



On behalf of our organizations, we write to outline our thoughts on SF 4612 (Wiklund), the Senate omnibus health and human services supplemental budget proposal.

#### Federal implementation

Counties have worked in collaboration with the Minnesota Department of Human Services (DHS) to ensure successful implementation of federal Medicaid changes. Proper implementation is essential to conserving state financial resources and preventing increases in uncompensated care due to loss of Medicaid benefits. We are encouraged to see proposals that will support counties' needs, including:

- State assumption and support of community outreach and education to Medicaid participants. **[Article 3, Section 6]**
- Use of the U.S. Postal Service's National Change of Address database to regularly update participants' addresses and contact information. **[Article 3, Section 7]**

As this committee considers appropriations, we ask for your support with modest funding for an external vendor that will support counties with the new Medicaid work requirements.

We appreciate the Governor's efforts to align Minnesota statute with federal regulations across several services, including targeted case management. Targeted case management is an effective tool to provide person-centered care and has a proven history of stronger outcomes for our residents. We appreciate the recognition of counties' vested interest in ensuring technology meets the moment by including them in discussions about the Social Service Information System (SSIS) redesign to fit these changing federal regulations. **[Article 3]**

#### Supplemental Nutrition Assistance Program (SNAP)

We appreciate you following Governor Walz's leadership and including funding to address cost shifts to the state from the federal government relating to SNAP by specifically holding counties harmless from the non-federal cost shifts. This includes:

- The portion of the SNAP benefit costs that has been shifted to states based on state payment error rates (PER). **[Article 5, Sections 1 and 4]**
- Covering lost federal administrative reimbursement for state information technology systems, which protects the infrastructure, including MAXIS, from federal cuts for administering SNAP. Beginning October 1, 2026, the federal government will cut the reimbursement rate that states receive for administering SNAP from 50% to 25%. This will include funding Minnesota relies on to support the technology used to administer and determine SNAP. **[Article 5]**

Minnesota African American Family Preservation and Child Welfare Disproportionality Act (MAAFPACWDA)

Counties are grateful to Senators Bobby Joe Champion and Melissa Wiklund for their thoughtful approach to transforming our child welfare system to best serve all children and families. Every day, county workers strive to ensure the safety of children while being challenged by large caseloads, insufficient services and supports, and inadequate training. We support case review functions moving to the state to ensure adequate staffing statewide and a uniform approach to review. **[Article 8]**

We are grateful for the \$15 million annual investment in much-needed services, supports and staffing as MAAFPACWDA goes into effect. Counties are apprehensive about not having access to resources to support staffing models and the services and supports needed to ensure successful implementation.

As you know, counties have estimated a significant annual need for training and services. The \$15 million proposed here for staffing and supports is direly needed and will be put to immediate use. Counties look forward to partnering with you as this bill moves forward to ensure the proposed investment does not move backward.

Technology modernization

We are extremely grateful for the proposed \$70 million investment and inclusion of the Human Services Systems Steering Committee provisions that provide a framework for modernizing our human services technology systems. Members of the Senate Health and Human Services Committee have a long history of supporting innovation in health and human services, and counties are eager to move our technology systems into a new era of person-centered efficiency. We appreciate the attention Governor Walz and members of this committee have given and the time spent alongside our county workers, sharing in the frustration of green screens and inefficient data entry platforms.

We look forward to working with our agency partners and a future legislative commission to ensure our technology platforms are being developed in responsible ways that promote program integrity and efficiency, while providing all of us with more meaningful data from which to base our future policy decisions. **[Article 9, Sections 2-5]**

In the final weeks of session, you and your colleagues have great challenges before you. We appreciate the work of Chair Wiklund and members of this committee as we all work to ensure that our system puts the needs of Minnesota individuals and families first – while also being responsible stewards of taxpayers' dollars by delivering transparent, efficient services. Please consider us a resource as you assemble your final proposals.

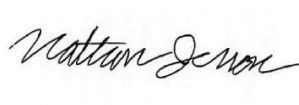
Sincerely,



Paul Verrette  
Executive Director  
MACSSA



Julie Ring  
Executive Director  
AMC



Nathan Jesson  
Executive Director  
MICA



Commissioner Neil Peterson  
Chair  
MRC