's no justification for that. Cut all providers, do not target FRS homes. Do not discriminate because FRS work is provided in our homes. We still work. We need to be there 24X7. DWRS is essential for FRS homes to survive.

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.

I support SF 3027!

Sincerely,

Anita Garner, FRS Provider

Nick Stumo-Langer

From: Gemene Gelgelu <gemenegelgelu@gmail.com>
Sent: Friday, May 23, 2025 11:17 AM
To: Nick Stumo-Langer
Subject: FRS budget Concern

Dear Legislative assistance Nick,

As a provider of Family Residential Services (FRS) in 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.

As a special session begins, I urge you to consider the following:

Reject any reimbursement rate reductions for Family Residential Services
Support stable financial outcomes for FRS homes, such as the full 51% rate increase to the existing flat rate tiers or 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

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,

Gemene Gelgelu

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Sincerely,
Gemene Gelgelu
Miracle Adult Foster Care Manager
Cell 651 447 1499
[Gemenegelgelu@gmail.com](mailto:gemenegelgelu@gmail.com)

Nick Stumo-Langer

From: oakhill@runestone.net
Sent: Friday, May 23, 2025 12:36 PM
To: Nick Stumo-Langer
Subject: URGENT- NO TIER/FLAT RATE SYSTEM FOR FRS HOMES

Dear Representative Stumo-Langer,

Please keep us OFF the Tier System. Support SF 3027 (MARSH), support Family Residential Services (FRS) homes by keeping us on the DWRS. Our residents will be devastated if they must move because we are not paid a living wage. They are older vulnerable adults who no longer have parents or unemployed family members that can give them 24/7 care for their individual needs. Our people do not understand the dynamics of institutional living, as they have always lived in family homes. **They will be very vulnerable in that type of setting and subject to potential abuse.** FRS homes know their residents and do not have staff turnover like other settings.

Our gal enjoys Find-a-words, walks in the mall with friends, and baking with me, her DSP. Our other resident tells me with a grin, "Good morning sunshine!" We go to garage sales, garden, and camp together. Though these are fun activities, this job is much more intense than most people realize. **It takes an enormous amount of work and staying power** to facilitate all the resident activities, appointments, daily routines, managing resident mental illnesses and behaviors, cooking and prepping 3 meals/2 snacks per day, medication setup and administration, financial and administration management, etc. **As my resident's DSP, I have individual resident supports to perform as well as medical/health tasks. As administration, I have multiple business tasks and resident records to maintain.** This job takes extensive perseverance and dedication.

FRS homes protect MN's vulnerable adults daily. We know our people! It is unfair and discriminatory that **Family Residential Services DSP have the same training as Community Residential Services (CRS) DSP, yet FRS providers are being forced to the Tier System. FRS homes are required to follow the same 245D standards/administration tasks as CRS homes. FRS providers deserve a living wage for the three eight-hour shifts per day they work. Paying FRS home for DOC (Difficulty of Care) has not worked for FRS providers in the past, the DWRS is accurate per each individual resident's hours under care.** Our residents require stability and wish to stay in their unique family residential homes! Established FRS homes are an asset to residents and the community. Please keep Family Residential Services homes on the DWRS.

Dawn Filipiak, Executive Director/DC
Oak Hill Adult Services
320-283-5591

Nick Stumo-Langer

From: Mike Garner <mgaccount01@yahoo.com>
Sent: Sunday, May 25, 2025 10:25 AM
To: Nick Stumo-Langer
Subject: No Flat Rate Tier System for FRS

Dear Nick Stumo-Langer,

My husband Mike and I are Family Residential Services (FRS) providers in Douglas County. We are fighting to stay off the Flat Rate Tier System that the Blue-Ribbon Commission (BRC) on Health and Human Services created. The Blue-Ribbon Commission was made up of eleven individuals that the Governor appointed and are important to the function of Human Services and their knowledge and experience is invaluable. However, the Commission did **NOT** include any FRS providers or Community Residential Settings (CRS) providers. Our knowledge and experiences are invaluable to the care, safety, and quality of life of the people being served. The Blue-Ribbon Commission did **NOT** include any people with disabilities that live in FRS or CRS settings. People with disabilities, knowledge and experience are also invaluable to the care, safety, and quality of their own lives. The testimonials given by providers to the BRC on the Flat Rate Tier System voiced concerns about implementation, but no actions were taken, and most providers were unaware of what was happening.

Regarding the Flat Rate Tier System, it does not take into consideration the extraordinary needs of a segment of the people being served, the time spent with each individual and the need for one-on-one work, the considerable amount of time and effort that is required for paperwork and management, any program related expenses, or any unforeseen and unexpected circumstances, and staff compensation.

The problem statement of the BRC was that "the state's rate methodology is resulting in family foster care rates that are growing at an unsustainable rate." I would like to bring to your attention the rates of Minnesota State run homes, which are two and three times the rates of FRS providers. There is no justification for this. CRS homes are also on DWRS, there is no justification for targeting only the FRS homes. We understand the need for fiscal responsibility and that rate cuts are inevitable, but the Flat Rate Tier System is not sustainable for the FRS homes.

For example, according to these statistics taken from the BRC, the estimated weighted average rate across all tiers is \$175.82 per day, or \$64,174 per year if 365 days were billed which equals \$7.32 hourly. If the person served is absent 30 days annually it equals \$58,899. This equals an hourly rate of \$6.72. For perspective, the average Direct Support Professional (DSPs) in Minnesota makes \$16 an hour. It is not reasonable or sustainable to pay the people we hire more than we make. Providers hold all the liability, provide the facilities, transportation, training, do all the programming, paperwork, policies, management, and administration. LET'S NOT FORGET THAT WE ARE ALSO DSPs.

In the BRC report there is no information on how implementation of the Flat Rate Tier System will affect FRS homes and the people they serve. What are the short- and long-term implications of the Flat Rate Tier System in keeping the FRS homes open? How will this affect the people receiving services and their right to choose, and their quality of life?

We do NOT support the Flat Rate Tier System.

We only support the DWRS.

We are advocating SF3027.

Thank you for your time.

Sincerely,

Anita Garner, FRS Provider

Nick Stumo-Langer

From: Riley Stegman <riley.stegman@thomasalleninc.com>
Sent: Wednesday, May 28, 2025 1:41 PM
To: david.zak@mnsenate.gov; Nick Stumo-Langer
Subject: Protect FRS homes

Dear Conference Committee Member,

As a case manager of several individuals living in Family Residential Services (FRS) homes in 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, these homes are facing increasing financial and regulatory strain. Unlike larger residential settings, FRS homes operate with limited administrative capacity and workforce flexibility. **The providers I work with at FRS homes already pay substantial amounts out of pocket to support my individuals and treat them like family.** 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.

One of these clients I serve has been cared for and lived in the same FRS home for 36 years. She has severe medical needs and is dependent for all cares but truly thrives there. Her provider was planning to retire but is so dedicated to these individuals and fears what could happen if the client was in a different setting, that she is choosing not to retire. My clients love their FRS providers and these homes are 100 times better than 90% of the CRS providers I work with. The proposed cuts to a flat rate would prevent these providers from properly caring for these individuals. One of my clients would end up with a decrease of \$200 per day despite her extraordinary medical needs and frailty (and constant joy despite these things). I do not want her to have to move as she is thriving here and feel cared for and is where she and I want her live. I urge you to please consider what I am asking below:

As you reconcile differences between the House and Senate versions of the bill, I urge you to:

- **Reject any reimbursement rate reductions** for Family Residential Services
- **Support stable financial outcomes** for FRS homes, such as a 51% rate increase to the existing flat rate tiers or 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

The long-term viability of the FRS model depends on legislative understanding and support. Please know that FRS homes are cost effective and that I have chosen this home because this is where I want my loved one to live. Thank you for your service and for keeping small, community-rooted providers like ours in mind as you finalize this critical legislation.

Sincerely,

Riley Stegman, MSW, LGSW
DD Case Management, Ramsey, Scott & Misc. Counties
She/Her/Her's
20 E. Thompson, Ave – Suite 205
West St. Paul, MN 55118
Direct: 651-789-1213 Coverage: 651-240-1901
Fax 888-281-0742

General working hours: M: 7:30a-4:30p, W: 7:30a-5p, F: 1:00-4pm



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Nick Stumo-Langer

From: Megan Johnson <meganejohnson6@yahoo.com>
Sent: Sunday, May 25, 2025 3:42 PM
To: Nick Stumo-Langer
Subject: FRS and DWRS

Dear Nick,

My husband, Jimmie and I have been Adult Family Foster Care providers and hold a HCBS license in Morrison County since 2018 along with our 3 beautiful children. I am sure that you have heard from many FRS. I am sending you this letter to urge you to keep the FRS on the DWRS system instead of the flat rate system.

We currently have 4 individuals that we serve that very from care level. For these boys we were the last chance they had before going into an institution or jail. Our families chose us specifically because they wanted their children or persons to have a family environment that they would be able to thrive in, and they are thriving. Our individuals have come so far from their years in the Corporate Foster Care System and family homes. They no longer are being admitted to hospitals multiple days in the month, no longer are being arrested for physical violence, no longer breaking personal property and can go on family visits more than an hour. My husband and I have spent hours, days, weeks, months and years dedicated time to the individuals to make sure that their personal preferences and choices are heard and implemented.

If the flat rate system stays in law, I fear that we, along with other FRS providers will need to close our doors, not because it's about the money but about the amount of work that we are expected to do with minimal administration and the hands-on DSP work. I love what I do and have been working with people with disabilities since 2007 in a variety of roles. We are required to do the same amount of paperwork as CRS and must follow the same statutes and needs to cover any unforeseen circumstances such as upgrades, replacing of property damage, and overall emotional, mental and at times physical work that goes along with caring for people with disabilities.

The cost of the FRS in the DWRS by far will be the most cost-effective way to continue serving individuals and save overall in the budget. The long-term cost will be more expensive if FRS homes, like myself close their doors. The individuals will need to find new placements which will most likely be a CRS or institution driving the costs up. Please do not put our individuals at risk of losing their home and for some, their extended/and or family. This will affect the ability for individuals their right to choose where they want to live, how they want to live, and their quality of life.

- Reject any reimbursement rate
- Recognize FRS as an essential part of the DWRS System

- Support stable financial outcomes
- Support bill SF3027

Thank you for your support,
Megan Johnson

TO: Senator John Hoffman, Senator Omar Fateh, Senator Erin Maye Quade, Senator Zaynab Mohamed, Senator Jim Abeler, Representative Joe Schomacker, Representative Dawn Gillman, Representative Steven Jacob, Representative Mohamud Noor, Representative Heather Keeler, Representative Brion Curran

Dear Human Services Budget Conference Committee Members,

Our statewide [Minnesota Community Action network](#) works to build community resiliency and self-sufficiency through the delivery of a broad spectrum of supports and services that assist people on their path out of poverty. Over 424,000 Minnesotans achieve greater stability each year through our homeless prevention and housing assistance, living wage job preparation, regional transit provision, Head Start and early childhood programming, financial asset building, energy bill assistance and other locally determined programs.

We want to THANK YOU for your leadership and hard work to craft a robust Human Services bill! With tight targets, you prioritized key funding to meet the needs of your constituents, many of whom seek our services. We ask that you lend strong support to the following provisions in your final Conference Committee Report, which enables us to better serve our community members, your constituents, throughout Minnesota:

- Please support the **Senate version** of the provision within the Human Services Finance Omnibus Bill to launch an ***Expanded Community Care Hub in Minnesota*** at **\$4.95 M in FY2026-27 and FY2028-29**. *Community Care Hubs* are a proven approach to align clinical care with social supports, improving health outcomes while saving taxpayer dollars. By investing in this model, we can build a stronger foundation for healthier, more resilient communities across our state!
- Please support the **House version** of the provision within the Human Services Omnibus Bill to fund ***Senior meals, assisted transportation, homemaker and chore services*** at **\$3.5M in one-time funding for FY2026-27**.

Thank you for all you do for all of us!

