

# The Kid Experts™

April 1, 2025 Senate Taxes Committee

Chair Rest and Committee Members:

On behalf of Children's Minnesota, we are writing in support of SF1402 which increases Medicaid reimbursement rates for mental health services, a foundational step to addressing the mental health crisis facing Minnesota children.

Children's Minnesota is the largest pediatric health system in the state serving more than 160,000 kids annually. We provide a continuum of mental health services including primary care, integrated behavioral health, outpatient and partial hospitalization services, crisis stabilization and acute inpatient care.

Despite efforts to expand the services we provide, there are still not enough mental health services in Minnesota to meet the current need. Children are waiting for months to access care, too often utilizing the emergency department as a last resort. In 2024 kids boarded at Children's Minnesota more than 1,200 times while waiting to access the community-based services they need, a substantial increase from the year prior. Included with this letter is a document that provides additional information specific to children boarding in our hospitals.

Just over 77% of the patients who have boarded with us and nearly half of patients receiving mental health services from Children's Minnesota rely on Medicaid. Currently Medicaid rates for mental health services are paid well below the cost of providing care which impacts the entire spectrum of mental health providers in the state. Across all our outpatient and inpatient mental health services we are reimbursed for less than half of our costs and, because costs continue to rise, that level of reimbursement is getting worse. The current rates are unsustainable, and on average we operate these vital services at a loss, severely limiting our ability to recruit and retain the staff needed to meet the growing needs of our patients and their families.

Children and families cannot spend another year waiting for a solution to the mental health crisis they are experiencing. Please support SF1402.

Sincerely,

Patricia Vitale
System Director Mental Health
Children's Minnesota

Jessica Brisbois, LICSW Manager, Acute Mental Health Services Children's Minnesota

# A broken system:

# THE JOURNEY OF A CHILD IN CRISIS



Behaviors are chronic, not requiring

a hospital inpatient level of care.

The caregiver does not feel safe

bringing the child home due to

safety concerns and escalating

behaviors. Needed supports are

not available to help the child at

home and inpatient mental health

is not the appropriate treatment.

Child becomes a patient awaiting

community placement (boarding).

WHAT HAPPENS WHILE BOARDING

The child will await community placement

in the emergency department or on a floor

No peer interaction

#### SITUATION

10 year old brought to the emergency department by caregiver for behavioral concerns.\*



Multiple diagnoses (ADHD, PTSD) with limited coping skills and challenges regulating behaviors.

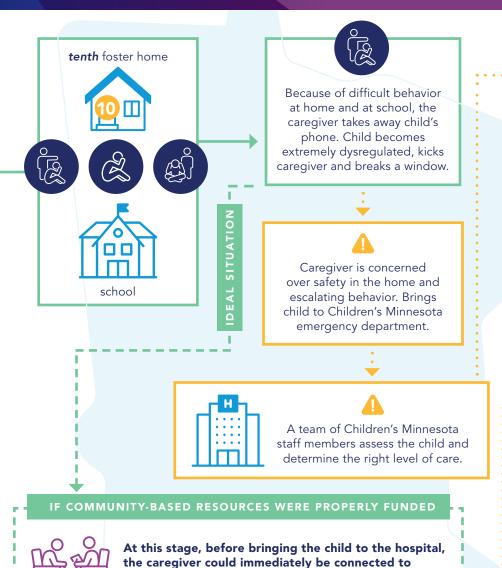
#### HISTORY

- Experienced past trauma, including witnessing domestic violence, parental substance abuse and was removed from birth family's care at 7-years old.
- Placed in 10 different foster homes.
- Verbally and physically aggressive when dysregulated, particularly towards caregivers.

### For more information, please contact:

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support. A therapist could come to the home regularly

With the right access to tools and resources, the caregiver

would be able to keep the child in the foster home rather

and work with the child to process their trauma.

than having nowhere to turn but the hospital.



# Minimal physical activity • Little access to outdoors

• Minimal educational support

THE PATIENT EXPERIENCE

• Confined in small room

#### THE STAFF EXPERIENCE

- Stress and risk of physical injury
- Frequent stakeholder calls
- Identifying placement options
- Overcoming denials
- Care team support
- Advocating for patient



# PATIENTS IMPACTED BY THE BOARDING CRISIS



The Kid Experts®

In 2024, we saw patients from 16 NEW COUNTIES



MOST IMPACTED GROUPS

African American/Black
Caucasian/white

Caucasian/wnite

Multi-race

THIS HAS A WIDE IMPACT ON ALL COMMUNITIES

In 2025, state leaders must focus on policy changes to help children with the most complex behavioral health needs.
Significant investments are needed to improve access to the continuum of mental health care, including increasing Medicaid reimbursement rates and alleviating the boarding crisis.

77.4% are reliant on

MEDICAID

In 2024, kids boarded at Children's Minnesota

<u> 1200</u>+

a substantial increase from 2023

13+ <6 7-12

PATIEN AGES



#### **COMMON CHARACTERISTICS AMONG PATIENTS BOARDING:**

- Multiple past placements
- More than 3 hospital visits over the past year
- Neurodivergent, developmental delay, low level of functioning
- History of aggression, sexualized behaviors, running away
- Chronic self-harm, substance abuse
- Multiple medical conditions

54% are under guardianship

OF THE COUNTY

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