

PEOPLE INCORPORATED

MENTAL HEALTH SERVICES

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

Dear Chair Hoffman and Committee Members

As the CEO of People Incorporated, I am sending this letter to support **Senator Gustafson's Senate File 1615 – Targeted Long Term Rate Reform for Intensive Mental Health Services**.

People incorporated is an innovative community provider of vital integrated behavioral and mental health services in Minnesota. Founded in 1969, we operate 20 programs, including crisis residences, Assertive Community Treatment (ACT), Intensive Rehabilitative Treatment Services (IRTS), and Behavioral Health Home (BHH) services. Our agency commits to a person-centered approach to help our clients meet their goals for recovery from co-occurring mental health and physical health conditions. We help our clients navigate the health care system, secure transportation to appointments, maintain housing and employment, and access medications – all which contribute to lower health care costs and enhance the quality of life for those we support.

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,



Jill Wiedemann-West
CEO
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