



April 9, 2025

To: Members of the Senate Human Services Committee

RE: SF3054 – Human Services Omnibus

Dear Chair Hoffman and Committee Members,

Thank you for the opportunity to share Lutheran Social Service of Minnesota's comments on SF3054 – the Human Services omnibus budget bill. LSS is a provider of essential services across all 87 counties with more than 2,500 employees who serve one in 63 Minnesotans every year. This includes innovative, person-centered home and community-based services for older adults and people with disabilities.

**Thank you for including the request to extend the availability of supported decision-making grants (Article 10, Section 1).** LSS has long recognized the need for strong, accessible alternatives to guardianship. This grant has allowed the expansion of a team of supporters in Moorhead, Duluth, Twin Cities, and Mankato who are currently working with individuals aged 16 to 83. The program has successfully supported individuals under guardianship to decrease restrictions or achieve full restoration. It has also expanded alternative approaches in health care settings to help people transition out of a hospital setting while preventing the use of guardianship. Thank you for prioritizing this approach that not only preserves the dignity and rights of individuals but also invests in cost-effective prevention and early intervention services.

**We request careful consideration of the following proposals:**

- **Limiting rate exceptions in residential services (Article 2, Sections 35 and 36).** In 2017, LSS responded to community need by creating a unique service, Specialized Community Supports, to support people with complex, intersecting needs. Highly-skilled direct support professionals (DSPs) provide individualized supports to our neighbors with serious mental health conditions, traumatic brain injury, early childhood trauma and abuse, substance use disorder, and intellectual and developmental disability. This model has been highly successful at helping people who are often living in institutional or state-operated settings to live in their community as independently as possible. To adequately meet support needs, Specialized Community Supports requires rate exceptions. We currently support 76 people in 18 counties. We also have a waitlist of 40 people seeking this service option who haven't found successful placement in traditional community residential settings, with new referrals coming in weekly. **The existing rate exception process already prevents or significantly delays accessibility to the appropriate level of care in the most community-integrated setting within an individual's community of choice. We are concerned this proposal will worsen this.**



- **Establishing a daily time limitation on Individualized Home Supports with Training Services (Article 2, Section 33).** We are concerned this limitation will create service access issues for people with higher support needs who have chosen to remain in their own home. We recommend maintaining access to support levels that help people remain in their home and community of choice.
- **Using CPI-U for DWRS inflation adjustments (Article 2, Sections 24 and 26-34).** We are continuing to analyze and understand the impact of this proposal. However, we are concerned it will limit the ability of community providers to sustain competitive wages and benefits for DSPs and impact access to home and community-based services (HCBS) for our neighbors. Reimbursement rates for HCBS have not covered the true cost of service for several years and current rates are not sustainable. We remain committed to continued conversations regarding how we maintain data-driven approaches that reduce the wage gap between DSPs and comparable occupations.

We appreciate and understand the difficult decisions your committee must make to ensure a balanced state budget. We are grateful for your prioritization of protecting planned investments and thankful for your thoughtful leadership. Please contact me at [erin.sutton@lssmn.org](mailto:erin.sutton@lssmn.org) if we may provide further information.

Sincerely,

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Lutheran Social Service of Minnesota