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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 4401

03/16/2026 Authored by Reyer, Bierman and Virnig
The bill was read for the first time and referred to the Committee on Health Finance and Policy

1.1 A bill for an act
1.2 relating to human services; modifying medical assistance reimbursement rates for
1.3 dental services and critical access dental providers; amending Minnesota Statutes
1.4 2024, section 256B.76, subdivisions 2, 4.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2024, section 256B.76, subdivision 2, is amended to read:

1.7 Subd. 2. Dental reimbursement. (a) Effective for services rendered on or after October
1.8 1, 1992, the commissioner shall make payments for dental services as follows:

1.9 (1) dental services shall be paid at the lower of (i) submitted charges, or (ii) 25 percent
1.10 above the rate in effect on June 30, 1992; and

1.11 (2) dental rates shall be converted from the 50th percentile of 1982 to the 50th percentile
1.12 of 1989, less the percent in aggregate necessary to equal the above increases.

1.13 (b) Beginning October 1, 1999, the payment for tooth sealants and fluoride treatments
1.14 shall be the lower of (1) submitted charge, or (2) 80 percent of median 1997 charges.

1.15 (c) Effective for services rendered on or after January 1, 2000, payment rates for dental
1.16 services shall be increased by three percent over the rates in effect on December 31, 1999.

1.17 (d) Effective for services provided on or after January 1, 2002, payment for diagnostic
1.18 examinations and dental x-rays provided to children under age 21 shall be the lower of (1)
1.19 the submitted charge, or (2) 85 percent of median 1999 charges.

1.20 (e) The increases listed in paragraphs (b) and (c) shall be implemented January 1, 2000,
1.21 for managed care.

2.1 (f) Effective for dental services rendered on or after October 1, 2010, by a state-operated  
2.2 dental clinic, payment shall be paid on a reasonable cost basis that is based on the Medicare  
2.3 principles of reimbursement. This payment shall be effective for services rendered on or  
2.4 after January 1, 2011, to recipients enrolled in managed care plans or county-based  
2.5 purchasing plans.

2.6 (g) Beginning in fiscal year 2011, if the payments to state-operated dental clinics in  
2.7 paragraph (f), including state and federal shares, are less than \$1,850,000 per fiscal year, a  
2.8 supplemental state payment equal to the difference between the total payments in paragraph  
2.9 (f) and \$1,850,000 shall be paid from the general fund to state-operated services for the  
2.10 operation of the dental clinics.

2.11 (h) Effective for services rendered on or after January 1, 2014, through December 31,  
2.12 2021, payment rates for dental services shall be increased by five percent from the rates in  
2.13 effect on December 31, 2013. This increase does not apply to state-operated dental clinics  
2.14 in paragraph (f), federally qualified health centers, rural health centers, and Indian health  
2.15 services. Effective January 1, 2014, payments made to managed care plans and county-based  
2.16 purchasing plans under sections 256B.69, 256B.692, and 256L.12 shall reflect the payment  
2.17 increase described in this paragraph.

2.18 (i) Effective for services provided on or after January 1, 2017, through December 31,  
2.19 2021, the commissioner shall increase payment rates by 9.65 percent for dental services  
2.20 provided outside of the seven-county metropolitan area. This increase does not apply to  
2.21 state-operated dental clinics in paragraph (f), federally qualified health centers, rural health  
2.22 centers, or Indian health services. Effective January 1, 2017, payments to managed care  
2.23 plans and county-based purchasing plans under sections 256B.69 and 256B.692 shall reflect  
2.24 the payment increase described in this paragraph.

2.25 (j) Effective for services provided on or after July 1, 2017, through December 31, 2021,  
2.26 the commissioner shall increase payment rates by 23.8 percent for dental services provided  
2.27 to enrollees under the age of 21. This rate increase does not apply to state-operated dental  
2.28 clinics in paragraph (f), federally qualified health centers, rural health centers, or Indian  
2.29 health centers. This rate increase does not apply to managed care plans and county-based  
2.30 purchasing plans.

2.31 (k) Effective for services provided on or after January 1, 2022, the commissioner shall  
2.32 exclude from medical assistance and MinnesotaCare payments for dental services to public  
2.33 health and community health clinics the 20 percent increase authorized under Laws 1989,  
2.34 chapter 327, section 5, subdivision 2, paragraph (b).

3.1 (l) Effective for services provided on or after January 1, 2022, the commissioner shall  
 3.2 increase payment rates by 98 percent for all dental services. This rate increase does not  
 3.3 apply to state-operated dental clinics, federally qualified health centers, rural health centers,  
 3.4 or Indian health services.

3.5 (m) Effective for services provided on or after January 1, 2028, or on or after federal  
 3.6 approval, whichever is later, payment rates for dental services shall be ..... percent of the  
 3.7 ..... percentile of the median charges for coverage year 2024. This rate increase does not  
 3.8 apply to state-operated dental clinics, federally qualified health centers, rural health centers,  
 3.9 or Indian health services.

3.10 ~~(m)~~ (n) Managed care plans and county-based purchasing plans shall reimburse providers  
 3.11 at a level that is at least equal to the rate paid under fee-for-service for dental services. If,  
 3.12 for any coverage year, federal approval is not received for this paragraph, the commissioner  
 3.13 must adjust the capitation rates paid to managed care plans and county-based purchasing  
 3.14 plans for that contract year to reflect the removal of this provision. Contracts between  
 3.15 managed care plans and county-based purchasing plans and providers to whom this paragraph  
 3.16 applies must allow recovery of payments from those providers if capitation rates are adjusted  
 3.17 in accordance with this paragraph. Payment recoveries must not exceed an amount equal  
 3.18 to any increase in rates that results from this provision. If, for any coverage year, federal  
 3.19 approval is not received for this paragraph, the commissioner shall not implement this  
 3.20 paragraph for subsequent coverage years.