Sincerely,

Scott Zahorik, Arrowhead Economic Opportunity Agency (AEOA)
Patrick McFarland, Anoka County Community Action Program (ACCAP)
Barb Moran, BI-County Community Action Programs (BI-CAP)
Kendra Krolik, Community Action Partnership of Hennepin County
Lori Schwartz, Community Action Partnership of Lakes and Prairies
Debi Brandt, United Community Action Partnership
Sonia Gass, Community Action Partnership of Ramsey & Washington Counties
Catherine Johnson, Inter-County Community Council (ICCC)
Marta Carrigan, KOOTASCA Community Action
Denise Stewart, Lakes and Pines Community Action Council
Liz Kuoppala, MAHUBE-OTWA Community Action Partnership
Sharon Millner, Northwest Community Action
Deb Larson, Prairie Five Community Action Council

Jeff Hansen, Community Action Partnership of Scott Carver and Dakota Counties

Jennifer Hengel, Southeast Minnesota Community Action Council (Semcac)

Darci Goedtke, Southwestern Minnesota Opportunity Council (SMOC)

Jenny Larson, Three Rivers Community Action

Colleen Orne, Tri-County Action Program (Tri-CAP)

Teresa Carter, Tri-County Community Action Partnership (TCC)

Jason Carlson, Tri-Valley Opportunity Council

Debi Brandt, United Community Action Partnership

Missy Becker-Cook, West Central Minnesota Communities Action

Carrie Tripp, Wright County Community Action (WCCA)

May 21st, 2025

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

Co-Chair Rep. Joe Schomacker
House Human Services Finance and Policy
Centennial Office Building
658 Cedar St 5th Floor
St. Paul, MN 55155

RE: H.F. 2434 – HIV/AIDS support services funding

Dear Co-Chairs, Schomacker and Noor, and members of the House Human Services Finance and Policy Conference Committee,

We write to express our appreciation for H.F. 2434, which provides one-time funding for over 4,600 people diagnosed with HIV/AIDS that rely on Ryan White services and request the adoption of \$9M/biennium for predictable HIV service and prevention investments for individuals living with HIV to stay engaged in care as proposed in S.F. 1385. Over the last three years, our consortium of HIV service providers has systematically experienced cuts to programs funded by Ryan White rebate dollars. However, the latest \$9 million dollar cut by the Department of Health and Human Services has provided a devastating blow to our community. Over this same time period, the number of individuals living with HIV in Minnesota has increased dramatically, largely as a result of simultaneous, concurrent HIV, hepatitis C and syphilis outbreaks within the Twin Cities and Duluth area as well as increased numbers of individuals seeking refuge within Minnesota due to its long history of providing comprehensive, quality care to all individuals.

Many of the organizations within our consortium are reliant on Ryan White funding to support our service categories and without this critical funding we will not be able to provide the level of support required to both ensure positive health outcomes for individuals living with HIV and mitigate community transmission which has been an ongoing issue unique to our community since 2018.

As a collective, the consortium has a long history of providing critical support to individuals living with HIV, which has directly contributed to the downward trend of new diagnoses within the State, especially between 2014 and 2020. However, amid the COVID-19 pandemic and the concurrent outbreaks, 2023 showed the highest number of new diagnoses over the past 10 years. While the consortium has worked collaboratively in response to the outbreaks, decreased funding levels have directly impeded organizational capacity due to overall decreased staffing and resources available to the community. The uptick in diagnoses will have significant community implications, and continued funding cuts will severely impede the efforts of this consortium to address those impacts.

H.F. 2434 helps mitigate severe negative impacts by securing one-time critical funding, and adopting predictable and annual investments proposed by S.F. 1385 address the long-term needs of Minnesotans living with HIV. The aforementioned \$9M cut will limit outbreak responses and disproportionately impact the most marginalized people in our community such as racial and gender minorities, including loss of housing for individuals, access to food and emergency financial services, case management services, in addition to other critical support services specific to individuals that are aging with HIV. These services not only help individuals stay engaged in care but also adherent to medications, which directly

contributes to decreased community transmission. Individuals living with HIV in Minnesota already disproportionately live in poverty and are un/underinsured, with the burden falling more broadly on communities of color as well as gender and sexual minorities.

Without the support provided by H.F. 2434, or the adoption of S.F. 1385, co-occurring social determinants of health will continue to impede individuals from engagement in care, jeopardize the health outcomes of individuals, and cascade negative impact on the broader community. In order to adequately respond to the increased community needs, our consortium needs this critical funding. The health of our community relies on consistent, equitable funding to remove barriers and increased access to care and medications for all individuals living with HIV in the state of Minnesota.

Thank you for bringing this bill forward. We respectfully encourage this committee to support this legislation and look forward to discussing future opportunities to secure critical funding that supports individuals living with HIV in the State of Minnesota.



May 21st, 2025

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

Co-Chair Rep. Joe Schomacker
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Thank you for bringing this bill forward. We respectfully encourage this committee to support this legislation and look forward to discussing future opportunities to secure critical funding that supports individuals living with HIV in the State of Minnesota.



HENNEPIN COUNTY

BOARD OF COMMISSIONERS

May 18, 2025

Dear Chair Hoffman, Chair Noor, Chair Schomacker and Members of the Human Services Finance Conference Committee:

On behalf of the Hennepin County Board of Commissioners, thank you for tackling the difficult work of developing a Human Services finance conference committee report within a challenging budget environment. We appreciate and share your commitment to navigating these budget constraints while protecting Minnesota's human services infrastructure. We welcome ongoing collaboration to develop solutions to these budget concerns. As the conference committee moves forward, we would ask for further consideration in the following areas:

County cost shifts. As you are aware, Minnesota is one of only nine states with state-supervised and county-administered human services programs, and counties operate with limited tools and authority to manage large cost shifts without moving these costs onto taxpayers. **Within the Senate proposal, we greatly appreciate the removal of all county cost shifts;** thank you to Chair Hoffman and to Senator Abeler for this change. We estimate that the language related to rate exceptions in the House bill would cost Hennepin \$40 million in its first full year of implementation, making an increase in property taxes unavoidable. We urge conference committee members to recognize the fiscal pressures that county cost shifts and proposed federal action would place on property taxpayers across Minnesota.

At Hennepin, we are fully committed to collaboration with state partners and others to find solutions to the projected cost growth of waived services. Hennepin strongly supports the establishment of a state task force that can evaluate data related to cost growth, engage the necessary stakeholders, and equip legislators with specific recommendations to address the root causes of this growth. We recommend a state task force address specific topics including: oversight of rate exceptions at the state level, guidelines for the determination of exceptional needs, review of market services and rate structures, modernization of elderly waiver budget methodology, and other topics related to state, provider, and lead agency duties and responsibilities. Hennepin would welcome the opportunity to engage in a collaborative process that brings stakeholders together to develop thoughtful, data-driven solutions as alternatives to blunt and harmful cost shifts.

MnCHOICES. Hennepin has worked with our county partners to bring recommendations for greater efficiencies in MnCHOICES assessments. We would urge members of the conference committee to adopt the Senate language related to these efficiencies, including increased flexibility in remote assessments and verbal attestation to no changes in needs or services. These changes will streamline MnCHOICES assessments for counties and individuals while preserving individual decision-making and overall program integrity. We raise concerns about recent language additions, such as requiring an additional physical signature, that would eliminate those efficiencies. Finally, we would urge conferees to engage with counties on the MnCHOICES language as a whole to ensure that proposed language creates achievable timelines, aligns with desired goals, and avoids cost shifts or other unintended consequences.

Expanded Adult Mental Health Targeted Case Management Services. Adult Mental Health Targeted Case Management is principally paid for by counties. The proposed House language would lower several eligibility thresholds across all individuals who receive these services while also expanding the list of eligible diagnoses to include PTSD and C-PTSD. We estimate that the House bill more than doubles county costs for adult mental health targeted case management. These provisions in the Senate HHS bill are even more expansive. Hennepin fully supports individuals having access to targeted case management services, but we urge legislators to dedicate state resources to offset these significant costs for counties.

Finally, we call your attention to a few other areas under consideration by the conference committee. Related to **priority admissions**, we support an extension of the 48-hour rule for two years conditioned upon funding for increased capacity, along with several other recommendations from the review panel. Barring **contracted case management** would disrupt continuity of case managers for residents and require Hennepin to hire more than 500 additional FTEs. This provision is not in either bill; we would encourage further discussion about how to best address concerns related to contracted case management. Finally, we would encourage members of the conference committee to ensure that providers servicing some of our most vulnerable residents are eligible for supplemental service rates, and to **preserve existing housing support enhanced supplemental rates**. The elimination of these enhanced rates in the House proposal would reduce payments for several providers within Hennepin that provide valued, culturally sensitive services, and the one-time funding increase does not fully offset those cuts.

We again recognize the difficult decisions facing the Human Services finance conference committee and appreciate your leadership in tackling these issues. Thank you for your consideration of Hennepin's perspectives on these issues as you work to develop the conference committee report.

Thank you.

Sincerely,

A handwritten signature in dark ink, reading "Irene Fernando". The script is cursive and fluid, with the first name "Irene" and last name "Fernando" clearly distinguishable.

Irene Fernando
Chair

!!! Immediate help from all is needed!!!

To those concerned about disability services and the **people we all serve**

My name is Julie Steinke I am a licensed 245D HCBS Family Residential Services provider “Julie Michels Adult Foster Care” in Mille Lacs County Minnesota. I have worked in community residential services(CRS), Memory care and our adult family foster care which is now called family residential services(FRS).

I am out from under my rock to support all people with disabilities who use any services and all people who provide services for people with disabilities as we are all in this together and each service setting is unique and necessary. Cuts to any disability services causes harm and chaos.

I implore you to support S.F.2297/H.F.1894 A bill for an act relating to human services; delaying implementation of new rates for family residential services and life sharing services; establishing the Advisory Task Force on Family Residential Services; requiring reports; appropriating money; amending Laws 2023, chapter 61, article 1, sections 5; 27; 30; 32; 47; 85.

245D HCBS Family Residential Service providers did NOT have a seat at the table or input on the new flat rate tiered system. The vulnerable adult that **I have served since 2013, whom requires 24/7 365 days a year care with zero alone time**, which is in their support plan and has complex mental health diagnosis and numerous other disabilities will have their **CADI reduced approximately 67% on the tiered system in 2026, just because they chose to live in Family Residential Services.** Their CADI will go back up when they are forced back into a Community Residential Services, as it will be impossible to properly take care of the person I serve and follow their support plan, plus all the other 245D HCBS requirements. **Literally impossible.** Family Residential Services will eventually cease to exist as an option. I would rather stay within the DWRS system the Family Residential Services is currently in and have all the current proposed budget cuts to my services verses being thrown onto a flat rate tiered system with no exceptions built into law. It hurts the individuals we serve. **I call this a soul crushing blow.** The ripple effects will continue astronomically including the cost, none which can ever be truly measured.

DWRS is a transparent and fair system that allows an individual to move from one end of the state to another, into a provider of their choice with no disruption in services no matter what kind of setting they choose to reside in which is I believe part of **person-centered services.**

I understand that this is a very complicated interconnected system dealing with Family Residential Services, Adult foster care, Community Residential Services, the DWRS, MN choice 2.0, Waiver reimagine, just to name a few... I understand how things can get put into a bill without a true understanding of what outcomes may happen. And while I understand that the intent of the original bill was to do something good for people with disabilities, as the Human Services committee is always committed to doing. It is hard to get everything right all the time with all the moving parts.

This one is completely wrong and truly should be repealed

2023 Chapter 61-- s.f. No. 2934

Article 1, Sect. 46, subd. 14 Exceptions

(m) Rates determined under subd. 19 are ineligible for rate exceptions.

2023 Chapter 61, Article 1, section 47, subd. 19 Payments for Family Residential and life sharing services.

The above laws take away a person's choice of where they live. For example, you have a person who can walk, but then becomes wheelchair bound, and they need more cares and more staff. Or you have someone with increased behaviors and you need more staff because they need more help. With the **flat rate tiered system**, the person you serve is already at the top tier but is **forced to move** because there will be **no exceptions for us to properly serve our people within the 245D HCBS requirements at 67% less than their current rate.**

I believe that all vulnerable adults should be able to choose where they live and what kind of care they receive. **Person Centered.**

1. **Waiver Reimagine will never work.** YOU CAN NOT BASE A PERSON'S RATE ON WHERE THEY LIVE INSTEAD OF THEIR NEEDS.
2. **Please help** put these fires out and start listening with an **open mind and heart.** Many **lives depend othan. We are not less than.**
3. I would like the **legislative reports** regarding Family Residential Services, DWRS, Blue Ribbon report. Waiver reimagine, etc. be **checked for accuracy.** Decisions and **laws made on inaccurate and/or incomplete, misleading reports hurt us all.**
4. Thank you for your time and allowing me to finally be heard! Thank you, Julie Steinke
5/18/2025

May 18, 2025

Dear Chairs and Members of the Health and Human Services Finance Conference Committee for HF2435,

OutFront Minnesota is our state's largest LGBTQ+ advocacy organization and we write in support of ongoing funding for HIV prevention and services ([HF2435-3, HHS Budget Art. 14, R14A14](#)). We thank you for all prioritizing this critical public health work that benefits *all* Minnesotans, and urge you to support the Senate's position for ongoing funding and stability.

