



March 12, 2024

Chair Moller and Committee Members  
House Public Safety Finance and Policy Committee  
509 State Office Building  
St. Paul, MN 55155

**RE: Hospital boarding and discharge delays - proposed solutions**

Thank you for your continued dedication to addressing boarding and discharge delays in Minnesota hospitals. The scenes that are playing out at health systems across the state are some of the most challenging situations our teams have faced in their careers. Patients are stuck in hospitals waiting for transfers to nursing homes, rehabilitation units, mental health treatment facilities, and other sub-acute care facilities, including state operated services.

In 2023, patients across the state spent nearly 195,000 avoidable days in hospitals, waiting for the right level of care to become available. This included almost 12,000 days of unnecessary stays for children alone. In most cases, these children don't have an emergent medical or psychiatric condition requiring hospitalization; they need long-term, stable support through community-based and residential services. For many, their mental health gets worse while they are stuck in the hospital. In short, patients across Minnesota are getting the wrong care in the wrong place, and often for too long a time. And, unfortunately, the problem isn't getting better, it is getting worse.

This patient gridlock not only reduces overall capacity for hospital care, it also cost Minnesota hospitals and health systems an estimated \$487 million in unpaid care. A refreshed version of HF4106 (Carroll) / SF3989 (Morrison) would give hospitals some short-term financial relief, and we cannot wait any longer to systematically address this problem. Actions the legislature and state agencies can take include the following:

Legislative Proposals:

- Discharge policy bill (SF3989 Hoffman / HF4106 Noor) - Improves processes for MnCHOICES Assessments, SMRT Assessments and Medical Assistance eligibility determinations; establishes supplemental payment rate while counties and community providers determine long-term exception rate for an individual
- Medicaid Mental Health Reimbursement Rate increases (HFXXXX Her / SFXXXX Wiklund and HF4366 Edelson / SF4460 Mann) - Increases outpatient and inpatient reimbursement rates for mental health and substance use disorder services, building on the 2024 DHS Outpatient Services Rate Study

- Youth care transition program (HF4671 Fischer / SF4664 Mann) - Ensures sustained funding for the youth care transition program which supports youth with complex needs who need to transition from hospital and residential settings to a more appropriate level of services.
- Respite grants (HF4671 Fischer / SF4664 Mann) - Increases current county grant funding for respite care and invest resources in recruiting, licensing and compensating new respite family providers
- Emergency Medical Assistance (SF4024 Mann / HF3643 Noor) - Allows more flexibility in what Emergency Medical Assistance (EMA) will pay for, these bills broaden the settings available to a patient who qualifies for EMA by permitting certain services to be covered under EMA.
- Legislative recommendations from the Priority Admissions Task Force (HF4366 Edelson / SF4460 Mann) which includes expanded capacity at and access to Direct Care and Treatment facilities. These recommendations include an exception for 10 civilly committed individuals waiting in a hospital to be added to the admissions waitlist – this exception is a critical pressure release for hospitals who have been housing individuals in need of forensic or other intensive care in a state operated service, some for multiple years.

#### Administrative Actions:

- Determine a different way to prioritize complex patients for placement outside of the hospital including:
  - Prioritizing and expediting funding for in home and out of home placement, including MnCHOICES assessments, MA eligibility, and waived services for kids in hospitals.
  - Ensuring counties prioritize the establishment and responsiveness of guardians, rate negotiations with group homes and the placement process for patients in acute care or hospital settings.
  - Prioritizing workforce crisis solutions to increase crisis and group home capacity.
- Strengthen enforcement of licensing standards to ensure group homes and other facilities cannot use “temporary suspension” of services as a mechanism to leave clients at hospitals and then refuse to take them back.
- Staff Willmar Child and Adolescent Behavioral Hospital to full capacity and accept “lateral” admissions.
- Counties all have a different “front door” to start the process of partnering to find patients an appropriate placement, and this information is challenging to find. Create one resource with this information to make navigating and outreach more streamlined for hospitals.

This is not a problem that any one part of the system can solve by itself. State agencies, counties, community providers, families and health systems all need to be responsible for their individual parts and work together to meet the needs patients, getting them the right level of care at the right time. The crisis of patients being stuck in hospitals needs immediate action.