

March 13, 2024

Senator Melissa Wiklund
95 University Avenue W.
Minnesota Senate Bldg., Room 2107
St. Paul, MN 55155

Re: SC0952 (Wiklund) - Establishing Medical Assistance rate adjustments

Dear Chair Wiklund and members of the committee,

On behalf of Allina Health, we are writing to express our strong support for the proposal to increase Medicaid reimbursement rates for inpatient and outpatient mental health services and provide other critical supports to the mental health continuum.

Allina Health is a fully-integrated health system with 11 hospital campuses, 65 primary care clinics, and 14 urgent care centers across the Twin Cities, and central and southern Minnesota. We provide robust, patient-centered mental health services across the entire continuum and serve patients at every stage of life—from child and adolescent to geriatric. Each year, Allina Health's mental health and addiction program cares for over 100,000 patients statewide through inpatient programs, outpatient services in ambulatory care, adult day treatment, and adolescent partial-hospital treatment.

Minnesota's mental health care continuum is at a critical juncture. Current Medicaid reimbursement rates are unsustainable for hospitals and health systems, as well as the community providers that are vital to a functioning continuum. As the need for mental health services continues to increase across the state, providers are being asked to do more with limited resources. Because of this, Minnesota and its patients have seen services across the state either close or cut services to stay afloat. Unfortunately, this decrease in access has delayed patients' ability to access the proper level of care when they need it—instead being forced to seek care in hospital emergency departments as they wait for a bed to become available. Patients that received mental health care at an Allina Health emergency department spent an average of 36.83 hours boarding after being medically cleared for discharge. For patients admitted to inpatient units, the average length of boarding while waiting to access appropriate care was almost 11.5 days. In total, from January 1, 2023, to December 31, 2023, Allina Health patients spent 3,460 days boarding in our emergency departments or in an inpatient unit awaiting discharge.

Increasing reimbursement rates for mental health providers throughout the continuum would provide much needed stability and lead to increased access to services for patients. Allina Health urges the committee to make addressing mental health reimbursements a priority and support this bill.

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in black ink, reading "Joe Clubb".

Joe Clubb, LICSW
Vice President, Allina Health MHA

A handwritten signature in black ink, reading "Mary Beth Lardizabal".

Mary Beth Lardizabal, DO
Vice President, Allina CSL MHA