



Senator John Hoffman, Chair
Human Services Policy & Finance Committee
Minnesota State Senate
February 27, 2023

Dear Chair Hoffman and Committee Members

On behalf of Mental Health Resources, Inc, I am sending this letter to support **Senator Gustafson's Senate File 1615 – Targeted Long Term Rate Reform for Intensive Mental Health Services.**

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

Current workforce crises, capacity shortages and lacking infrastructure limits us, and our mental health system, from meeting intensive mental health services needs that has resulted in children and adults having to access hospital level of care instead. This trend is overwhelming hospitals, financially straining our state, and most importantly is not the appropriate treatment model for our community members in need of intensive mental health services.

We support SF 1615's proposals to support services with cost-based or state set rates that are structurally unable to keep pace with service demands, inflationary pressures and facility improvement needs. Proposals in this bill include:

- Allowance for estimated staffing costs/ investments in cost-based rates
- Coverage of room/ board costs for residential services to MNCare enrollees
- Establish a single, streamlined rate structure for BHH, including an annual inflation adjustor
- Establish a cost-settlement process for PRTFs and an annual inflation adjustor



By enacting these proposals, service providers will be better equipped to increase service capacity for intensive mental health services and therefore better meet the intensive mental health service needs of children and adults. Please support Senator Gustafson's SF 1615.

Thank you for your consideration and support of the mental health needs of our clients, communities, children and families.

Sincerely

A handwritten signature in black ink, appearing to read "Ann Henderson", is positioned above the typed name.

Ann Henderson, CEO
Mental Health Resources, Inc.
Ahenderson@mhresources.com
651-659-2900