HIV, despite many medical advancements and resources, is still a matter of significant policy and public health importance. According to the Minnesota Department of Health, as of 2023, there were 9,996 people living with HIV, with an estimated 1,100 more people believed to be living with undiagnosed HIV. In addition, there were 324 new cases of diagnosed people living with HIV, and two-thirds (66%) are from communities of color. These 324 new cases of HIV is a 24% increase from 2022, and it is the largest number of HIV cases in the last decade.¹

Now is not the time to curtail our investments in this important work through reduced funding and year-to-year uncertainty.

HIV prevention work is a smart investment that will save our state money in the long run - on productivity impacts, direct health care costs, and a whole host of ancillary services. We have seen that work in action across the multi-decade history of community and public health partnerships. This work will save lives, save money, and continue to build upon many years of important partnerships that have supported public health infrastructure and programming throughout this state.

OutFront Minnesota stands in support of the critical HIV services and programs provided through this funding; we urge your support in these important investments in our state's communities through the Senate position.

Sincerely,

Kat Rohn
Executive Director

1

<https://www.health.state.mn.us/diseases/hiv/stats/2023/index.html#:~:text=In%202023%2C%20there%20were%20324,Outbreak%20Response%20and%20Case%20Counts.>



May 17, 2025

With the release of global budget targets and the final days of the legislative session upon us, counties would like to take the opportunity to clarify our thoughts on items under discussion in both the health and human services policy and finance bills. As the administrators of human services programs that serve our most vulnerable residents, we are committed to being transparent in offering our expertise with agency and legislative partners. On behalf of our organizations, please consider our leadership and membership as a trusted voice for local government administrators of these important programs.

No county cost shifts, and support for Senate language to develop solutions

Counties support language adopted during Senate floor debate on HF2434 (the A19 amendment) that would direct the Department of Human Services (DHS) to work with stakeholders to develop cost savings reforms to medical assistance long-term services and supports and other programs. We recognize the difficult budget limitations of the state—our counties face the same limitations.

At this point in session, our top concern remains proposed cost shifts that push state's costs to local property taxpayers and imperil local funding for high value "discretionary" services from counties. Finding responsible alternatives to these shifts remains our top priority.

This session's approach to solving state budget woes by shifting human services costs to counties without accompanying tools to control those costs is not a workable solution. Across the human services, health, children and families portfolio, counties estimate they will be expected to cover hundreds of millions of dollars in outright shifts or unfunded policy directives. This will lead to historic levy increases and jeopardize services to constituencies we jointly care about. Asking counties to evaluate significant tax increases or elimination of services is untenable, but this is the position we find ourselves in as the legislature and administration deliberate.

Counties are already in the process of evaluating what human services are mandated and which are optional. We do not want to be on the frontlines of cutting programs or disrupting service delivery, but for many of our counties, raising property taxes is simply not an option for their tax base. We ask that policymakers follow the Senate lead in taking a step back to fully evaluate how we collaborate on finding cost savings, reasonably bend the cost curves, and develop holistic solutions that do not run the risk of eliminating important services while also increasing Minnesotans' tax burden.

Mental health case management

Counties would like to partner with you to find effective ways to expand access to case management. We believe case management is a powerful tool that positively impacts individuals' journey through mental health and other challenges navigating our complex human services system. Proposals currently traveling in the House and Senate

bills, however, stop short of recognizing that expanding the population that can access case management carries two significant costs for counties: one, in adequate staffing for an already stretched system; and two, through payment of the nonfederal share for these services.

In short, counties would like to work with you to look at on-ramps to get more individuals connected to case management, but stress that these expansions be accompanied by support for increased staffing and payment capacity at the county level. If not, we would respectfully characterize this as an unfunded mandate on counties. Moreover, given current dynamics at the federal level, we are concerned about the risks posed by expanding eligibility at this time.

MnCHOICES

Since its inception, counties have been working with agency and legislative partners to streamline and find more effective ways to deliver and use MnCHOICES assessments, which are the gateway for critical supports. We are grateful for the House and Senate inclusion of our reform proposals; however, we would like to continue to work with you to address the increased demand for MnCHOICES assessments and to ensure new provisions are workable, create the efficiencies intended, and support the needs of those we serve. Counties have concerns about whether counties can meet new timelines, manage new responsibilities, and avoid workflow bottlenecks of new proposals. We also have concerns about transitioning from time study to a flat rate for assessments and whether that funding mechanism will appropriately cover the cost of the work.

Priority Admissions

Counties have been consistent in testifying and advocating that changes to the timeline in the priority admissions statute should run alongside new Direct Care and Treatment (DCT) capacity funding and other recommendations from the review panel. We encourage a balanced approach that must include all components:

- Passage of the human services policy bill (HF 2115), which includes the DHS priority to extend the pause on the 48-hour Rule
- Language and funding to relieve counties of Does Not Meet Medical Criteria costs in the human services finance bill
- Funding of increased DCT capacity in the finance or bonding bills—\$75 million for 50-bed expansion at AMRTC (Miller Building)

Social Service Information System (SSIS)

SSIS is a foundational support to the state and federally required child protection services, supports, regulations and reporting. This is the archaic, decades old technology system that the county-based child protection workforce relies upon to serve children, youth and families. Too often, the system requires county workers to experience the “spinning wheel of death” with no ability to copy and paste or autosave important documentation. Counties support \$40 million in funding for SSIS (House position), which would add to the \$10 million appropriated in 2024 to draw a federal match achieving the estimated \$80-100 million full replacement cost.

Minnesota African American Family Preservation and Child Welfare Disproportionality Act (The Act)

Counties support a child welfare system that fully supports all children. Legislators have heard a lot from counties this session about the best ways to fund implementation of The Act so that we can prepare our staff

and systems for success. You likely will hear from your individual counties about their specific challenges. As collective county organizations, we support:

- Adequate staff training and resourcing as we anticipate implementation
- Moving case review function to the state to ensure a uniform approach statewide
- Adoption of a process that allows counties to ramp up to 100% implementation (by existing deadline) – akin to the process that Hennepin and Ramsey counties have utilized in their work.

Additional concerns

We know that much work remains on the health and human services bills, and we would highlight a few more specific issues that counties would request deeper engagement on so we can help resolve concerns in a final agreement:

- Elimination of the supplemental service rate for housing support providers (House position) would be devastating to providers and could risk them ending services.
- Counties are concerned by the proposed additional review requirements for long-term services and supports cases. We are grateful for conversation with advocates and hope to find a solution that can position counties to have proactive conversations with individuals prior to final decisions.
- Counties rely on contracted case management to supplement our workforce and provide for unique community needs. We acknowledge targeted legislative concerns and appreciate the ongoing dialogue about the best approach to maintain flexibility for counties while also holding vendors accountable.
- Counties would appreciate additional conversation around the handling of supplemental social security benefits (SSI) for foster children. The processes around benefit distributions are complex and we would like to be at the table to provide our expertise on the best ways to ensure that children are supported by the dollars to which they are entitled, while also ensuring counties can continue to financially support youth needs while in care.

Thank you

At a difficult time in the legislative session, we thank you for your public service and partnership in tackling these issues and supporting a system that works for those who deliver services to our state's most vulnerable in dignified ways.

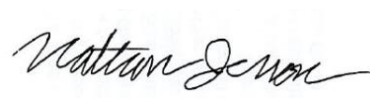
Sincerely,



Angie Thies
Child Wellbeing Policy Analyst,
AMC



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



Executive Director, MICA

Nick Stumo-Langer

From: Jessica Mello <melloadultfostercare@gmail.com>
Sent: Friday, May 16, 2025 11:57 AM
To: Nick Stumo-Langer
Subject: Save my FRS home

Please share with committee members, thank you!

Dear Conference Committee Members,

I am a provider of Family Residential Services (FRS) in Minnesota at risk of having to close my home. I am writing to you in urgency to ensure FRS homes like mine are protected and prioritized as the Human Services Omnibus Bill is finalized.

FRS providers like myself are currently faced with the increasing risk of financial and regulatory strain that will force our homes to be closed. Unlike larger corporate residential settings, we work with a limited administrative capacity and workforce flexibility. Our FRS homes are a necessity to the individuals receiving services, especially in rural and greater Minnesota, where services are already limited or unavailable.

Policy and budget decisions that seem small on paper can have catastrophic impacts on providers and the individuals we serve. It **will** lead to forcing homes to close, individuals being displaced, and increased safety risks for individuals as they will no longer have cost effective care leaving them vulnerable to abuse and neglect.

As you reconcile differences between the House and Senate versions of the bill, I urge you to:

****Reject any reimbursement rate reductions for Family Residential Services.**

****Support stabilizing financial outcomes for FRS providers, such as the 51% rate increase to the existing proposed flat rate tiers. For me personally, if the flat rate is put into effect, I will be making \$6.43 an hour for 24/7 care. That is a 66.68% decrease in my pay that provides for my individuals and my children. I would be expected to manage all aspects of my clients care and paperwork, pay staff, manage 245D paperwork, manage client behaviors, pay licensing fees, training fees, remain person centered and manage all aspects of the home. There would not be enough money to pay for all of that. I would have to get a second full time job outside of the home to pay for everything or close my FRS home just to survive. Where would that leave my individuals?**

****Look at why the current DWRS framework is not working and modify it. Talk with the providers that actually use it daily and are affected by it. As well as talk with providers about costs to maintain a home for individuals and about why the current cost reporting is not cost effective due to not being allowed to report all costs only certain costs DHS allows. FRS homes are an essential part of the DWRS system and the FRS model critically depends on legislative support and understanding for the FRS homes to sustain in budget and policy changes.**

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

--

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

Caution: This e-mail and attached documents, if any, may contain information that is protected by state, federal and HIPPA law(s). This e-mail should be forwarded only on a strictly need-to-know basis. If you are not the intended recipient, please: (1) notify the sender immediately, (2) do not forward the message, (3) do not print the message and (4) erase the message from your system.

Nick Stumo-Langer

From: Amy Staples <amyjostaples@gmail.com>
Sent: Friday, May 16, 2025 4:13 PM
To: Nick Stumo-Langer
Subject: Family Residential Service

Dear Conference Committee Member,

As a provider of Family Residential Services (FRS) in 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.

As you reconcile differences between the House and Senate versions of the bill, I urge you to:

- **Reject any reimbursement rate reductions** for Family Residential Services
- **Support stable financial outcomes** for FRS homes, such as a 51% rate increase to the existing flat rate tiers or keeping FRS homes on the DWRS.
 - For my home the flat rate tiers will force me to tell the family of the person I care for to find another residence. This is heartbreaking for the person, their family, and our family.
- **Recognize FRS as a unique and essential part of the DWRS system**, and ensure its sustainability in both budget and policy

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,

Amy Staples

Staples Adult Foster Care

17357 County Road 107 SW
Kensington, MN 56343
320-760-8225 cell
amyjostaples@gmail.com

Nick Stumo-Langer

From: Portia Hunstiger <rabbitonawindow@gmail.com>
Sent: Friday, May 16, 2025 1:51 PM
To: Megan Rossbach; Nick Stumo-Langer
Subject: May 16, 2025

May 16, 2025

Hello Megan and Nick can you please share my letter below with the House Conference committee members. I am very concerned about the disproportionate rate cuts and future of FRS homes and the disabled and vulnerable adults served in these homes.

Dear Committee Member, 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 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. The family setting gives vulnerable individuals the mental and physical care they need to succeed in the community: resulting in fewer ER visits and hospitalizations. I do a GOOD and necessary work! The proposed flat rate would be a mistake for FRS and vulnerable people: it will result in a loss of choice for these vulnerable adults.

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. It is critical that you reject these budget cuts and find a better way forward together with FRS.

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

Sent from my iPhone

Nick Stumo-Langer

From: Donna Westman <rockelmcountryhomes@gmail.com>
Sent: Saturday, May 17, 2025 9:26 AM
To: Megan Rossbach; Nick Stumo-Langer
Subject: Family Residential Services cuts

Dear Conference Committee Member,

As a provider of Family Residential Services (FRS) in 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.

