



March 22, 2018

The Honorable Mark Dayton
75 Rev. Dr. Martin Luther King, Jr. Blvd.
St. Paul, MN 55125

Dear Governor Dayton:

We write to express our strong concern and frustration that your Supplemental Budget Proposal does not address the seven percent cut to reimbursement rates many Minnesotans use to access home and community-based disability services in order to live independently.

The seven percent cut was created by a conflict in state policy, causing the federal Centers for Medicare and Medicaid Services to disallow an investment in quality and workforce competitiveness enhancements passed by the State Legislature three years ago. The result returned approximately \$10 million to the state general fund for the current biennium, and more than \$50 million for the following biennium. With \$123 million remaining on the bottom line of your proposed supplemental budget, room remains to fix the problem and restore the cuts before they go into effect.

The state of the workforce providing supportive services is already critical, with approximately 9,000 job openings in our field alone. With more than 95 percent of all funding for these positions coming from state-set Medicaid rates, allowing a seven percent cut to these rates while the rest of Minnesota's economy moves forward will prove devastating. Quality services and supports for Minnesotans who have disabilities will be compromised if workforce shortages at this level continue to grow.

At a time of historic workforce shortages and increasingly uncompetitive wages, community-based disability service providers were counting on this revenue to make needed investments in better wages for direct care staff and program innovations to enhance independent supports. The Best Life Alliance will continue to work with legislative leaders from both parties to ensure a fix to stop this rate cut this legislative session, and strongly urges you to support this fix.

As you enter into the final months of the legislative session, please prioritize this critical issue as you negotiate the state's budget with House and Senate leaders. Any member of our group is more than willing to work with you and your staff to ensure we continue to advance a strong network of services that support people with disabilities to live fulfilling and independent lives.

Sincerely,

The Best Life Alliance Coalition



cc: Joanna Dornfeld, Chief of Staff, Office of the Governor

cc: Jen McNertney, Senior Policy Advisor to the Governor

cc: Sen. Paul Gazelka, Senate Majority Leader

cc: Sen. Jim Abeler, Chair, Human Services Reform, Policy and Finance Committee

cc: Sen. Tom Bakk, Senate Minority Leader

cc: Sen. Michelle Benson, Chair, Health and Human Services Finance and Policy Committee

cc: Sen. Julie Rosen, Chair, Finance Committee

cc: Rep. Kurt Daudt, Speaker of the House

cc: Rep. Matt Dean, Chair, Health and Human Service Finance Committee

cc: Rep. Joe Schomacker, Chair, Health and Human Service Policy Committee

cc: Rep. Melissa Hortman, House Minority Leader

cc: Rep. Jim Knoblach, Chair, Ways and Means Committee