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Re: DHS Medicaid Outpatient Mental Health Rates Study

Dear Chair Fischer and the House Human Service Policy Committee,

I am the Clinical Director at Lighthouse Child and Family Services, Inc (LCFS) and am writing to stress the urgent need to fix our Medicaid mental health rate system. LCFS provides mental health services to rural areas in East Central MN. (Including, but not limited to Mille Lacs County, Kanabec County, Isanti County, Chisago County, and Benton County.) LCFS was established in 2008 as an effort to serve rural families in a way that was meaningful to them and allowed them to improve their quality of life with regard to mental wellness.

Since 2008, we have served over 5,000 clients/families. Over the course of the last 15 years in this industry we have experienced an approximately 20% increase in salary requirements with no increase in reimbursement. This has had an undeniable negative impact on our ability to recruit and retain staff, as well as keeping programs running. The lack of sustainable rates has led to long wait lists for every mental health service across our state. Many agencies across the state have closed certain service areas, or their agencies all together, due to low reimbursement rates and the inability to attract (and retain) qualified candidates for critical mental health positions. At our agency, we have eliminated providing skills and therapy services in families' homes, as we simply cannot afford it. We know that work in the home is critically important to helping families get healthy, especially for our most vulnerable population- young children.

The lack of reimbursement rates is leading to less and less people wanting to enter the profession, as they know the pay will not even cover their student loans and supervision costs. We see professionals leaving the profession all together as they do not make a sustainable wage to cover the costs of living. This lack of service providers and closing of programs is leading to kids and families not getting treated- leading to higher levels of need, lower capacity to serve, extensive wait times, sicker kids and families in crisis- with no one to help them. Fixing the rates can interrupt this crisis cycle. It is imperative that fixing the mental health rates be the highest priority for the 2024 session. With Medicaid outpatient community based mental health rates that reimburse for the cost of care, we can provide early intervention and prevention services that help children and families experience health, wellbeing, and hopeful futures.

Respectfully Submitted,

A handwritten signature in black ink that reads "Jennifer Goerger".

Jennifer Goerger, MSW, LICSW