



Health and Human Services
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Chair Hoffman and the Senate Human Services Committee
95 University Ave W
Minnesota Senate Building
St Paul, MN 55155

Dear Chair Hoffman and the Senate Human Services Committee,

My name is Anne Lindseth and I am the Health and Human Services Director in Beltrami County. I am reaching out to you to provide some information regarding the realities that rural communities will likely face with the cost shifts proposed in the Governor's budget.

Beltrami County is a rural community but also serves as a regional hub in northern Minnesota. We have much to offer related to access to health care, access to basic needs and employment. That being said, we are also a community with a disproportionate number of individuals in poverty. We also have many social challenges that require support to assist individuals and families on their journey to health and self-sufficiency.

The governor's proposal to shift 5% of disability waiver costs to counties will cost Beltrami County a significant amount. Our total disability waiver costs for 2024 were \$46,200,000. This has increased year over year based on the state of Minnesota's direction that there is no longer the ability to place people on a waiting list for these services. There is also statutory requirement in 256B.0911 that counties must provide long term care consultation services to any person within 20 days. This has resulted in increased access to screening which counties are mandated to use the state developed MNChoice assessment tool to complete. The fact that counties are not able to have a waiting list and the requirement to screen anyone who requests a screening makes waiver costs challenging for counties to control.

The governor's budget targets waiver paid residential services as an area for a county cost share with the following quote "This proposal will incentivize developing service plans that support a person to live in their own home and settings that are not provider controlled.

Counties, being closer to service delivery, could leverage this role to enhance and promote innovation in service provision."

In Beltrami County there are very limited providers available to support individuals with high needs to remain in their own homes. This results in a high percentage of waiver costs going to support individuals who live in residential settings, oftentimes not located in Beltrami County due to availability. The proposed cost shift to the county will not result in more providers available to serve individuals in their homes and will only serve to either further stress an already overburdened tax base or result in service delivery reductions.

Beltrami County also anticipates the costs shifts proposed for the MN Sex Offender Program (MSOP), Competency Restoration and the Behavioral Health Fund to also be substantial. The other, perhaps equally concerning issue with cost shifts to these particular areas is the limited ability that counties have to control or manage these costs. MSOP costs and competency restoration costs are driven by the court and DCT's rate setting, while the Behavioral Health Fund is driven by the direct access system that the legislature has put in place to access substance use treatment. The bottom line for these cost shifts is that counties have very little authority to manage the costs but will be given the responsibility to pay the bills associated. This is very similar to what occurred with the DNMC costs that have been on the legislature's agenda for a few years now.

Beltrami County's high-level estimate at this time is that the cost shifts addressed in this letter will cost Beltrami County well over 2 million dollars annually. The proposed cost shifts will result in either unrealistic and unaffordable increases to Beltrami County taxpayers or a dramatic decrease in service provision and possible inability to fulfill statutory requirements for the most vulnerable county residents.

I respectfully ask for your advocacy to oppose these cost shifts to counties. Please let me know of anything I can do to assist in stopping these detrimental cost shifts from moving forward.

Thank You,



Anne Lindseth

Director

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