



Minnesota Hospital Association

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Submitted Electronically

Chair Wiklund and members of the Senate Health and Human Services Committee,

On behalf of the Minnesota Hospital Association (MHA), we write in support of SF 2485 (Gustafson) which would require commercial health plan coverage of treatment at psychiatric residential treatment facilities (PRTFs).

Given the current demand for mental health services in Minnesota, there is an urgent need to expand coverage for services uniquely provided in PRTFs. Hospitals and health systems across the state are continuing to experience a significant increase in the number of children and teenagers seeking mental health care in hospitals. While often they need an inpatient bed, frequently they do not meet inpatient admission standards and therefore many of these children end up boarding in the emergency departments.

A survey conducted by the Minnesota Department of Human Services (DHS) in August-September 2022 found there were 37 children currently boarding in hospitals at that time. The DHS survey also found that of all the children presenting with mental health needs at hospitals, 12% of them ended up boarding, with 65% of the boarders staying in the emergency department. By expanding commercial coverage for PRTFs, treatment can be provided in the most appropriate setting and more inpatient beds will be available to those who most need that level of care.

Given that 61.5% of children in Minnesota are covered by employer sponsored insurance, HF 2371 will greatly improve access to necessary mental health services. While this benefit would only apply to those children enrolled in a fully insured product and not those in an ERISA plan, consistent coverage is especially important to children who may transition between public and private coverage due to changes in income eligibility and the unwinding of the public health emergency. Many families cannot afford the out-of-pocket cost of a long term stay in a PRTF. However, PRTFs can help prevent repeat emergency department use and hospitalizations, resulting in less costs for both the patient and provider.

Increased coverage for PRTF benefits would also allow DHS to maximize available PRTF beds, rather than limiting services due to a lack of workforce. Expanding the income sources for PRTFs ensures more predictability and financial stability, which are critical to sustaining a higher patient census and maintaining consistent staff.

MHA appreciates the Committee's efforts to help strengthen the mental health continuum and urges support for SF 2485. Thank you for your consideration of our comments.

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