As you reconcile differences between the House and Senate versions of the bill, I urge you to:

- **Reject any reimbursement rate reductions** for Family Residential Services
- **Support stable financial outcomes** for FRS homes, such as a 51% rate increase to the existing flat rate tiers or keeping FRS homes on the DWRS.
 - For my home if you use the 51% increase, I still will face a 32% pay cut and continue to need to provide all the same care and paperwork.
 - This would put my pay at \$19 an hour which does not see right for a person who has done this job for 8+ years in my home and 21 total years in the Group Home/Adult Foster Care environment.
 - I wish you would look at why the current DWRS framework is not working and modify that.
- **Recognize FRS as a unique and essential part of the DWRS system**, and ensure its sustainability in both budget and policy

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,

--

Donna Westman
Rock Elm Country Homes
54580 Honey Avenue
Rush City, MN 55069
320-358-9994 (Home)
320-282-5057 (Cell)

"In order to empathize with someone's experience you must be willing to believe them as they see it and not how you imagine their experience to be" -Brene Brown



May 16, 2025
Human Services Conference Committee

Dear Human Services Finance Conference Committee Members:

On behalf of Children's Minnesota, I am writing to offer comments on several provisions in HF2434/SF3054, the Omnibus Human Services appropriations bills. Children's Minnesota is the state's largest pediatric health care provider. We serve children and teens from all 87 counties and 60 percent of the counties in surrounding states. Nearly half of our patients are insured through Medicaid.

Children in Minnesota are experiencing a mental health crisis, too often boarding in hospital emergency departments waiting for the right level of care to become available. In 2024 kids boarded at Children's Minnesota more than 1,200 times while waiting to access the community-based services they need, a substantial increase from the year prior. Included with this letter is a document that provides additional information specific to children boarding in our hospitals.

One of the biggest barriers we face in finding placement for these children is getting MnCHOICES assessments completed. Inefficiencies in the current process result in the same conclusion – more children waiting in the hospital to access the support they need.

HF2434/SF3054 include several important provisions that would address help address the current boarding crisis:

- Expanding who can be a MnCHOICES assessor by adjusting degree requirements and allowing hospitals to contract with counties to have assessors on site
- Requiring a statewide dashboard to better understand how the current MnCHOICES system is working and where future improvements can be made
- Clarifying MnCHOICES processes that must take place within current timelines (House position)
- Creating a MnCHOICES team at DHS that can help alleviate backlogs (Senate position)
- Improving timeliness and efficiency for MnCHOICES reassessments
- Creating a workgroup to improve the PRTF benefit and licensing to allow more children to be able to access PRTF services (House position)
- Funding school-linked behavioral health services

At Children's Minnesota, our vision is to be every family's essential partner in raising healthier children. As the kid experts in our community, we appreciate the opportunity to partner with you to collectively improve the health and wellbeing of kids in our state.

Sincerely,

Amanda Jansen, MPP
Director of Public Policy
Children's Minnesota

A broken system: THE JOURNEY OF A CHILD IN CRISIS

SITUATION

10 year old brought to the emergency department by caregiver for behavioral concerns.*



Multiple diagnoses (ADHD, PTSD) with limited coping skills and challenges regulating behaviors.

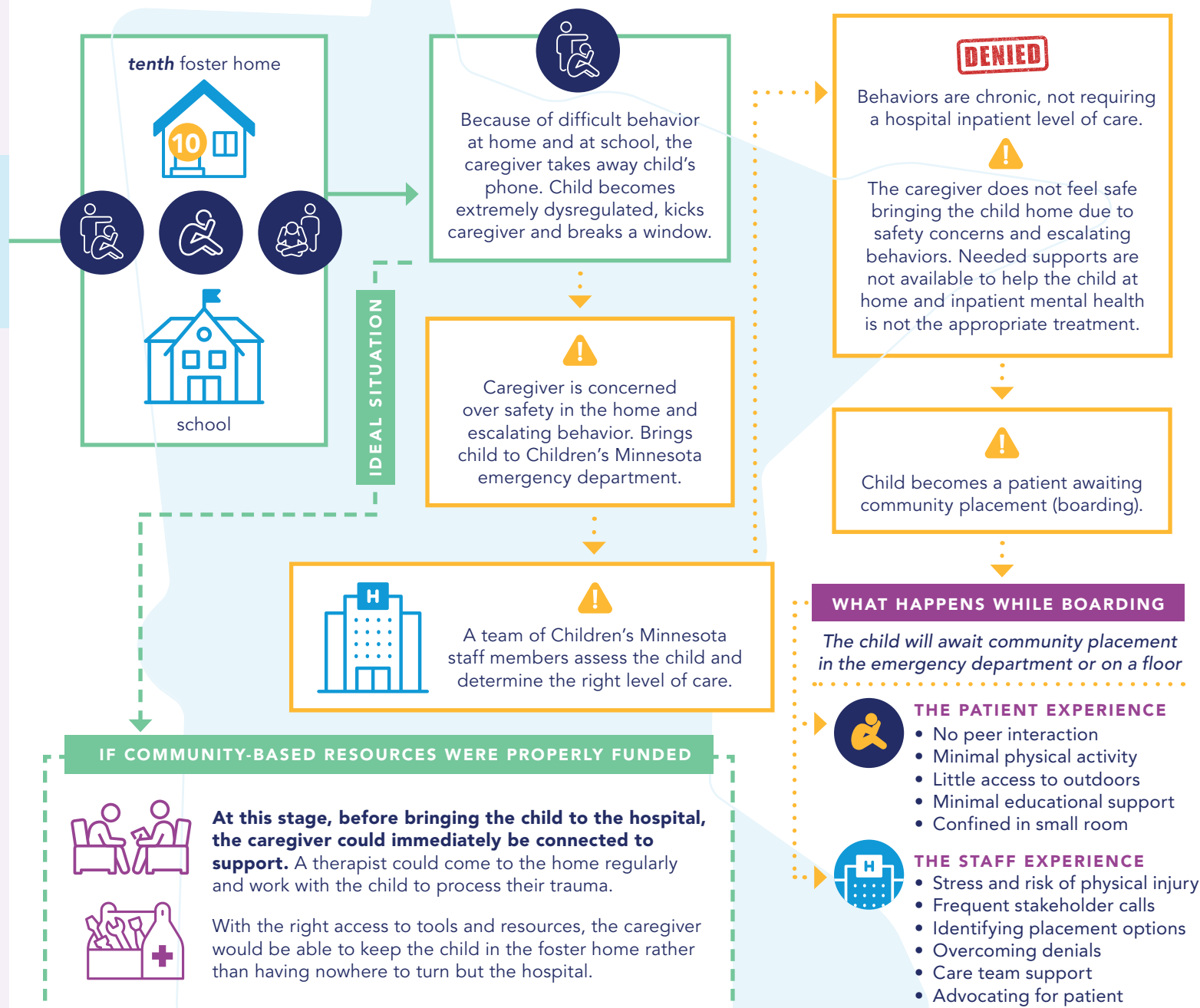
HISTORY

- Experienced past trauma, including witnessing domestic violence, parental substance abuse and was removed from birth family's care at 7-years old.
- Placed in 10 different foster homes.
- Verbally and physically aggressive when dysregulated, particularly towards caregivers.

For more information, please contact:

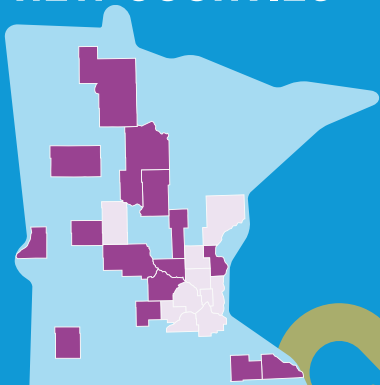
Amanda Jansen,
Director of Public Policy
Children's Minnesota

amanda.jansen@childrensMN.org
Cell: 262-442-3628



PATIENTS IMPACTED BY THE BOARDING CRISIS

In 2024, we saw patients from
16 NEW COUNTIES



+1 OUT OF STATE

MOST IMPACTED GROUPS

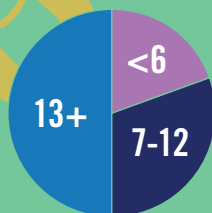
African American/Black
Caucasian/white
Multi-race

THIS HAS A WIDE
IMPACT ON ALL
COMMUNITIES

77.4%

are reliant on

MEDICAID



**PATIENT
AGES**

In 2024, kids boarded
at Children's Minnesota

1200+

TIMES

a substantial increase from 2023

54%

are under guardianship

OF THE COUNTY

In 2025, state leaders must focus on policy changes to help children with the most complex behavioral health needs. Significant investments are needed to improve access to the continuum of mental health care, including increasing Medicaid reimbursement rates and alleviating the boarding crisis.



COMMON CHARACTERISTICS AMONG PATIENTS BOARDING:

- Multiple past placements
- More than 3 hospital visits over the past year
- Neurodivergent, developmental delay, low level of functioning
- History of aggression, sexualized behaviors, running away
- Chronic self-harm, substance abuse
- Multiple medical conditions

For more information, please contact:

Amanda Jansen, Director of Public Policy
Children's Minnesota

amanda.jansen@childrensMN.org
Cell: 262-442-3628



May 16, 2025

Human Services Finance Conference Committee

Subject: HF2434 - Human Services Finance Omnibus Bill changes to CADI waivers

Dear Chair Hoffman, Chair Noor, Chair Schomaker, and Human Services Finance Conference Committee Members,

The Multicultural Autism Action Network is a non-profit organization serving families of children with disabilities in our multicultural communities. We are writing today to express concern about the language in the Health and Human Services Finance Omnibus bills (HF2434)--specifically the section in Article II, Section 3, which, if passed, will make it considerably more difficult to qualify for a CADI waiver.

The House Language states that in order to qualify for CAC or CADI waivers:

- (1) the person requires the assistance of another person or constant supervision to begin and complete ***at least four*** of the following activities of daily living: bathing, bed mobility, dressing, eating, grooming, toileting, transferring, or walking;
- (2) the person needs the assistance of another person or constant supervision to begin and complete toileting, transferring, or positioning ***and the assistance cannot be scheduled*** ;
or
- (3) the person has significant difficulty with memory, using information, daily decision making, or behavioral needs that require the person to be constantly supervised ***or require interventions that cannot be scheduled.***

The Senate Language adds similar language and additionally includes a section stating:

- (3) the person has significant difficulty with memory, using information, daily decision making, or behavioral needs that require the person to be constantly supervised or ***require interventions that cannot be scheduled*** (emphasis added).

We are concerned that:

- These amendments were added without hearings and without opportunity for input from stakeholders.
- There are many people with 3 ADLs that will no longer clarify.

- It is not clear what would happen to someone who has technological support for ADLs (such as a wheelchair for mobility) but what if that device is not working? Or staff is unavailable? Are they just out of luck?
- We are concerned that the sections that require “assistance that cannot be scheduled” would only apply to people who require 24/7 care plans, leaving anyone requiring less than that without options.
- We are particularly concerned that these changes will disproportionately affect communities that speak a language other than English, who will be less likely to understand the new requirements and use the proper terminology during MnChoices assessments.
- We are concerned that this is an effort to push people towards CFSS, which we know does not work for many single parents, or are supporting people with disabilities without a care network that can provide services as a responsible party.

We know that the members of the Human Services Finance Conference committee care deeply about the disability community and that you believe in the idea of nothing about us without us. We therefore ask for your reconsideration of these amendments which we do not believe are in the best interest of the disability community and will disproportionately impact our marginalized communities.

Sincerely,

Multicultural Autism Action Network
 Fatima Molas
 Delia Samuel
 Rufo Jiru
 Maren Christenson Hofer



May 16, 2025

Dear Chairs Hoffman, Schomaker, Noor, Wicklund, Backer, Bierman, and members of the Human Services Conference Committee and Health Conference Committee:

Thank you for taking the time to hear the Bridge to Shelter bill (SF 2124/HF 1914) authored by Senator Mohamed and Representative Curran in the Senate Health and Human Services Committee and the House Human Services Committee. We write in strong support of this bipartisan legislation during conference committee.

Heading Home Hennepin is a continuum of care committee made up of elected officials, housing and service providers, people with lived experiences, and cross-sector partners that supports the coordination of the countywide effort to prevent and end homelessness. **Hennepin County has invested significantly to reduce homelessness for our residents, including more than \$91million of pandemic relief funds. They have invested in proven strategies, including increasing the supply of affordable and supportive housing, housing focused case management and low barrier shelters for people experiencing homelessness, and homeless and eviction prevention for at-risk households.** In Hennepin County, we the residents and our leaders believe that homelessness should be rare, brief, and non-recurring and strive to make that a reality through our work together.

