



LAKEVIEW
Behavioral Health



Minnesota
Mental Health Clinics



February 25, 2025

To: Members of the Minnesota Senate

RE: Mental Health Services Reimbursement Rates / SF 1402

Dear Honorable Members of Minnesota Senate:

We are an independent group of certified mental health clinics in Minnesota whose clinicians collectively serve over **62,000 Medicaid patients** a year. Our clinicians have been directly impacted by the *critical access* rate cuts (Minn.Stat.256B.763) that went into effect on January 1, 2025.

A therapist in Minnesota makes on average \$64,805 a year. Behavioral health clinicians are typically paid under a transparent flow-through model. This is a preferred model of pay for behavioral health clinicians because it gives them complete autonomy over their schedule and caseload. Because of the transparent flow-through nature of their compensation model, the critical access cuts impact their paychecks directly. *They are feeling the impact today.*

By way of example, a mental health clinician with a heavy Medicaid caseload mix will see a \$27,709 reduction to their paycheck over the next 3 years due to the critical access cuts. Another clinician will see a \$17,707 reduction to their paycheck. We need to find a solution to address/mitigate these cuts, otherwise, clinicians will choose not to see Medicaid patients. They will either go into private practice and not serve the Medicaid population, or in many cases, they will no longer accept Medicaid patients in their existing organizations.

We support SF 1402 authored by Senator Wiklund and we would encourage pulling forward the elements that will help solve the gap that was created by the critical access cuts over the next 3 years. SF 1402 provides rate increases crucial for sustaining current

programs and preventing further loss in access to care. If the legislature does not immediately act on mental health rates, access to critical mental health services for some of the state's most vulnerable population will be at risk.

Thank you.

Sincerely,

Mark Peterson, PharmD
Chief Executive Officer
Nystrom & Associates

Dr. Greg Picker, PsyD, LP
Chief Executive Officer
Natalis Counseling & Psychology Services

Dr. John Brose, PHD, LP, LMFT, LADC
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