



February 20, 2023

Sen. John Hoffman, Chair
Senate Human Services Committee
95 University Avenue W.
Minnesota Senate Bldg., Room 2111
St. Paul, MN 55155

Dear Sen. Hoffman and the Senate Human Services Committee,

The Minnesota First Provider Alliance (the “Provider Alliance”) was formed in 2016 as a non-profit organization for the purpose of developing and advocating for legislative and regulatory reforms and government investment in the quality and integrity of the state’s personal care assistance (PCA) program. PCA agencies across Minnesota are struggling to recruit and retain workers as we seek to meet the growing need for services. We are writing you today to share our perspective on S.F. 2 (Mann).

Since its inception, the Provider Alliance has believed fiercely in the importance of the work PCAs provide and the impact PCAs have on their clients’ quality of life. One of the great tragedies of our current home and community-based services (HCBS) delivery model is that it hasn’t historically valued the work that caregivers like PCA do through meaningful wages and benefits. A significant majority of individuals working as PCAs are women and a large percentage are individuals who identify as Black, Indigenous, and People of Color. We also know that many of our PCAs come from immigrant or refugee communities and speak languages other than English in the home. The Provider Alliance believes that PCAs are some of the workers most in need, and deserving of, the family and medical leave benefits outlined in S.F. 2. The Provider Alliance does have some concerns as to how the proposal would impact PCA agencies already struggling with low Medical Assistance reimbursement and crises level workforce shortages.

Provider Alliance members are wholly reliant on the state legislature for its revenues. The Medical Assistance reimbursement is set in statute and generally very few private pay clients or other sources of revenue for PCA providers. We have spent recent years working on a data-driven, cost-based reimbursement framework that might account for things like the cost of the payroll taxes included in S.F. 2 when setting our public program reimbursement. However, until that framework is fully implemented and funded, the long-term viability of the PCA program will remain precarious at best. Today, we are requesting that any additional payroll tax charged to PCA providers should be reflected in a corresponding increase to our reimbursement above and beyond any other rate proposals being considered by this legislature.

The Provider Alliance also has concerns with how S.F. 2 might inadvertently worsen our current workforce shortages. With tens of thousands of vacancies in the direct support industry currently we simply are unable to find the workers we need to care for the approximately 44,000 individuals currently receiving PCA services. Anything that exacerbates that crisis could have a

very real impact on the health and safety of those we serve. We hope you keep the human side of the HCBS community in mind as you consider this proposal.

Thank you in advance for your support of the disability community.

Sincerely,

Dena Belisle, President

Minnesota First Provider Alliance

4878-1059-3361, v. 1