



4225 Technology Drive NW, Bemidji, MN 56601



North Homes Children and Family Services 4225 Technology Drive NW Bemidji, MN 56601

March 20, 2023

Chair Liebling and Members of the Health Finance and Policy Committee,

This letter is to share North Homes Children and Family Services support of HF346. North Homes Children and Family Services is a community-mental health center, providing services across rural Northern Minnesota. Due to the locations of our outpatient centers, it is difficult to recruit and retain quality, licensed mental health professionals. The current rates do not cover the true costs of providing comprehensive mental health services, including overhead, administrative, direct-service, and ancillary services, such as care coordination. For example, the reimbursement for a diagnostic assessment is approximately \$180; the assessment process takes a minimum of four hours to complete, which includes two hours of direct-client time and at least two hours to complete the document. This forces us to increase billable expectations, which leads to burnout of licensed mental health professionals.

The mental health needs and issues of the clients served by our mental health professionals have increased in severity over recent years. As a mental health provider agency, we struggle between encouraging self-care and retention of staff versus being financially viable. A 35% increase would allow better access to care for children and families as we could increase salaries to be competitive with those of similar agencies in urban communities.

We want to thank you for supporting HF346 and taking into the consideration the needs of mental health agencies to provide quality, compassionate care to individuals in our communities.

Respectfully,

Heidi Seaton, MA Quality Assurance Director