

April 18, 2024

Senate Health and Human Services Committee
Room 1100 Minnesota Senate Building
Saint Paul, MN

RE: Housing Support rate reduction

Dear Chair Wiklund and Committee Members,

In July 2020, a state law was implemented requiring a 50% reduction of state funded Housing Support services for individuals determined eligible for Medicaid Housing Stabilization Services (HSS). Last year, during the 2023 Legislative Session, this rate reduction was repealed in state law, effective August 2023. However, Housing Support rate reductions continue to take place.

Stakeholders across the state have reported significant negative impact from the Housing Support rate reduction, including not being able to deliver critical services to people moving out of homelessness. Housing Support supplemental services are much broader in scope than HSS, and the rate reduction does not allow coverage of required Housing Support services.

On behalf of stakeholders across Minnesota, we are requesting permanent removal of the Housing Support rate reduction.

Left unaddressed, the consequences of the rate reduction remaining in place will lead to fewer housing options for Minnesotans experiencing or at-risk of homelessness, providers reducing or eliminating services altogether, and the state failing to leverage Medicaid funds to advance essential housing services.

Thank you for your public service and for your consideration of this important request. Please direct your questions or concerns to marcus@hearthconnection.org or amy.stetzel@csh.org.



Marcus Schmit
Executive Director
Hearth Connection



Amy Stetzel
Director, Upper Midwest Region
CSH

Stakeholders signing on to this request:

Aeon
Agate Housing and Services
Alliance Housing Inc
Ally Supportive Services
Amherst Wilder Foundation
Anishinaabe Endaad
Avivo
Beacon Interfaith Housing Collaborative

Catholic Charities Twin Cities
Center City Housing Corp.
Clare Housing
Clay County Housing and Redevelopment Authority
CommonBond Communities
Corporation for Supportive Housing
Divine Konnections Inc
Elatecare Inc.
Emma Norton Services
Frontier Living LLC
Greater Twin Cities United Way
Guild
Handy Help LLC
Hearth Connection
Hennepin County
Housing Matters
HumanKind Services
ICWA Law Center
Institute for Community Alliances
Link Up LLC
Live Learn Hope Services
Minnesota Assistance Council for Veterans
Minnesota Care Counseling Services
Minnesota Coalition for the Homeless
Minnesota Engagement on Shelter and Housing
Minnesota Housing Partnership
MySkye Care
NAMI Minnesota
Office of Indian Ministry
Open Your Heart to the Hungry and Homeless
Otter Tail Health Care Services
Our Saviour's Community Services
Person Centered Housing Consultants
Phoenix Service Corporation
Project for Pride in Living, Inc.
RADIAS Health
Rainbow Health
Range Transitional Housing, Inc.
Red Lake Homeless Shelter, Inc.
River Valley Housing Connection
RS EDEN
Secure Housing Assistance LLC
Simpson Housing Services
South Central Human Relations Center
Start Today Hennepin
Steady Homes LLC
Supportive Living Solutions
The Aliveness Project
The Experience of Neshama
The Link
Touchstone Mental Health
Truwell LLC