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County-Based Purchasing Comments re: SF2995 Health Budget Omnibus

May 2, 2023

Dear SF2995/HF2930 Conferees,

We write to share our **comments regarding the Health Budget Omnibus Bill** you are assembling. The Minnesota Association of County Health Plans (MACHP) represents Minnesota's three County-Based Purchasing (CBP) plans serving more than 100,000 people across 33 counties of Greater Minnesota. For more than 40 years, this **unique, local, county owned, operated and governed model** has been delivering dependable access to high quality, cost-effective care for our most vulnerable residents. County-based plans leverage the integration of the full range of county services to strengthen health care access and outcomes, addressing social determinants of health and improving health equity. **This unique and successful model for delivering public programs needs and deserves your support.**

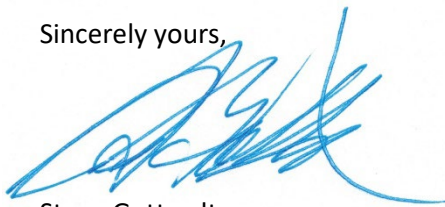
- **SF2995 Article 1, Sect. 8 and HF2930 Article 1, Sect. 23 – MA coverage of medically necessary dental services:** We enthusiastically support this measure. CBP plans have been leading the way in providing dependable access to and strong utilization of dental care across Greater Minnesota. This plugs a vital gap in MA dental care coverage.
- **SF2995 Article 1, Sect. 18, 22 and HF2930 Article 1, Sect. 23 – MA coverage of recuperative care for those experiencing homelessness:** We strongly support this measure which provides appropriate care, support and coverage for those with no place to recuperate from serious medical procedures.
- **HF2930 Article 2, Sect. 10 – Termination of PMAP and managed care MinnesotaCare:** While we certainly appreciate the language preserving CBP as an option for counties, we remain deeply concerned about the overall thrust toward dismantling managed care in public programs. It is extraordinary that we appear to have forgotten the reasons our state originally turned to managed care to help deliver access, outcomes and cost-effectiveness in Minnesota Health Care Programs (MHCP). The County-Based Purchasing model evolved out of the need for a dependable, locally governed and accountable health care delivery organization responsive to the needs of public programs enrollees. Reverting to DHS Fee for Service (FFS) would have devastating impacts on rural providers and enrollees due to low FFS reimbursement and lack of locally coordinated care.
- **SF2995 Article 1, Sect. 24, 29, 30 and HF2930 Article 2, Sect. 15 – PMAP enrollees allowed to opt out of managed care:** We oppose this measure. While we understand the desire to give public program enrollees an option if their needs are not being met, we have deep concerns about how this plays-out in practical terms. There is a very important reason we have designated open enrollment periods in health

care coverage: to provide necessary stability and prevent costly, confusing member churn. We have specific requirements in our managed care contracts with DHS for taking care of our members and responding to their concerns. An open opt out would ultimately harm enrollees and erode membership.

- **HF2930 Article 2, Sect. 24, 27 – MinnesotaCare public option (FFS)** – We oppose this measure and have deep concerns about the negative impact this House-only provision would have on rural providers in particular. Expanding MinnesotaCare in this manner would move people to coverage based on low FFS payments, placing even greater financial stress on our already critically stressed rural providers.
- **SF2995 Article 1, Sect. 26 and HF2930 Article 2, Sect. 16 – Prescription drug carve-out:** We strongly oppose this measure. Prescription medications are a major factor in delivering effective, coordinated care and should not be carved out. We strongly object to continued efforts toward care carve-outs. At a time when health care reformers are moving toward value-based, global budget and population health approaches, further fragmentation damages coordination of care, harming our most vulnerable residents and weakening rural health.
- **SF2995 Article 16 and HF2930 Article 2 – Health Care Affordability Board/Commission and health care spending targets:** We oppose and have deep concerns about the negative impacts of developing and imposing arbitrary spending targets on health care. While we understand the desire for controlling the rising overall cost of health care, such a system of limits ignores the realities of health care utilization and delivery which vary depending on population, care needs and costs of numerous inputs. These cannot and should not be controlled by a new bureaucracy. The ultimate result would be care rationing inflicting heaviest harm on those who need care the most.

We appreciate your careful consideration of these issues as you put together the Health Budget Omnibus Bill. Thank you for your dedicated service to the people of Minnesota.

Sincerely yours,



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Cc: MACHP Board of Directors (representing 33 Minnesota counties)
Julie Ring, Association of Minnesota Counties (AMC)