

March 19, 2024

Re: SF 4399 DE

## Senator Hoffman and Members of the Committee:

On behalf of the Long-Term Care Imperative, which represents over 2,000 providers across the long-term care continuum, we would like to share our perspective on SF 4399. As always, we appreciate the attention you give to Minnesota's seniors. And while we were grateful for the one-time investments made last legislative session, we know that more is needed to sustain the critical services and supports our members provide for Minnesota's seniors.

A recent survey indicates 79% of Minnesotans believe the State is not prepared for the aging boom. However, we know that many long-term care providers reduced their capacity in response to the pandemic and workforce availability has still not rebounded fully, despite some modest improvements. A survey from the Long-Term Care Imperative indicates that the caregiver vacancy rate still sits at over 15% for assisted living facilities and over 20% for nursing facilities. For example, in January there were nearly 18,000 statewide vacancies in key long-term care positions which is hampering providers ability to increase capacity.

With that background, we would like to share our perspective on SF 4399, the Omnibus Human Services Bill, specifically:

- We are neutral on Sections 1, 3, 4, 5 and 6.
- We have serious concerns with Sections 2 and 7 as they relate to assisted living, 144G Exempt settings.
  - We are extremely concerned about access to specialized services for low-income Minnesotans, particularly individuals with mental illness, behavioral health issues and/or substance use disorders. These exempt settings are providers who often fill a critical need in their community serving individuals who would otherwise face homelessness or admission to a hospital, or some other higher acuity setting.
  - The Legislature made important investments in Elderly Waiver and customized living last session. Those investments do not account for housing supports of serving these individuals, and increasing the financial obligations and licensure

costs for providers would come at the expense of other asset and maintenance needs or access to care.

- If exempt settings are required to comply with the comprehensive set of requirements under Assisted Living Licensure as provided in Article 3, many will have no choice but to cease offering assisted living or other supportive services at all because the cost of compliance is too high. This bill also does not provide any financial resources to meet compliance with these requirements.
- O It is not uncommon for exempt settings to have some residents receiving assisted living-like services while others do not. These sections would require all residents in the building to be treated like assisted living residents. Most independent residents value that independence and would bristle at the notion that by virtue of where they live that they are 'vulnerable' or in need of these added protections and services.

We acknowledge that his bill does not yet contain any recommendations from the Assisted Living Small Providers Working Group. The Work Group comprised of a diverse set of assisted living providers, provide specialized services and supports in smaller settings, along with agency staff and consumer advocates. They worked tirelessly- in excess of 2,000 person-hours, to identify solutions for problems facing small setting providers. We urge you to take action this session on overdue, necessary modifications to 144G; including provisions outlined in SF1969, which was heard in committee last session.

While we recognize and appreciate these important steps for funding long-term care services and support for seniors, the need for added investment remains. Without increased investments for Nursing Homes, providers will continue to downsize bed capacity and deny admissions due to lack of workforce. These actions will continue to create access problems for seniors needing nursing home level of care, whether those seniors are seeking discharge from a hospital or placement from the community.

We look forward to continuing to work with the author to try to increase the funding target for Human Services in a supplemental budget. We implore the Senate to do more for our state's seniors in nursing homes and their caregivers.

Respectfully,

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