Our methods are impactful. Hennepin County is unique in their *Shelter All Family* policy. We believe that no child should sleep outside, and the county expands capacity as needed for families with children in their emergency shelter system. Hennepin County's overall rate of unsheltered homelessness as a share of our population is less than half the US's national rate.

Last fall, Hennepin County was honored to announce we have a homelessness response system in place that can respond and re-house veterans in less than 90 days if they experience homelessness. **As a result, the United States Interagency Council on Homelessness (USICH), Department of Housing and Urban Development (HUD) and Department of Veterans Affairs (VA) have certified that we are meeting their benchmarks for effectively ending homelessness among veterans.**

Our investment in our homelessness response system is rooted in both our values and in proven strategies. However, with the end of those pandemic relief dollars we cannot sustain this trajectory alone. We are on the verge of a fiscal cliff, and with potential cuts looming from the federal level, we need the partnership of the State more now than ever. Without these funds, we run the risk of ending 24/7 shelter operations, our housing-focused case management supports, and shelter diversion services. Our non-profit partners, such as Avivo Village and AICDC's Homeward Bound rely on the county for funds which are also at risk. We thank you for your consideration and your important work this session.

Sincerely,

Heading Home Hennepin Tri-Chairs

A handwritten signature in black ink, reading "Angela Conley". The script is fluid and cursive, with the first name and last name clearly distinguishable.

Angela Conley
Hennepin County Commissioner

A handwritten signature in black ink, reading "Jacob Frey". The signature is stylized, with a large, sweeping "J" and a distinct "F".

Jacob Frey
Mayor City of Minneapolis

A handwritten signature in black ink, reading "Ricardo Morales". The signature is written in a clear, cursive style, with the first and last names being prominent.

Ricardo Morales

Dear Conference Committee Member,

As a provider of Family Residential Services (FRS) in Minnesota, we're reaching out to urge you to **protect and prioritize FRS homes** as you finalize the Human Services **Omnibus Bill**. We have been licensed FRS owners of The Way Home since 2018, & providing Adult Foster Care since 2014. Over the years we have filled a great need in our community: caring and creating safety & stability 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, stating "I could NEVER do what you do!". We cannot provide this service living off of accolades.

There are **more than 1,200 licensed FRS (non-relative Adult Foster Care) homes statewide**, serving several thousand individuals with disabilities, in community-integrated, family-style settings. We give people a feeling of living in a family and the consistency and care they need, while supporting their (and Legal Representative's) choices. These homes are an invaluable part of Minnesota's residential service ecosystem, providing options/choices in rural, urban, and greater Minnesota, where alternative models are limited, unavailable, or simply not the right fit for persons.

FRS providers are facing increasing financial & regulatory costs. Unlike larger residential settings, FRS homes operate with limited administrative capacity and workforce flexibility. Policy & Budget for the Governor's "The New DHS Identity" might seem small on paper, yet has disproportionate negative impacts specifically targeting FRS homes, forcing closures, removing a housing option/choice, and displacing Vulnerable individuals who depend on FRS homes for safe reliable care. FRS has previously been considered a cost-effective way to house, serve, & provide a quality of life for Vulnerable Adults. These cuts are in stark contrast to **"protecting progress,"** a phrase we often hear from state leaders.

As you reconcile differences between the House and Senate versions of the bill, we urge you to:

***Reject any reimbursement rate reductions** for FRS homes.

***Support stable financial outcomes** for FRS homes, such as the proposed 51% rate increase to the existing Flat Rate Tiers (passed in 2023 session) OR keep FRS homes on the existing DWRS.

- Even with a 51% increase to existing Flat Rate, we will face a pay cut yet required to provide all the same care, paperwork compliance, and labor costs of supplemental DSP.
- Our pay for supervision & DSP cares will be approximately \$19/hour (which is low pay for a person who has personally 10+ years experience doing this work well).
- On the current DWRS, DSPs (Staff) only earn \$17/hour on average — 16% below living wages, whether employed for a day, or longer employment. Turnover is 45%. Funds are not available for merit, upward mobility, experience, or tenure.
- The state admits these positions are underfunded; yet, this budget deepens the crisis.

***Recognize FRS as a unique and essential part of the DWRS system!** Ensure its sustainability in budget and policy. Cuts mean FRS like The Way Home, and others across MN, will need to consider if it's feasible to continue caring for Minnesota's disabled Vulnerable Adults, care for fewer VAs, or shut our doors altogether to seek employment. Where will these VAs move to? There is already a crisis of good homes in our area and throughout the state. 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,

David & Tami Lubowitz

David's Cell: (320) 492-2447

1292 10th Ave North

Saint Cloud, MN 56303



CATHOLIC CHARITIES
Twin Cities

Catholic Charities at Elliot Park
1007 East 14th Street, Minneapolis, MN 55404
612-204-8500 | cctwincities.org

May 16, 2025

Re: Human Services Omnibus Bill (HF2434)

Chairs Hoffman, Schomaker and Noor and Members of the Committee:

We are aware of the difficult fiscal environment in which you are tasked with setting the Health and Human Services Budget. As we see the needs of our clients increase, we want to express the continued need for investments in the homelessness and housing services continuum. I am writing to express our support for several provisions in the House and Senate Health and Human Services Omnibus bills, while also expressing one major concern.

I want to start by thanking Senator Wiklund and the members of the Senate Health and Human Services Committee for including \$1m in the Omnibus bill to reauthorize funding for the Homeless Elders program.

Older adults experiencing homelessness face unique challenges. Catholic Charities' Homeless Elders Program is designed to help older adults address these challenges with expert case management, connections to essential supportive programs, and placement in affordable, stable housing. With the state funding appropriated for the program in 2023, Catholic Charities has significantly cut wait times and has doubled housing placements, helping more than 300 older adults find a place to call home.

With older adults as the fastest growing segment of the homeless population and diminishing resources, the ability to continue providing these services for vulnerable older adults is more important now than ever.

We strongly urge this committee to reauthorize the funding for the Homeless Elders program.

Additionally, as you negotiate provisions for inclusion in the final budget bill, we ask that you consider the following:

Support for the below funding provisions in the House Human Services Omnibus bill:

- Senior nutrition program
- Safe harbor grants
- Homeless Youth Act grants
- Shelter Capital



CATHOLIC CHARITIES
Twin Cities

Catholic Charities at Elliot Park
1007 East 14th Street, Minneapolis, MN 55404
612-204-8500 | cctwincities.org

- Emergency Service Program funding
- Wilder Foundation Homeless Study Grant

Support for the below funding provisions in the Senate Health and Human Services Omnibus bill:

- Homeless Elders Program
- Family Supportive Housing Grant Program
- Medicaid Mental Health Rate Reform

We would also like to express our deep concern regarding the proposed elimination of the Enhanced Supplementary Service Rate. We outlined our concerns in a joint letter to this committee signed by Catholic Charities and other services providers. The elimination of this rate would have severe consequences for providers and consequently Minnesotans with the highest needs. We do recognize that there is a one-time increase in the Standard Supplementary Service Rate – this however would not fill the gap of the enhanced rate loss for many providers and does not provide a sustainable funding solution.

Catholic Charities strongly urges the committee to preserve the Enhanced Supplementary Service Rate.

Thank you for your consideration and for your work on behalf of vulnerable Minnesotans.

Sincerely,

Jamie Verbrugge
President and CEO



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

Chair Mohamud Noor
5th Floor Centennial Office
Building
St. Paul, MN 55155

Chair Joe Schomacker
2nd Floor Centennial Office
Building
St. Paul, MN 55155

May 16, 2025

RE: HF2434, human services omnibus budget bill

Dear Senator Hoffman, Representative Noor, Representative Schomacker, and members of the human services conference committee:

We are writing in support of extending the availability of funding to support Minnesota's network of supported decision-making practice, as included in both the House ([Article 11, Section 26](#)) and Senate ([Article 12, Section 20](#)) human services budget bills. We also encourage the committee to adopt the House position to provide additional funding to extend the grant program through June 30, 2027 ([Article 11, Section 17](#)), as well as ongoing base funding starting in FY2028. These investments reflect learnings from the recent [Office of the Legislative Auditor \(OLA\) report on Guardianship of Adults](#), which elevates the importance of providing sustained alternatives to guardianship.

Our organizations believe all people have the right to make decisions, have control in their lives, advocate for themselves, and get support from trusted allies as they make decisions. Yet for too long, people with intellectual and developmental disabilities, older adults, and those with mental health support needs have been subjected to restrictive guardianships that strip them of their civil rights and decision-making authority. Supported decision-making is an alternative to guardianship that helps an individual to understand the nature and consequences of potential personal and financial decisions.

In 2023, the legislature authorized a one-time appropriation of \$4.55 million to the Department of Human Services (DHS) to award grants to provide and promote supported decision-making services as an alternative to guardianship. In July and August of 2024, five organizations were awarded grants. Grant activities include offering education to prevent unnecessary guardianship, establishing a statewide guardianship consultation line, restoring rights of individuals currently under guardianship, preventing and reducing the use of guardianship and conservatorship, including as a tool for hospital discharge, and supporting individuals exiting incarceration who are at risk of guardianship. With the program rolling out later than anticipated, extending the availability of funding would allow grant recipients to access these resources through the end of FY2026, ensuring all available dollars can be spent and help realize the full intent of the original legislation.

Moreover, we support the House position of an additional investment in supported decision-making, as these dollars represent the first sustainable funding pool to invest in this work and have had a measurable, positive impact for Minnesotans. Continued funding not only supports those living with disabilities to live more independent lives, but this program will also reduce human services spending in the long run, due to reduced court expenses, delayed use of rehabilitation services and waiver utilization, and decreased emergency room visits.

Thank you for your important work, and for your time and consideration of our request.

Sincerely,

Amanda Vickstrom
Executive Director
Minnesota Elder Justice Center

Jennifer Purrington
Legal Director/Deputy Director
Minnesota Disability Law Center

Tina Rucci
Public Policy Director
The Arc Minnesota

Jeanette Boerner
Director
Hennepin County Adult Representation Services

Anita Raymond
Program Director
CESDM at VOA-MN

Jessica Lindstrom
President
Minnesota Association of Guardianship and
Conservatorship

Nate Danielson
Senior Director of Supported Decision-Making
and Guardianship Services
Lutheran Social Service of Minnesota

Adam Suomala
Executive Director
Minnesota Leadership Council on Aging

Jason Bergquist
Board Chair
Minnesota Consortium for Citizens with
Disabilities

Megan Thomas
Adult Services Manager
Rice County Community Services

Danielle Marie Indovino Cawley
Policy Chair
Minnesota Consortium for Citizens with
Disabilities



Testimony in Support of Provisions of H.F. 2434 / S.F. 3054
Human Services Finance Conference Committee
May 16, 2025

Dear Human Services Finance Conference Committee Members:

The Minnesota Alliance for Ethical Healthcare is a diverse coalition of doctors, nurses, advocates for persons with disabilities, medical ethicists, elder-care workers, faith-based organizations and others committed to ensuring truly compassionate healthcare throughout life's journey. We oppose the legalization of physician-assisted suicide, and believe that Minnesotans should have more healthcare choices—especially those that provide dignified care for people with disability, and those that allow more people to choice in terms of a care setting, whether at home or in long-term care.

Therefore, we support the following workforce-related provisions being considered by the H.F. 2434 conference committee.

- We support the enhanced rate regarding personal care assistants in both the House language (lines 29.22-29.26) and Senate language (lines 62.3-62.7). It is vital to support personal care assistants and the service they provide to so many people.
- The Direct Support Professional Development competitive grant for \$230,000 in the Senate language (lines 279.16-280.3) stresses curriculum and training development in addition to addressing workforce readiness and capacity to help more people live at home.
- Long-Term Services and Supports Workforce Incentive Grants provision in both House (lines 236.17-236.25) and Senate (lines 289.24-289.32) is an important effort to help bolster the healthcare workforce in a variety of settings.

We consider all these provisions to be positive enhancements for caregivers, the healthcare workforce, and quality of life for patients.

Thank you for your consideration.

