March 18th, 2026

Chair Hoffman and Members of the Senate Human Services Committee,

Thank you for the opportunity to submit testimony regarding Senate File 3928. The Minnesota First Provider Alliance (the Provider Alliance) is a trade association of personal care assistance/community first services and supports (PCA/CFSS) agencies and waiver service providers. The Minnesota Home Care Association (MHCA) is a trade association of agencies providing a wide variety of home care services to Minnesotans of all ages in all corners of the state.

We would like to thank Rep. Mohamed for her longstanding commitment to legislative efforts aimed at strengthening our state's system of supports for Minnesotans with disabilities. The PCA/CFSS program is a critical service that supports nearly 50 thousand Minnesotans with disabilities and older adults seeking to live in their own homes and avoid the need for more costly congregate care settings.

As introduced, SF3928 would require providers of PCA/CFSS shared services to use an unspecified percentage of the additional revenue for shared services for the wages and wage-related costs of the support worker providing the shared services. Provider Alliance and MHCA members do all they can within their organizations to direct revenue to the wages and benefits of the dedicated staff providing the hands-on care for clients. As such, without knowing the percentage that might be eventually included in this legislation, it is difficulty for the Provider Alliance and MHCA to evaluate the proposal.

It is worth noting that current statute requires that PCA/CFSS providers use a minimum of **72.5%** of revenues to support care professional wages and benefits. In addition, the collective bargaining agreement (CBA) covering workers serving individuals in the consumer-directed PCA/CFSS programs requires new workers receive $20/hour with a reimbursement rate equal to $24.84/hour (**80.5%**) with more experienced workers making up to $22.50/hour with a reimbursement rate equal to $27.52/hour (**81.7%**) before including payroll taxes and other wage-related costs.

Beyond wages and benefits, providers are responsible for a variety of fixed operational costs, including administrative staffing, training and supervision, background checks, compliance with state and federal regulations, scheduling infrastructure, electronic documentation systems, liability insurance and more. These costs are necessary to maintain program integrity, support clients and workers, and ensure continuity of services. As such, the Provider Alliance and MHCA are apprehensive about new mandates, particularly unknown obligations that originate outside of the conventional calendar for CBA negotiations and the state's biennial budget process.

We welcome further discussion on this issue and appreciate the opportunity to provide comments on this legislation.

Sincerely,

Dena Belisle, President
Minnesota First Provider Alliance

Kathy Messerli, Executive Director
MN Home Care Association