



April 8, 2025

To: Senator Hoffman, Committee Chair & Senator Rasmusson, Minority Lead

CC: Members of the Senate Human Services Policy & Finance Committee

Re: Senate Human Services Omnibus Bill

The Minnesota Consortium of Citizens with Disabilities is a statewide organization of self-advocates, providers, and disability advocacy organizations working to improve the lives of Minnesotans with Disabilities.

Tens of thousands of Minnesotans with disabilities rely on long term care Medical Assistance (MA) services to thrive in their community. We are alarmed at both the federal uncertainty around Medicaid funding to states, and the target this committee received.

We know there will be tough choices to make, and want to express both our appreciation and concern around several choices in the bill and how they may impact people with disabilities.

Investment in Wages is a Proven Method for Ensuring Well-Being of Persons with Disabilities

Despite many of the cuts this bill has to make, we applaud the funding of the CFSS and direct care workers in this bill. While not all direct care workers will benefit from these changes, it is critical to keep investing in the workforce in the face of cuts to other parts of our system.

Moving Back to County Cost Sharing may Lead to Service Rationing

For many years in disability waiver funding, the state relied on county budgets to help curb waiver cost growth, and the result was insufficient and uneven services throughout the state. This inequality and lack of service is in part because when counties handle the budgets, they are incentivized to underspend, develop waitlists, and avoid overpayments resulting in county expenditures. As a result, people might struggle to get the services they need in a timely manner, leading to more frustration and difficulties for those who depend on these essential supports.

The current centralized system helps ensure fairness and equity for Minnesotans no matter where they live. Going back to these incentives is tempting in times of tight budgets, but could have the effect of exacerbating regional, geographic, and racial disparities. As counties grapple with differing budgetary constraints, there may be a tendency to limit access to residential services, which undermines the goal of developing innovative, need-based service plans, and can ultimately lead to more care in higher cost settings. It could also lead to individuals in less wealthy counties receiving substandard care or being placed in unsuitable environments.

If the 2% county share is enacted (line 264 of the spreadsheet) we recommend additional language and protections to ensure some geographic stability statewide. For instance, counties would not be able to create any across the board policies related to waiver services to save money. Furthermore, DHS should have the authority to examine and compare year over year waiver data of each county to make sure no significant changes occur because of this proposal.

Inflationary Cap of 2% is too rigid

We applaud the Senate's rejection of the 2% cap on inflationary adjustments to DWRS, and are intrigued by the proposed use of the consumer price index (CPI-U) as a way to help produce cost savings in the tails. We believe the public would benefit from more transparency around exactly how this shift and change of calculating inflation will result in less spending overall.

Ongoing need for Consumer Directed Community Supports

Finally – we must point out that absent from the governor's budget and this bill are more incentives for persons to utilize Consumer Directed Community Supports. This program has consistently proven to help keep people in the community in the most person centered and integrated way possible, while also being, in aggregate, a cheaper alternative to traditional waiver budgets. We ask that more be done to ensure that money allocated in waivers can also go toward paying the direct support workers who people with disabilities rely on. With wages still averaging between \$16.50-\$18.50 for workers outside of self directed programs, we must do everything we can to make sure the resources keep these professionals in the field.

Conclusion

As a whole, we believe this bill navigates the difficult task of making some cuts while avoiding most of the more rigid and inflexible cuts proposed in the governor's budget. We fully support ensuring that billed services are actually being provided, and as people who advocate daily for adequate supports for ourselves and our communities, we also understand that our reimbursement systems and waivers are imperfect attempts to compensate for underlying deficiencies in funding and infrastructure. With the existing staffing and housing shortfalls, no reductions to waivers are without consequences for people and we urge you to consider the need to maintain adequate resources to meet people's needs.

Jason Bergquist

MN-CCD, Board co-chair