Nancy Utoft
President
info@ethicalcaremn.org

Alliance Partners

- AALFA Family Clinic
- American Academy of Medical Ethics
- American Association of People with Disabilities (AAPD)
- Association of Programs for Rural Independent Living (APRIL)
- Autistic Self Advocacy Network (ASAN)
- Benedictine Health System
- Catholic Eldercare
- Catholic Faith Community Nurse Ministry Association
- Catholic Health Association of Minnesota
- Center for Bioethics and Culture
- Center for Disability Rights
- Christian Medical and Dental Association
- Curatio Apostolate of Catholic Healthcare Professionals
- Democrats for Life
- Diocese of Winona Guild of the Catholic Medical Association (Rochester)
- Disability Justice Network
- Disability Rights Education & Defense Fund
- Euthanasia Prevention Coalition
- Euthanasia Prevention Coalition USA
- Franciscan Brothers of Peace
- Gianna Homes
- Human Life Alliance
- International Association for Hospice and Palliative Care
- Islamic Center of Minnesota
- Jewish War Veterans
- Knights of Columbus Minnesota State Council
- Life Legal Minnesota
- Lutherans for Life
- Lutheran Church—Missouri Synod, Minnesota North District
- Lutheran Church—Missouri Synod, Minnesota South District
- Metropolitan Center for Independent Living
- Military Order of the Purple Heart Department of Minnesota
- Minnesota Catholic Conference
- Minnesota Family Council
- Minnesota Rural Health Association
- Muslim American Society of Minnesota
- National Catholic Partnership on Disability (NCPD)
- National Council on Independent Living
- North Star Law & Policy Center
- Not Dead Yet
- Order of Malta
- Our Family Encounter
- Our Lady of Peace Hospice & Home Care
- Paralyzed Veterans of America, Minnesota Chapter
- Patients Rights Action Fund
- Physicians for Compassionate Care Education Foundation (PCCEF)
- Prenatal Partners for Life
- Pro-life Healthcare Alliance
- Sacred Heart Guardians and Shelter
- Saint Paul and Minneapolis Guild of the Catholic Medical Association
- Scholl Institute of Bioethics
- St. Joseph Business Guild
- St. Raphael Guild of the Catholic Medical Association (Duluth)
- Students for Life
- The Heart and Mind Connection
- The Lutheran Home Association
- The People's Patriot Project
- Transform Minnesota
- True North Legal
- Twincitiesgo
- University of Minnesota Students for Human Life
- University of St. Thomas ProLife Center
- University of St. Thomas Catholic Medical Association
- Wounded Warriors United – Minnesota

May 16, 2025

Dear Human Services Finance Conference Committee Members:

We are writing to express our deep concern about the proposed elimination of the Enhanced Supplementary Service Rate (today known as Housing Support, formerly Group Residential Housing), and to urge you to reconsider this action, which would have devastating consequences for some of Minnesota's most vulnerable citizens. If enacted, the effects will be immediate, severe, and deeply felt by individuals, families, and communities across the state.

Our organizations serve thousands of individuals each year through a range of programs and services who would be directly impacted by the loss of the Enhanced Supplementary Service Rates. These are individuals living with chronic substance use disorders and co-occurring mental health needs who require the most intensive, structured care—and for many, our programs are their last hope.

Enhanced rates allow our organizations to provide essential, life-saving services that go far beyond traditional treatment, some of which include:

- On-site nursing for clients with complex medical needs
- 24/7 staffing of recovery coaches and clinicians
- Life skills training and recovery coaching
- Assistance with medication management and administration
- Transportation assistance
- Job readiness preparation and vocational training
- Coordination of medical and behavioral health services
- Family services to support healing and reunification
- Spiritually informed and culturally responsive care, for those who desire it
- Relapse prevention planning and aftercare support to sustain recovery

We are also facing the most dangerous drug environment Minnesota has ever seen. Substances are more potent and addictive than ever, and fentanyl is being laced into a wide range of drugs—often without users' knowledge—leading to a sharp rise in accidental overdoses and deaths. The people we serve aren't just struggling with addiction; they are fighting to stay alive.

The loss of this funding would affect our programs throughout all of Minnesota. The effects will be immediate, severe, and deeply felt by thousands of individuals and their families.

We recognize that the House Human Services finance bill also proposes a one-time, 30 percent increase to the Standard Supplementary Service Rate. That increase, however, will not compensate for the cut for many enhanced rate providers, and a one-time increase does not offer a lasting funding solution. A rate study is also currently underway through DHS to evaluate supplementary service rates, and we would encourage lawmakers to consider those findings before taking action on this issue.

We urge you to preserve Enhanced Supplementary Service Rate and continue supporting organizations that are on the front lines of Minnesota's addiction crisis. The cost of removing this support will be counted not only in dollars, but in lives lost and communities destabilized.

Thank you for your service to our state, and for your ongoing commitment to the health and wellbeing of all Minnesotans.

Sincerely,



Tom Truszinski, Chief Executive Officer, Minnesota Adult & Teen Challenge



Katy Daniels, Chief Executive Officer, Missions Inc. Programs



Karen Foy, Chief Executive Officer, Andrew Residence



Jamie Verbrugge, President and Chief Executive Officer, Catholic Charities Twin Cities



1919 University Avenue W., Suite #500 | Saint Paul, MN 55104
1-866-554-5381 | Fax: 651-644-5539 | TTY: 1-877-434-7598
aarp.org/mn | aarpmn@aarp.org
twitter: @aarpmn | facebook.com/aarpmn

**AARP Support for Age-Friendly Minnesota Council and Grants
Human Services Finance Conference Committee
May 16, 2025**

Chairs Schomacker, Noor, Hoffman, and Conference Committee Members,

AARP Minnesota respectfully requests your support for the Age-Friendly Minnesota Council and community grants in the Senate language of the Human Services finance omnibus bill.

The Age-Friendly Council brings together state agencies, tribal communities, and older Minnesotans to develop a Multi-Sector Blueprint for Aging. Additionally, community grants are making an impact across Minnesota by investing in community innovators and improving the lives of older adults. Today, 31 Age-Friendly Communities represent more than one-third of the state's population, plus the state of Minnesota which enrolled in 2022.

Without action, the council sunsets in 2027. Alternatively, waiting to fund this council would delay community grant-making and halt momentum on the state's aging blueprint. As legislators discern the opportunities and challenges of our state's aging population, the Age-Friendly Council is a source of stability, collaboration, and statewide planning.

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. On behalf of our more than 620,000 members statewide, thank you for your careful consideration of the Age-Friendly Minnesota Council in the Human Services finance omnibus bill.

For further discussion about this issue, please contact me at telness@aarp.org.

Thomas Elness
State Advocacy Director
AARP Minnesota



Nick Stumo-Langer

From: Brad Benson <bradcindy624@gmail.com>
Sent: Friday, May 16, 2025 9:45 AM
To: Nick Stumo-Langer
Subject: Save my daughter FRS HOME

Sent from my iPad Conference Committee Member,

As a parent of a person who lives at Fairchild's FosterCare home, a Family Residential Services (FRS) home in 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, the FRS home my daughter lives in is 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. My daughter has lived full time in this home for 21 years. Fairchild's have been part of her life for all of those 21 years. My daughter has significant medical needs and needs help with all cares. I do not want her to have to move as she is thriving here and feels cared for and is where she and I want her live. I urge you to do what I am asking below, PLEASE.

As you reconcile differences between the House and Senate versions of the bill, I urge you to:

- **Reject any reimbursement rate reductions** for Family Residential Services
- **Support stable financial outcomes** for FRS homes, such as a 51% rate increase to the existing flat rate tiers or 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

The long-term viability of the FRS model depends on legislative understanding and support. Please know that FRS homes are cost effective and that I have chosen this home because this is where I want my loved one to live. Thank you for your service and for keeping small, community-rooted providers like ours in mind as you finalize this critical legislation.

Sincerely,

Brad Benson

1572 Sunrise Drive NW

Pine River MN 55474

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

Nick Stumo-Langer

From: rick vaughn <rpmrickzz4@gmail.com>
Sent: Thursday, May 15, 2025 2:39 PM
To: Nick Stumo-Langer
Subject: Adult Foster care

Dear Conference Committee Member,

I am Juanita Vaughn, along with the support of my husband Rick. As providers of Family Residential Services (FRS) under Vaughn Family Home AFC in Monticello, 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.

We have been providing adult foster care since 1996. We have housed individuals with various levels of needs and provided a nurturing environment where these individuals can grow and thrive to the best of their ability. Some have successfully transitioned into independent living due to the care received, though this is the exception—those who reside in FRS homes will generally never be able to live and function independently.

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, potentially leading to closures and displacing individuals who rely on these homes for safe and cost-effective care.

The FLAT RATE TIERS will reduce my income by 72% while maintaining the same responsibilities required to uphold my 245-D license. I must continue to complete all the same paperwork and training as before but for significantly less compensation. Would you be willing to continue your job if faced with such a pay adjustment?

As you reconcile differences between the House and Senate versions of the bill, I urge you to:

- Reject any reimbursement rate reductions for Family Residential Services.
- Support stable financial outcomes for FRS homes, such as a 51% rate increase to the existing flat rate tiers or keeping FRS homes on the DWRS. Even with these adjustments, we will still face a reduction in pay.
- Recognize FRS as a unique and essential part of the DWRS system, and ensure its sustainability in both budget and policy.

The long-term viability of the FRS model depends on legislative understanding and support. **Thank you for your service and for considering the needs of small, community-rooted providers like ours as you finalize this critical legislation.

Sincerely, Juanita Vaughn

DBA Vaughn Family Home AFC

Rick and Juanita Vaughn
8826 Darrow Ave NE
Monticello, MN. 55362
763-245-4670

Vaughn Family AFC

Nick Stumo-Langer

From: LINDA FAIRCHILD <mfairchild1071@msn.com>
Sent: Thursday, May 15, 2025 3:43 PM
To: Megan Rossbach; Nick Stumo-Langer
Subject: FRS budget concerns

Importance: High

Hello, Megan and Nick, can you please share my letter below with the House Conference committee members. I am very scared about the fate of FRS homes.

Thank you both.

Dear Conference Committee Member,

As a provider of Family Residential Services (FRS) in 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.

As you reconcile differences between the House and Senate versions of the bill, I urge you to:

- **Reject any reimbursement rate reductions** for Family Residential Services
- **Support stable financial outcomes** for FRS homes, such as a 51% rate increase to the existing flat rate tiers or keeping FRS homes on the DWRS.
 - For my home if you use the 51% increase, I still will face a 32% pay cut and continue to need to provide all the same care and paperwork.
 - This would put my pay at \$19 an hour which does not see right for a person who has done this job for 30+ years.
 - I wish you would look at why the current DWRS framework is not working and modify that.

- **Recognize FRS as a unique and essential part of the DWRS system**, and ensure its sustainability in both budget and policy

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,

Linda Fairchild

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

Nick Stumo-Langer

From: Bridget Nickelson <bridgetn@nickelsonafc.com>
Sent: Thursday, May 15, 2025 3:44 PM
To: Nick Stumo-Langer
Subject: Letter of Concern

Hello Committee Member Nick Stumo-Langer,

As a provider of Family Residential Services (FRS) in 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.

As you reconcile differences between the House and Senate versions of the bill, I urge you to:

- ☐ **Reject any reimbursement rate reductions** for Family Residential Services
- ☐ **Support stable financial outcomes** for FRS homes, such as a 51% rate increase to the existing flat rate tiers, or 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

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,

Bridget Nickelson
2530 Arnold Palmer Drive
Blaine, MN 55449
763-432-2323 Home
651-208-9849 Cell
763-786-1149 Fax

Inline image

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Nick Stumo-Langer

From: julie eittreim <eittreimfamily@yahoo.com>
Sent: Thursday, May 15, 2025 6:18 PM
To: Megan Rossbach; Nick Stumo-Langer
Subject: FRS (Adult Family Foster Care) budgetary concerns

Good evening Ms. Rossbach and Mr. Stumo-Langer,
I am requesting that you share my letter below with the House Conference Committee members.
Dear Committee Members,

My name is Julie Eittreim and I am an Adult Family Foster Care Provider, have been since 2015, and I am highly concerned about the proposed Flat Rate Proposal and how it will adversely affect thousands of adults who chose to live in a Family Foster home versus a corporate or institutional setting.

I am writing to the Committee to urge you to protect this valuable asset, Family Foster Homes, and make the individuals we serve a priority. If these proposed cuts, flat rate is passed many Family Foster Providers will need to close their doors, including me. The current Disability Waiver Rate Setting Tool (DWRS), which was developed by the Minnesota Department of Human Services, is a more accurate tool to determine rates.

