



Senator Melissa Wiklund, Chair
Health & Human Services Committee
Minnesota State Senate
March 22, 2023

Dear Chair Wiklund and Committee Members

On behalf of Mental Health Resources, I am sending this letter to support Senator Boldon's Senate File 926 – 35% bridge increase to outpatient mental health and substance use disorder Medical Assistance rates.

Founded in 1976, Mental Health Resources (MHR) is a non-profit 501(c)(3) mental health agency providing community-based mental health services, outpatient co-occurring substance use disorder treatment, and supportive services to more than 6,500 people with serious and persistent mental illness each year primarily in Ramsey, Dakota, and Hennepin Counties. MHR directly provides recovery-oriented, community-based services that support people with serious and persistent mental illness to live successfully in the community. These services include: Targeted Case Management (TCM) services, Assertive Community Treatment (ACT), Special Needs Basic Care Coordination (SNBC), Outpatient co-occurring substance use disorder treatment and peer support services, Intensive community based services, In-home therapy through our outreach clinic, Community Support Program (CSP) and drop-in center, and a Housing Voucher Program

We are in a more severe mental health and SUD care access crisis coming out of the global pandemic than before. At the root of this crisis is the lack of sustainable reimbursement funding for our mental health and SUD care safety net. Costs of delivering care and sustaining staff salaries, benefits, facilities infrastructure and meeting state regulations have increased exponentially. But, Medical Assistance (Medicaid) reimbursements – the core source of funding for our MN mental health and SUD treatment system – have not been increased for a decade and do not include a way to keep up with inflation.

Community mental health providers and programs are striving to keep up with the need for mental health and SUD care, while being reflective and highly responsive to the individuals, families and communities we serve across the state. This work comes with many rewards and challenges – financial, sustainability and human impacts, including:

- Waiting lists for intake and treatment more nearly two months long
- Unfilled staff positions
- Competitive market salaries increasing by up to 30%



- Compounded regulatory forms and reporting
- Required facilities upgrades

Please support increasing our MA rates for mental health and SUD care – this is foundational to solving our mental health and SUD crisis in Minnesota. Thank you for your consideration and support.

Sincerely

A handwritten signature in black ink, appearing to read "Ann Henderson", is positioned below the word "Sincerely".

Ann Henderson, MSW, LICSW
Chief Executive Officer
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