

Good morning Chair Wiklund, Committee Members. My name is Stephen Larson, I am the Clay County Administrator and with me I have Steve Summers, Director of Grants and Special Projects for Solutions Behavioral Health, on behalf of the Clay County Board of Commissioners, I would like to thank you for the opportunity to testify in Support of Senate File 2022

There is an alarming shortage of psychiatric residential treatment facilities (PRTFs) in Minnesota, particularly for children with high acuity, complex and/or co-occurring conditions. This gap in care is critical, as it severely impacts the state's ability to support these vulnerable children and their families who are in need of specialized treatment.

According to a Minnesota Star Tribune article in October 2024, the Department of Human Services (DHS) data revealed that 281 children were referred for placement in the state's four existing PRTFs. However, only 66 of those children were admitted. Despite the facilities being licensed to serve 150 children, they were only serving 85 as of June 2024, as reported by AspireMN, the therapeutic provider association. This data underscores the urgency of increasing the state's capacity to provide care for children facing significant behavioral and mental health challenges.

Clay County recognizes this pressing issue and is actively working to address it. Clay County has already invested over \$175,000 in the predesign of facilities, and we are proud to have Solution Behavioral Health onboard to lead the accreditation process and oversee the delivery of necessary programming.

This initiative has garnered significant support from a broad coalition of stakeholders, I believe that within your packet, you have a map that identifies where the four existing PRTF facilities are located. Please note the gap in facilities on the western side of the state. We know that children are more successful in programming with closer family. Currently, Clay County professionals and families have to travel over 2 ½ hours to the closest PRTF, acting as a hurdle for family involvement.

The map also identifies 28 counties, the Minnesota Indian Affairs Committee (MIAC), representing 11 Tribal Nations, as well as leaders in education and beyond who have provided resolutions of support. Additionally, we are working closely with key legislators and agency commissioners to ensure that the facility aligns with the state's broader goals for mental health care services and have received bi-partisan support

Which brings us to why we are here this morning.

Again, I am Steve Summers, Director of Grants and Special Projects for Solutions Behavioral Health Solutions Behavioral Healthcare Professionals is a 501(c)(3) non-profit mental health agency committed to making a difference in the lives of individuals

struggling with mental health and behavioral problems. Solutions began in 1999 and has offices in Bismarck and West Fargo in North Dakota and cities Moorhead, East Grand Forks, Detroit Lakes, Fergus Falls, Alexandria, and Sartell in Minnesota. Solutions employs about 310 employees.

Opening and operating a Psychiatric Residential Treatment Facility (PRTF) comes with substantial financial challenges, especially when it comes to maintaining a sustainable per diem rate that covers the costs of operations. Many facilities across the state have faced difficulties staying open due to financial instability. Without a sufficient and sustainable per diem rate, it becomes nearly impossible for these essential services to remain operational while providing the high-quality care children with complex mental health needs require.

Currently, the cost of providing care in a PRTF can often exceed the available reimbursement rates, leading to deficits that force facilities to close their doors or reduce services. This challenge is particularly pronounced given the extensive and specialized care that children in these programs need, including therapeutic interventions, skilled staff, and appropriate facilities.

Minnesota Senate File 2022 (SF 2022) directly addresses this issue by addressing the following:

1. Adequate Compensation for High-Quality Care: The \$1,800 per day per diem would provide the facility with the financial resources necessary to support specialized treatment programs and skilled staff, ensuring children receive the best care possible.
2. Covering Remodel and Operational Costs: Operating a PRTF involves substantial costs, accreditation and licensing costs, including staffing, facility maintenance, therapy and medical services, and other essential resources. I believe you have a document that identifies the proposed cost of facility operations. SF 2022 would also provide funding to remodel the existing non-secure detention space into an 18-bed PRTF to ensure licensing compliance with DHS and MDH. On October 24, 2024, DHS officials toured the non-secure programming area. During the tour DHS inquired our willingness to provide a portion of the beds to become a secure unit, which we would support.

Ensuring Accessibility: By ensuring that facilities are financially viable, SF 2022 helps keep PRTFs open, which is crucial in addressing the current shortage of treatment options for children facing significant behavioral health challenges.

Improving Long-Term Outcomes: Financial stability allows facilities to focus on improving treatment outcomes for children. With adequate resources, facilities can provide comprehensive care plans, culturally sensitive programming, and long-term recovery support to children in need.

We want to be forthcoming that in order for the non-secure facility to be remodeled into a PRTF, Clay County will need to replace the existing non-secure beds. Currently, SF 1795 and HF 1266 would provide funding for a replacement facility.

Conclusion

SF 2022 is an important legislative measure that would ensure the long-term viability of Psychiatric Residential Treatment Facility. By establishing parameters that will increase the likelihood the PRTF facility is financially supported to provide high-quality care, while also meeting the growing demand for specialized services for children with complex mental health needs. This investment in the future of mental health care will help ensure that Minnesota's most vulnerable children have access to the care they need for a better future.

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