



February 19, 2025

Senate Human Services Committee

**RE: Governor Walz's Budget Recommendations**

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)/Community First Services and Supports (CFSS) agencies and waiver service providers. The PCA/CFSS program is a critical service that assists over 47,000 Minnesotans in their home and community. We are writing to provide comments on the Governor's budget recommendations.

The Provider Alliance is supportive of the Governor's proposal to increase the enhanced PCA/CFSS rate from 7.5% to 12.5% as part of the ratification of the state's collective bargaining agreement with Service Employees International Union of Minnesota (SEIU). Minnesotans with the highest support needs often have a greater level of difficulty in recruiting and retaining staff. This has led to individuals having no choice but to relinquish their preferred option of living in the community or even going without the care they need. Increasing the enhanced rate will ensure people with disabilities can pay higher wages to attract and retain staff and therefore maintain their choice of living in their communities. In the same vein, the Provider Alliance supports the proposed modest CFSS rate and budget increase as well as the improved benefits and other investments in the CFSS workforce.

Simultaneously, the Provider Alliance is concerned that the proposed budget for the Minnesota Department of Human Services (DHS) does not appear to address, or even acknowledge, the chaotic and disjointed implementation of the PCA/CFSS program. Following nearly 12 years of engagement with DHS on issues related to the transition of PCA/CFSS, the Provider Alliance is dismayed by what we have seen in the last four months. Between the delayed enrollment of CFSS providers and limited consultation services providers, miscommunication with lead agencies about service authorizations and client choice, and countless other systemic and process issues, we are not sure how this could have been ignored. Our only hypothesis is that DHS believes it can address the ongoing problems without legislative involvement. We appreciate the hearing held last week to share our concerns.

Lastly, the Provider Alliance would like to note the program integrity initiatives in the DHS budget proposal. We have historically brought forward ideas for how to increase the oversight of PCA agencies and have been frustrated by the reluctance of DHS to accept those suggestions. The Provider Alliance is looking forward to reviewing the legislative language behind these proposals as we adamantly believe that any increase in provider oversight needs to be coupled with meaningful due process and a focus on actual fraud versus imperfect compliance with program rules. We look forward to learning more about the proposal as the session moves along.

Thank you for the opportunity to provide comments on Gov. Walz's budget recommendations. Please let us know if you have any questions or if we can be a resource in the budget process this session.

Sincerely,

Dena Belisle, President  
Minnesota First Provider Alliance