I would like the Committee Members to understand just a portion of what my daily activities include; wiping after a BM or urinating, showering, brushing teeth, combing hair, changing diapers, hand feeding, daily paperwork, managing behavioral issues, always being on call including when on vacation. Family Foster Care Providers are required to follow the same policies and procedures as a corporate group home, institution, however, we do not appear to be valued the same. I can tell you that if Family Foster Care Providers need to close their doors, the individuals we serve, will be displaced and will lose their Person Centered Right to live in a family setting. If any of the individuals I serve move to a corporate setting, I can also tell you it will cost a minimum of \$150.00 more a day to house them in a group home. One of my ladies who has lived with me for years and has dementia, is developmentally disabled would probably have to move to a nursing home. FRS's, Family Foster Homes, are a more fiscally responsible solution.

As the Committee works towards resolving the differences in the House and Senate versions of the bill please consider the following:

- 1) Reject any reimbursement rate reductions for Family Residential Services.**
- 2) Consider what the decrease in reimbursement and moving to a flat rate will do to the 1220 plus FRS homes and the thousands of consumers we serve; they will be displaced, FRS's will close their doors. Minnesota will lose a valuable asset and will re-institutionalize people with disabilities and mental health issue while also increasing spending.**

The Family Foster Home model, versus corporate or institution, depends on the legislators, your support and understanding of what FRS providers so, the actual service we offer our communities. I appreciate your thoughtful consideration and hope you will reject the proposed flat rate.

Respectfully,

Julie Eittreim

Eittreim Family Foster Care

1700 Whitetail Run

Buffalo MN 55313

612-388-3942

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Nick Stumo-Langer

From: Judyann Fridgen <sjfridgen@outlook.com>
Sent: Friday, May 16, 2025 7:26 AM
To: Nick Stumo-Langer
Subject: FRS CRISIS

Dear Conference Committee Member,

As a provider of Family Residential Services (FRS) in 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.

As you reconcile differences between the House and Senate versions of the bill, I urge you to:

- **Reject any reimbursement rate reductions** for Family Residential Services
- **Support stable financial outcomes** for FRS homes, keeping FRS homes on the DWRS.
 - Consider how this is discrimination to FRS providers to be put on a flat rate. FRS providers do the same job, have the same training and requirements as CRS homes.
 - Consider how the flat rates will FORCE providers to close their homes/programs, leaving the people we support looking for new homes, most not being able to find them in the same area, forcing them to move away from their friends, their families, their neighborhoods, their jobs, their health care providers such as doctors, mental health providers, any specialty Dr's. All of this while at the same time missing us, missing the home and family they've known to be their own. This is absolutely unfair to the people of MN that are unable to voice their hurt, pain and stress. PLEASE CONSIDER THIS!
 - When our programs close, consider where all of these people will go. Will it really be cost effective? Some will end up in CRS settings, and often FRS settings are a substantial cost savings to the state of MN. Some will be forced to move to Nursing Homes, hospitals, which absolutely will cost more. Some will be forced back to families who in the first place considered all of this carefully and decided they cannot handle the cares, which also is a horrible plan with risks of maltreatment and neglect. Also, many parents are older now, and this just wouldn't be fair to them.

- **Recognize FRS as a unique and essential part of the DWRS system**, and ensure its sustainability in both budget and policy

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.

Nick Stumo-Langer

From: ANITA GARNER <anita.garner@gmail.com>
Sent: Friday, May 16, 2025 7:05 AM
To: Nick Stumo-Langer
Subject: Please Help Us

Dear Nick Stumo-Langer,

My name is Anita Garner. My husband and I have an adult residential care home. We have been doing Adult Foster Care (AFC) since 2013 and additionally, 245D Family Residential Services (FRS) since 2016. My husband and I take care of two vulnerable adults who are on DD waivers. Each of our residents has significant behavioral and physical needs.

I am writing to you today to ask you to support keeping the DWRS system. It is very thorough in its calculation and takes in account the extraordinary care some people with Developmental Disabilities require. In direct contrast with the Flat Rate Tier system that has no provisions for extraordinary care. Through the tier system calculations we were provided, our home will experience a pay cut of at least 53%. This will depend on where our county determines how our residents fall on the tier system. These cuts could mean that providers like us, and others across Minnesota will not be paid a living wage. We are required by law to pay \$11.15 an hour for our help but on the flat rate system we would only be paid \$6.43 per hour. This is not realistic and many Family Residential homes will go out of business. This will be devastating for all residents. S.F. 2297 delays this new FRS tier payment methodology from 2026 to 2029, and in the meantime establishes a task force to review payment methodology that works for the state, the individuals receiving care, and ensures that providers can continue doing this critical work. We support DHS's current disability waiver rate system (DWRS) and would like it to continue. It distributes payment in a more fair and accurate manner than what we have had in the past or what we anticipate of the tier system.

Please help us.

Sincerely,

Anita Garner, DCDM
320-3219-3275

Nick Stumo-Langer

From: oakhill@runestone.net
Sent: Thursday, May 15, 2025 6:33 PM
To: Nick Stumo-Langer
Subject: Please Support FRS Homes

Dear Representative Stumo-Langer,

My name is Dawn Filipiak. My husband and I have an adult residential care home. We have been doing Adult Foster Care (AFC) since 2009 and additionally, 245D Family Residential Services (FRS) since 2013. My husband and I take care of two vulnerable adults who are on DD waivers. Each of our residents has significant behavioral and physical needs.

I am writing to you today to ask you to support Family Residential Services (FRS) homes in keeping us on the DWRS system. As of January 1st, 2026, FRS payment rates will be set to a new flat rate tier system, which threatens our work. Through the tier system calculations we were provided, our home will experience a pay cut of at least 62%. This will depend on where our county determines residents fall on the tier system. These cuts could mean that providers like us, and others across Minnesota will not be paid a living wage. We support DHS's current disability waiver rate system (DWRS) and would like it to continue. It distributes payment in a more fair and accurate manner than what we have had in the past or what we anticipate of the tier system. It keeps counties more accountable with less negotiation than past difficulty of care (DOC) systems.

We have two residents who have lived with us for approximately seven and fourteen years. Both residents are retired and receive programming and supports at home throughout the day equal to three eight-hour shifts. We have a person in care who is very sensitive and has extreme anxiety in certain situations. He loves Wii bowling, kayaking, garage sales and the family dog. Our other resident is a person who has lived in this community from birth. It was not until her last remaining parent became ill and was unable to care for her that she was moved from the family farm. This person loves to bake for "the kids", family camping trips, mall walks with friends, holidays, etc. Please consider our residents' stability and their attachment to our family. Neither of these residents will do well in a home with continual DSP turnover, they are familiar with family dynamics as they were raised by loving families.

These residents do not deserve the trauma of removal from their Family Residential Services home, nor do they deserve to have already over-worked providers struggling to pay the bills and looking for supplemental income in an already 24/7 job. Person-centered planning includes a variety of choices for all residents between various settings, not only providing state institutional living and calling it person-centered. Is Minnesota's definition of humanity changing? Please make a compassionate choice for our people with disabilities. This most certainly will be an irreversible decision. Thank you for your time.

Dawn Filipiak, Executive Director/DC
Oak Hill Adult Services
320-283-5591

Nick Stumo-Langer

From: Alicia Olson <olsonhomesinc@gmail.com>
Sent: Thursday, May 15, 2025 6:15 PM
To: Nick Stumo-Langer
Subject: FRS expenses explained

To Whom It May Concern:

One thing that I feel hasn't been addressed in our communication regarding the looming tier changes is how the tiers don't cover the expenses we are required to cover as providers. DWRS has built in cost factors for things like programming, vehicles and administrative expenses.

As providers we are required to drive clients to appointments, regardless of how far or frequent they are. Some homes are required to provide a special vehicle at times, at their expense. If a client wants to do something in the community, we as providers are required to provide that transportation. This ultimately costs us substantial amounts of money for mileage, gas, oil changes, car payments and repairs.

As providers we are required to provide items for leisure/activity and goals they may have. These occurs at our expense. In my home this costs me upwards of \$400 a month due to my clients preferences and goals. If a client wants to go do something in the community, we have to cover our costs which is another expense that adds an additional \$300 a month for me.

As providers, we are required to print, fax and maintain records. This carries a cost that adds up as paper, ink and equipment is not cheap. If one chooses to add electronic components, that adds an additional expense. Cell phones in order to be in communication with teams , stamps to mail routine paperwork required by DHS both have costs.

As providers, we have to pay a licensing fee annually that is at minimum \$600. Each person on the license as well as supplementary staff must do annual training, in my home this adds an expense of \$2500. We have to run background checks on each person in our own home over 13, on each staff. Costs associated with that as well as the finger printing.

Add those up and we aren't even getting the \$7/hr. Or if we go with Abler's proposed additional 51% and get \$10/hr , it's not actually \$10/hr. With my expenses, that \$10/hr works out to be \$8/hr. That's not including food and utilities which is what Room and Board covers. DWRS at least has cost factors built in to address and cover small parts of some of these.

Alicia Olson
Olson Homes- Owner
763-202-9054

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communication in error, please notify us by responding directly to this email and destroy all information received immediately. Thank you.

Nick Stumo-Langer

From: Megan Johnson <meganejohnson6@yahoo.com>
Sent: Thursday, May 15, 2025 5:44 PM
To: Nick Stumo-Langer; Megan Rossbach
Subject: Concern for FRS potential budget cuts

Hi Nick and Megan,

Could you please share my letter below with the House Conference Committee members? I'm very concerned about the potential budget cuts that could affect FRS homes.

Thank you in advance,

Dear Conference Committee Member,

As a provider of Family Residential Services (FRS) in Minnesota since 2018, I'm writing to express the importance of FRS homes in ensuring their protection and prioritization as you finalize the Human Services omnibus bill.

There are over 1,200 FRS homes in Minnesota, serving several thousands of individuals with disabilities in community-integrated, family-style settings. These homes are often sought out by family members and are an essential part of Minnesota's residential service landscape, especially in rural and greater Minnesota where I reside, where alternative models are limited or unavailable.

However, FRS providers are facing increasing financial stress. Unlike larger residential settings, FRS homes operate with limited administrative capacity, at times just the license holder and workforce flexibility. Policy and budget decisions that may seem small on paper can have a large impact on FRS homes, leading to closures and displacing individuals who rely on these homes for safe and cost-effective care.

As you reconcile differences between the House and Senate versions of the bill, I urge you to:

- Reject any reimbursement rate reductions for Family Residential Services.
- Support stable financial outcomes for FRS homes, such as a 51% rate increase to the existing flat rate tiers or keeping FRS homes on the DWRS.

If you use the 51% increase for my home, I will still face a pay cut and continue to need to provide all the same care and paperwork work as the CRS. It would also affect my ability to take time off for funerals, weddings, and other normal celebrations.

o I wish you would look at why the current DWRS framework is not working and modify that.

· Recognize FRS as a unique and essential part of the DWRS system, and ensure its sustainability in both budget and policy

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.

Thank you,
Megan Johnson



May 15, 2025

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

The Honorable Mohamud Noor
Chair, Human Services Finance and Policy Committee
Minnesota House of Representatives
5th Floor, Centennial Office Building
St. Paul, MN 55155

The Honorable Joe Schomacker
Chair, Human Services Finance and Policy Committee
Minnesota House of Representatives
2nd Floor, Centennial Office Building
St. Paul, MN 55155

Re: Legal Aid Letter regarding the Human Services Omnibus Finance Bill (HF 2434)

Dear Chair Hoffman, Chair, Noor, Chair Schomacker, and Conferees:

Legal Aid and the Minnesota Disability Law Center want to express our gratitude for the work you have done through this unusually difficult session. Good luck to you as you make these final agonizing decisions.

We understand Minnesota has chosen to balance its budget on the backs of the elderly and disabled, and you are left with trying to make the least harmful decisions. However, cuts to long-term care and waivers should not be the answer. It should also be noted that Minnesota has a shortage of 58,000 healthcare workers, and further wage limits will throw gasoline on the situation. Unable to find staffing and faced with cuts in services, some Minnesotans with disabilities who have managed to live independently are moving into more restrictive, congregate settings that are more expensive...and those settings are becoming more compromised due to staffing shortages. Some facilities have been paying their workers more

than they are being reimbursed in anticipation of inflationary adjustments that are not coming and will now struggle with keeping their doors open.

