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3/21/25

Re: Support for SF 2796 – Waiver Case Management Rate Increase

Chair Hoffman and Members of the Human Services Committee,

Thank you for the opportunity to support for SF 2796! This crucial legislation aims to address the ongoing human services workforce crisis by increasing reimbursement rates for waiver case management and establishing a sustainable framework for fair compensation and workforce stability. As a long-term human services professional with 12 years of experience as a Waiver Case Manager, now serving in non-profit leadership, I am deeply committed to this work and its profound impact on our communities.

People Incorporated provides Waiver Case Management Services in the twin cities metro and outstate Minnesota, serving clients with serious and persistent mental illness in Anoka, Dakota, Hennepin, Ramsey, Scott, and St Louis counties. Every day, our **52** case managers help individuals with disabilities access essential services, coordinate care, and advocate for their needs, allowing them to live independently. However, despite the critical importance of this work, reimbursement rates have remained stagnant since 2015, making it increasingly difficult for agencies like ours to recruit and retain qualified case managers.

The human services workforce shortage has reached a crisis point, with staff retention emerging as our most pressing challenge. We are continually losing our most experienced and highly trained case managers to higher-paying roles, a loss that severely impacts both service quality and fiscal oversight.

Waiver Case Management is a highly specialized field that requires over a year of training to achieve proficiency. The loss of tenured staff not only weakens our agencies but also undermines the state's ability to ensure effective oversight of Medicaid-funded services. Case managers play a crucial role in approving and monitoring Medicaid service budgets, ensuring that funds are allocated appropriately and used responsibly. Their expertise is essential in verifying that PCA hours are properly authorized and utilized, that medical supply approvals align with assessed needs and medical necessity rather than convenience, and that improper use of Medicaid funds is identified and prevented. Investing in workforce stability is not just about retaining skilled professionals—it is about safeguarding the well-being of vulnerable individuals and ensuring the responsible stewardship of state resources. Without immediate action, this crisis will continue to escalate, leaving people with disabilities without the consistent, high-quality case management support they rely on.

SF 2796 takes essential steps to stabilize the waiver case management workforce by:

- Increasing reimbursement rates to help agencies offer competitive wages and retain skilled professionals.
- Requiring an annual labor market analysis to ensure rates reflect real workforce conditions.
- Establishing a structured review process to prevent future stagnation in funding.

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These changes are essential to addressing workforce shortages, minimizing service disruptions, and ensuring that individuals with disabilities receive the high-quality case management they deserve. Case managers play a critical role in ensuring that state disability funds are used efficiently and effectively. Investing in this workforce now will not only strengthen service delivery but also help prevent greater financial and systemic challenges in the future.

Failure to act will result in continued workforce attrition, leaving more families to navigate complex systems on their own and more Minnesotans with disabilities without access to the vital supports they rely on. By passing SF 2796, Minnesota can make a crucial investment in the long-term stability of both the case management workforce and the individuals they serve.

We strongly urge your support for this critical legislation. Thank you for your leadership and dedication to strengthening Minnesota's human services workforce. If you have any questions or would like to discuss our work and the challenges we face in greater detail, please feel free to reach out at amanda.lewandowski@peopleincorporated.org or (c) 320-248-2450. I am happy to connect and explain our work or the challenges we face in the field.

Sincerely,

**Amanda Lewandowski | Program Manager
Waiver Case Management**

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