



April 8, 2026

SENATOR MELISSA WIKLUND, CHAIR

HEALTH AND HUMAN SERVICES COMMITTEE

MINNESOTA STATE SENATE

Dear Chair Wiklund and Committee Members,

On behalf of Woodland Centers, I am sending this letter of strong support for - **Health Care Provider Reimbursement for Uncompensated Care.**

Woodland Centers is a private non-profit 501(c)(3) comprehensive community mental health center established in 1958. We serve seven rural counties in the west central region of Minnesota – Chippewa, Big Stone, Kandiyohi, Lac Qui Parle, Meeker, Renville, and Swift. Woodland Centers catchment area encompasses approximately 5000 square miles with a population of approximately 114,000. Approximately 75% of the clients served at Woodland Centers are enrolled in Minnesota Health Care Programs and another 15% are enrolled in Medicare. Approximately 90% of our clients are eligible for sliding fee scale reductions and around 85% of these individuals are provided a 100% sliding fee scale reduction. Woodland Centers serves approximately 5,000 unduplicated individuals each year ranging in age from toddlers to the elderly.

With the anticipated implementation of HR 1 provisions, our clinic's uncompensated care will increase drastically as individuals we serve are denied or disenrolled from Medicaid coverage.

Minnesota's safety net community health care and mental health care system are fragile and facing a crisis. The progress and intentional investments you and the rest of the Legislature made in the last decade will be eroded with these new changes from Congress and the federal government. The Community Mental Health Center (CMHC) model was designed to provide access to critical outpatient and community-based care when the state closed its mental institutions and hospitals. Certified Community Behavioral Health Clinics (CCBHCs) were developed to bring a new model of comprehensive mental health care to sustain community-based access across our nation. Both these mental health models are mandated to serve all who come to them and not deny care, regardless of someone's insurance status, where they live or their ability to pay for care.

Both models have strong bipartisan support in the state, Congress and Federal Administrations. Yet, their core funding mechanisms and services will fall under Medicaid changes in HR 1. The individuals, families and communities we serve will not go away with these changes but their access to the care they

need to live healthy, stable, and contributing lives is at significant risk unless we take deliberate action now to address the impact on our state's system.

This bill offers a bridge and support to assist with the increased uncompensated care our safety net mental health centers, community health centers, hospitals and emergency medical services face with HR 1 implementation and help to manage immediate disruption. This will help support our providers to remain financially viable to keep care access available.

Woodland Centers is urging you to support this bill and the foundation of our behavioral health system in Minnesota.

Thank you for your leadership and support.  
Sincerely

*Ashley Kjos, PsyD, LP, CEO*

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Chief Executive Officer

Woodland Centers