At the May 14 policy omnibus discussion of **long-term care decision reviews** (House version, Sec. 2, lines 4.26-6.9), there was a decision made to move this issue to the finance omnibus bill after Ms. Bailey's testimony that there were costs associated with this language. I was able to contact Ms. Bailey who said that the only costs would be to update the Notice of Action and some MnCHOICES information.

For counties who are responsive to the people they serve, this language will not change much. For counties that have internal policies not to return phone calls once appeals are filed or notices are sent or, quite frankly, just do not return phone calls to clients, this will be a much-needed change.

Imagine that you are a client. You have just received a nine-page Notice of Action (which, unlike many DHS forms, is only issued in English) telling you that the services you need to live independently are about to be terminated. Whether or not your life will change drastically depends on three things:

- Do you understand that you only have 10 days to act?
- Do you understand the appeal information on page seven which explains that you have to appeal within 10 days AND request benefits during the appeal process or else you will lose benefits during the appeal process?
- Do you know that you need to find someone who can help you quickly?

Your first call would probably be to the county to figure out how to decipher the notice and the appeal language...but then imagine that after several calls and several days...while the 10-day clock is ticking, nobody at the agency you depend on for these services calls you back. Imagine the panic you might feel. While we understand that counties are stressed, simply ignoring clients is never appropriate. It is their job.

Here's an example of a Minnesota Disability Law Center (MDLC) case in a non-responsive county. A client called because she needed night supervision to live independently in her home. She received a Notice of Action denying night supervision because an immediate safety need had not been identified. However, that is not a standard or rule that appears in any DHS manual or statute. An MDLC attorney attempted to reach the county numerous times to point out the error and resolve the issue without an appeal hearing. Finally, the attorney received an email from the county that said that they "preferred to wait for the hearing." At the hearing, the attorney pointed out the error, the county acknowledged its error, and the client received night supervision. Had the county simply returned a phone call, the hearing could have been avoided, and the client would have received the services she needed months earlier. MDLC would be happy to share more examples upon request.

Here is an example of what happens when a county is responsive. A client called MDLC because her CDCS budget was cut by \$10,000 even though her needs had not changed. The MDLC advocate determined that there were errors in the client's reassessment that led to the reduction in the budget and contacted the county. The county was responsive, agreed to fix

the errors, and the budget was restored without the need for the appeal hearing. This happened in the span of two or three days.

Article 2: Disability Services

Legal Aid and the Minnesota Disability Law Center urge adoption of the House language allowing the Commissioner to establish a team of MnCHOICES assessors that can be deployed to address significant backlogs. (House version, Sec. 16, lines 55.3-55.30.)

We strongly support including swimming lessons to waiver plans for person under 12 whose disability puts them at a higher risk of drowning. Legal Aid and MDLC signed on to a one pager on this issue that you received separately.

We support counties being allowed to contract with hospitals to do MnCHOICES assessments to help address backlogs. (House version: Sec. 23, lines 65.15-65.26. Senate version: Sec. 19, lines 57.28-58.8.)

We support expanding the number of remote MnCHOICES reassessments that can be done consecutively from two to four. Reassessments are time-consuming and have a significant financial burden on counties. Many waiver participants have permanent conditions where their needs do not change year-to-year. If a person's needs change, the participant or their legal representative will be able to request a full, in-person assessment. (House version: Sec. 24, line 66.2. Senate version: Sec. 20, line 58.17.)

We oppose allowing verbal attestations on reassessments (versus signatures). Allowing verbal attestations for these important documents makes the situation ripe for miscommunication, and it would be think it would be too easy for case managers to assume assent when there might not be assent. With the availability of e-signatures, we question whether this is worth the risk. (House version: Sec. 25, lines 66.26-66.28. Senate version: Sec. 21, lines 59.8-59.10.)

We also support participants of certain ages being able to skip reassessments by attesting that there have not been changes that would affect their waivers. (House version: Sec. 26, lines 67.3-67.32. Senate version: Sec. 22, lines 59.14-60.11.)

We oppose limiting individualized home supports with training. We have a preference for the House language because the limit is higher. However, any limit will have a profound effect on the ability of Minnesotans with disabilities to move to or remain in their own homes by creating a staffing nightmare. Service recipients who previously had all their hours met through IHS will have to fill in their hours with PCA hours. The two services are not often handled by the same organizations, so service recipients will be forced to find two agencies to get their staffing needs met. If someone qualifies for 8 hours of IHS services and a few hours of PCA staffing, it will be next to impossible to find PCA staffing, especially if that person is in greater Minnesota where staffing needs are highest. (House version: Sec. 49, lines 102.29-103.2. Senate version: Sec. 42, lines 89.22-89.24.)

We are pleased to see budget increases for Consumer-Directed Community Supports. (House version: Sec. 76, lines 132.28-133.3; and Sec. 77, lines 133.4-133.11. Senate version: Sec. 69, lines 119.27-120.3; and Sec. 70, lines 120.4-120.11.)

We are honored to support language originally from the Damon Leivestad Direct Care Sustainability Act authorizing the use of CFSS services during acute hospital stays. Allowing CFSS staff to be reimbursed for care provided during a hospital stay will help ensure the wellbeing of people with disabilities who are experiencing a health crisis. (House version: Sec. 80, lines 134.29-135.20. Senate version: Sec. 73, lines 121.29-122.20.)

House Article 7/Senate Article 6: Direct Care and Treatment

Legal Aid and the Minnesota Disability Law Center strongly supports free communication services for patients in DCT settings. Maintaining one's support network of family and community is crucial to the success of those residing in mental and physical health facilities, especially when placement is not available near one's home. (House version: Sec. 1, lines 199.10-199.17. Senate version: Sec. 1, lines 178.3-178.10)

We would like to thank Senators Hoffman and Rasmusson for adding the Minnesota Disability Law Center to the Advisory Council on Direct Care and Treatment.

Thank you for the work you do, and good luck as you head into what we hope are the final days of the session. Also, thank you to your staff—committee assistants, legislative assistants, analysts, pages, and everyone else behind the scenes who made this session run so smoothly.

Sincerely,



Jennifer Purrington
Legal Director/Deputy Director
Minnesota Disability Law Center



Ellen Smart
Staff Attorney
Legal Aid

This document has been formatted for accessibility. Please call Ellen Smart at 612/746-3761 if you need this document in an alternative format.

FIVE - ALARM FIRE!!!! Immediate help from all is needed!!!

To anyone concerned about disability services and the **people we all serve**

My name is Julie Steinke I am a licensed 245D HCBS Family Residential Services provider “Julie Michels Adult Foster Care” in Mille Lacs County Minnesota. I have worked in community residential services(CRS), Memory care and our adult family foster care which is now called family residential services(FRS).

I am out from under my rock to support all people with disabilities who use any services and all people who provide services for people with disabilities as we are all in this together and each service setting is unique and necessary.

I implore you to support S.F.2297/H.F.1894 A bill for an act relating to human services; delaying implementation of new rates for family residential services and life sharing services; establishing the Advisory Task Force on Family Residential Services; requiring reports; appropriating money; amending Laws 2023, chapter 61, article 1, sections 5; 27; 30; 32; 47; 85.

245D HCBS Family Residential Service providers did NOT have a seat at the table or input on the new flat rate tiered system. The vulnerable adult that **I have served since 2013, whom requires 24/7 day a week care with zero alone time**, which is in their support plan and has complex mental health diagnosis and numerous other disabilities will have their **CADI reduced approximately 67% on the tiered system in 2026, just because they chose to live in Family Residential Services**. Their CADI will go back up when they are forced back into a Community Residential Services, as it will be impossible to properly take care of the person I serve and follow their support plan, plus all the other 245D HCBS requirements. **Literally impossible**. Family Residential Services will eventually cease to exist as an option. I would rather stay within the DWRS system the Family Residential Services is currently in and have all the current proposed budget cuts to my services verses being thrown onto a flat rate tiered system with no exceptions built into law. **I call this a soul crushing blow**. The ripple effects will continue astronomically including the cost, none which can ever be truly measured. DWRS is a transparent and fair system that allows an individual to move from one end of the state to another, into a provider of their choice with no disruption in services no matter what kind of setting they choose to reside in which is I believe part of **person-centered services**.

I understand that this is a very complicated system dealing with Family Residential Services, Adult foster care, Community Residential Services, the DWRS, MN choice 2.0, Waiver reimagine, just to name a few... I understand how things can get put into a bill without a true understanding of what outcomes may happen. And while I understand that the intent of the original bill was to do something good for people with disabilities, as the Human Services committee is always committed to doing. It is hard to get everything right all the time with all the moving parts.

This one is completely wrong and truly should be repealed

2023 Chapter 61-- s.f. No. 2934

Article 1, Sect. 46, subd. 14 Exceptions

(m) Rates determined under subd. 19 are ineligible for rate exceptions.

2023 Chapter 61, Article 1, section 47, subd. 19 Payments for Family Residential and life sharing services.

The above laws take away a person's choice of where they live. For example, you have a person who can walk, but then becomes wheelchair bound, and they need more cares and more staff. Or you have someone with increased behaviors and you need more staff because they need more help. With the **flat rate tiered system**, the person you serve is already at the top tier but is **forced to move** because there will be **no exceptions for us to properly serve our people within the 245D HCBS requirements at 67% less than their current rate.**

I believe that all vulnerable adults should be able to choose where they live and what kind of care they receive. **Person Centered.**

1. **Waiver Reimagine will never work.** YOU CAN NOT BASE A PERSON'S RATE ON WHERE THEY LIVE INSTEAD OF THEIR NEEDS.
2. **Please help** put these fires out and start listening with an **open mind and heart.** Many **lives depend on it.**
3. I would like the **legislative reports** regarding Family Residential Services, DWRS, Blue Ribbon report. Waiver reimagine, etc. be **checked for accuracy.** Decisions and **laws made on inaccurate and/or incomplete, misleading reports hurt us all.**
4. Thank you for your time and allowing me to finally be heard! Thank you, Julie Steinke
5/15/2025

SF 3054/HF 2434 Human Services Finance Bill

May 11, 2025

Dear Health and Human Services Conference Committee members,

We are concerned about the proposed changes by Governor Walz to reinstate parental fees for some families to access medical assistance (MA) for their children with disabilities. The Tax Equity and Fiscal Responsibility (TEFRA) Act is a federal law that allows MA eligibility for children with disabilities for families with incomes too high to qualify for MA. We hear from families all the time that their child was never able to access intervention services because their private insurance didn't cover them, and they couldn't afford the TEFRA Fees that ranged anywhere from \$6k to \$40k per year. No child should be denied access to those critical services that help them thrive.

TEFRA is critical, allowing families to access a variety of interventions and services such as physical, occupational and speech therapy, social-emotional and behavioral counseling and support, and personal care assistants who can help with daily living and building life skills for independence. These supports make it possible for families to be well and thrive, for their children to live at home with their family and in their community.

When children and youth with disabilities do not have support in place to meet their individual needs at school, home, and in the community, it can lead to crisis situations. This can lead to an increase in other more tertiary supports and services resulting in greater State expenditures across multiple systems of care well beyond childhood; such as emergency rooms, crisis interventions, increases in school attendance issues and mental health needs, addiction, juvenile justice, out of home placements for residential care and treatment, group homes, and parents struggling to hold onto their jobs and unable to work outside of their home.

The increase in the number of families applying to access these resources after parental fees were eliminated in 2023, highlights the persistent unmet needs of the disability community. The rising costs that Governor Walz cites as a reason to reinstate these fees are not unexpected. In fact, they only serve to prove that the fees were a barrier to accessing care. Reinstating this barrier to services may slow down the rising costs but it will result in denying access to the care and support needed to be included in everyday life and will perpetuate the injustice and inequality that individuals with disabilities face in so many aspects of their lives. Not investing in children and youth with disabilities undermines their futures, the State's Olmstead Plan, and will cost us more in the long run.

No family should pay a tax to help remove the barriers that give their child with a disability the same access to being part of their home, school and community as their peers. TEFRA Fees violate their fundamental rights to inclusion.

Please do not support reinstating TEFRA Fees for children with disabilities.

Thank you for considering PACER Center's concerns about TEFRA Fees. Please reach out to us with any questions. We look forward to continuing to be a resource for you in the future on this or other issues that impact children with disabilities and their families.

Sincerely,

A handwritten signature in cursive script, reading "Gretchen Godfrey".

Gretchen Godfrey
Associate Director

A handwritten signature in cursive script, reading "Laura Jean".

Laura Jean
Public Policy Coordinator