3.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.22 Sec. 2. Minnesota Statutes 2024, section 256B.76, subdivision 4, is amended to read:

3.23 Subd. 4. **Critical access dental providers.** (a) The commissioner shall increase  
 3.24 reimbursements to dentists and dental clinics deemed by the commissioner to be critical  
 3.25 access dental providers. For dental services rendered on or after July 1, 2016, through  
 3.26 December 31, 2021, the commissioner shall increase reimbursement by 37.5 percent above  
 3.27 the reimbursement rate that would otherwise be paid to the critical access dental provider,  
 3.28 except as specified under paragraph (b). The commissioner shall pay the managed care  
 3.29 plans and county-based purchasing plans in amounts sufficient to reflect increased  
 3.30 reimbursements to critical access dental providers as approved by the commissioner.

3.31 (b) For dental services rendered on or after July 1, 2016, through December 31, 2021,  
 3.32 by a dental clinic or dental group that meets the critical access dental provider designation  
 3.33 under paragraph (f), clause (4), and is owned and operated by a health maintenance  
 3.34 organization licensed under chapter 62D, the commissioner shall increase reimbursement

4.1 by 35 percent above the reimbursement rate that would otherwise be paid to the critical  
4.2 access provider.

4.3 (c) The commissioner shall increase reimbursement to dentists and dental clinics deemed  
4.4 by the commissioner to be critical access dental providers. For dental services provided on  
4.5 or after January 1, 2022, by a dental provider deemed to be a critical access dental provider  
4.6 under paragraph (f), the commissioner shall increase reimbursement by 20 percent above  
4.7 the reimbursement rate that would otherwise be paid to the critical access dental provider.  
4.8 For dental services provided on or after January 1, 2028, or on or after federal approval,  
4.9 whichever is later, by a dental provider deemed to be a critical access dental provider under  
4.10 paragraph (f), the commissioner shall increase reimbursement by ..... percent above the  
4.11 reimbursement rate that would otherwise be paid to the critical access dental provider. This  
4.12 paragraph does not apply to federally qualified health centers, rural health centers,  
4.13 state-operated dental clinics, or Indian health centers.

4.14 (d) Managed care plans and county-based purchasing plans shall increase reimbursement  
4.15 to critical access dental providers by at least the amount specified in paragraph (c). If, for  
4.16 any coverage year, federal approval is not received for this paragraph, the commissioner  
4.17 must adjust the capitation rates paid to managed care plans and county-based purchasing  
4.18 plans for that contract year to reflect the removal of this provision. Contracts between  
4.19 managed care plans and county-based purchasing plans and providers to whom this paragraph  
4.20 applies must allow recovery of payments from those providers if capitation rates are adjusted  
4.21 in accordance with this paragraph. Payment recoveries must not exceed an amount equal  
4.22 to any increase in rates that results from this provision. If, for any coverage year, federal  
4.23 approval is not received for this paragraph, the commissioner shall not implement this  
4.24 paragraph for subsequent coverage years.

4.25 (e) Critical access dental payments made under this subdivision for dental services  
4.26 provided by a critical access dental provider to an enrollee of a managed care plan or  
4.27 county-based purchasing plan must not reflect any capitated payments or cost-based payments  
4.28 from the managed care plan or county-based purchasing plan. The managed care plan or  
4.29 county-based purchasing plan must base the additional critical access dental payment on  
4.30 the amount that would have been paid for that service had the dental provider been paid  
4.31 according to the managed care plan or county-based purchasing plan's fee schedule that  
4.32 applies to dental providers that are not paid under a capitated payment or cost-based payment.

4.33 (f) The commissioner shall designate the following dentists and dental clinics as critical  
4.34 access dental providers:

- 5.1 (1) nonprofit community clinics that:
- 5.2 (i) have nonprofit status in accordance with chapter 317A;
- 5.3 (ii) have tax exempt status in accordance with the Internal Revenue Code, section
- 5.4 501(c)(3);
- 5.5 (iii) are established to provide oral health services to patients who are low income,
- 5.6 uninsured, have special needs, and are underserved;
- 5.7 (iv) have professional staff familiar with the cultural background of the clinic's patients;
- 5.8 (v) charge for services on a sliding fee scale designed to provide assistance to low-income
- 5.9 patients based on current poverty income guidelines and family size;
- 5.10 (vi) do not restrict access or services because of a patient's financial limitations or public
- 5.11 assistance status; and
- 5.12 (vii) have free care available as needed;
- 5.13 (2) federally qualified health centers, rural health clinics, and public health clinics;
- 5.14 (3) hospital-based dental clinics owned and operated by a city, county, or former state
- 5.15 hospital as defined in section 62Q.19, subdivision 1, paragraph (a), clause (4);
- 5.16 (4) a dental clinic or dental group owned and operated by a nonprofit corporation in
- 5.17 accordance with chapter 317A with more than 10,000 patient encounters per year with
- 5.18 patients who are uninsured or covered by medical assistance or MinnesotaCare;
- 5.19 (5) a dental clinic owned and operated by the University of Minnesota or the Minnesota
- 5.20 State Colleges and Universities system; and
- 5.21 (6) private practicing dentists if:
- 5.22 (i) the dentist's office is located within the seven-county metropolitan area and more
- 5.23 than 50 percent of the dentist's patient encounters per year are with patients who are uninsured
- 5.24 or covered by medical assistance or MinnesotaCare; or
- 5.25 (ii) the dentist's office is located outside the seven-county metropolitan area and more
- 5.26 than 25 percent of the dentist's patient encounters per year are with patients who are uninsured
- 5.27 or covered by medical assistance or MinnesotaCare.
- 5.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.