



April 17, 2024

Sen. John Hoffman, Chair  
Senate Human Services Committee  
95 University Avenue W.  
Minnesota Senate Bldg., Room 2111  
St. Paul, MN 55155

**RE: Senate Omnibus Supplemental Human Services Appropriation Bill (S.F. 5335)**

Chair Hoffman and members of the Senate Human Services Committee:

The Minnesota First Provider Alliance (the "Provider Alliance") is a trade association of personal care assistance (PCA) agencies and waiver service providers. The PCA program is a critical service that assists over 44,000 Minnesotans in their home and community. We are appreciative of this committee's commitment to improving the program for Minnesotans with disabilities who utilize it.

We are writing with a sincere request that you include language from S.F. 5302 (as amended) which would require DHS to disclose how it calculates wages, wage-related costs, benefits, and reimbursement rate increases in the PCA/Community First Services and Supports (CFSS) program by January 15, 2025.

Over the last three biennia, PCA agencies have raised concerns that the rate increases proposed by DHS have failed to cover the increases in wages included in collective bargaining agreements ratified for the consumer directed PCA programs. The legislature has attempted to resolve this ongoing issue. In 2021, the legislature passed legislation that would require providers to submit to DHS cost reports, the data from which could subsequently be used to support changes to the PCA rate framework and evaluate the cost of wages and benefits negotiated with SEIU. However, in the meantime, we are working to ensure that the next contract has the requisite funding associated with it.

This is a matter of urgency. While the burden has fallen on PCA choice agencies historically, the burden will shift to Minnesotans with disabilities. When the PCA program transitions into CFSS, clients under the budget model will be considered employers of their caregivers. This means they will need to use their budgets to cover payroll taxes and benefits. Because their service budget has not increased sufficiently to cover the collective bargaining agreement wage, they will receive fewer hours of care since their budgets will fail to meet their actual needs.

We are pleading with you to require DHS to "show the math" so that we can avoid another underfunded contract that will negatively impact CFSS service recipients. We do not want Minnesotans with disabilities to lose care that they need.

Thank you for your continued dedication to Minnesota's PCA/CFSS program and the individuals who rely on it to remain in their communities.

Sincerely,

Dena Belisle, President  
Minnesota First Provider Alliance