

April 8, 2022

Dear Chair Schultz and Committee Members:

Thank you for the opportunity to provide comments on the House Human Services Finance and Policy Omnibus bill, House File 4579.

For many months, ARRM and our members have shared the catastrophic impact the workforce shortage has had on people with disabilities, and on the care and support they receive. We are grateful for the ongoing attention that service closures have had from this committee and hope to continue working hand-in-hand with the Chair and members as session moves forward to ensure long-term, sustainable solutions are part of the final budget compromise.

First, we want to thank the Chair for including the Workforce Incentive Grants in the bill. This important funding will provide immediate support to providers in the retention of current Direct Support Professionals and the recruitment of new staff. We are also happy to see the inclusion of language to develop a Life Sharing service in Minnesota and the further development and utilization of Shared Services for people with disabilities.

We are however, deeply troubled and disappointed to see the authors amendment that is being offered today to the DE amendment for HF 4579, that removes the adjustments to the Competitive Workforce Factor within the Disability Waiver Rate System. While one-time grants are helpful, it is long-term, sustainable funding that is critical to our ability to recruit and retain qualified, caring professionals through competitive wages and rebuild our workforce. Not including funding for Direct Support Professional wages in this legislation will continue to push essential services into closure, resulting in uncertainty for many Minnesotans with disabilities and their families across the state.

We are also disappointed to see that there are no adjustments to ICF/DD rates included in the DE amendment to HF 4579. While we are grateful for the 5% increase that was allocated during the 2021 Special Session, this was the first adjustment that these services have received in 6 years. These critical services are facing the same worker shortage as other industries and need the state's support in raising wages.

Finally, ARRM brought forward other initiatives this session that were not included in the delete everything amendment for HF 4579, those include:

- Removing the need for a separate license when supporting people with technology during the overnight hours
- Making Unit Based Respite a market rate service
- Creating a new hour unit of service for Individualized Home Supports with Training
- Finding solutions to the lack of Out of Home Respite for individuals under 18



All of the priorities listed above are workforce solutions. Our industry is facing an over 30% vacancy rate among our Direct Support Professionals, and Group Homes are closing at a rapid rate. According to a DHS analysis, there was a net loss of licensed residential settings for the first time in many years, 32 in the 4th quarter of 2021 and 28 in just the first 2 months of 2022. We need the state's support to move forward with an array of strategies to stabilize these services. We are hopeful that we will be able to continue working with the Chair and committee members as this bill moves to Conference Committee and that some of these priorities will be included in the final legislation.

Disability services stands at a crossroads, and while HF 4579 makes important investments in certain services that support people with disabilities, it does not fund the entire spectrum of services. Direct Support Professionals are a cornerstone of services that support people to live where and how they chose, we need the state's support to stand-up these services, pay a livable wage and ensure that individuals are supported in living their best life. ARRM and its residential provider members remain committed to being a resource for the chair and members of this committee.

Sincerely,

Sue Schettle, CEO

Sara Grafstrom, Director of State and Federal Advocacy