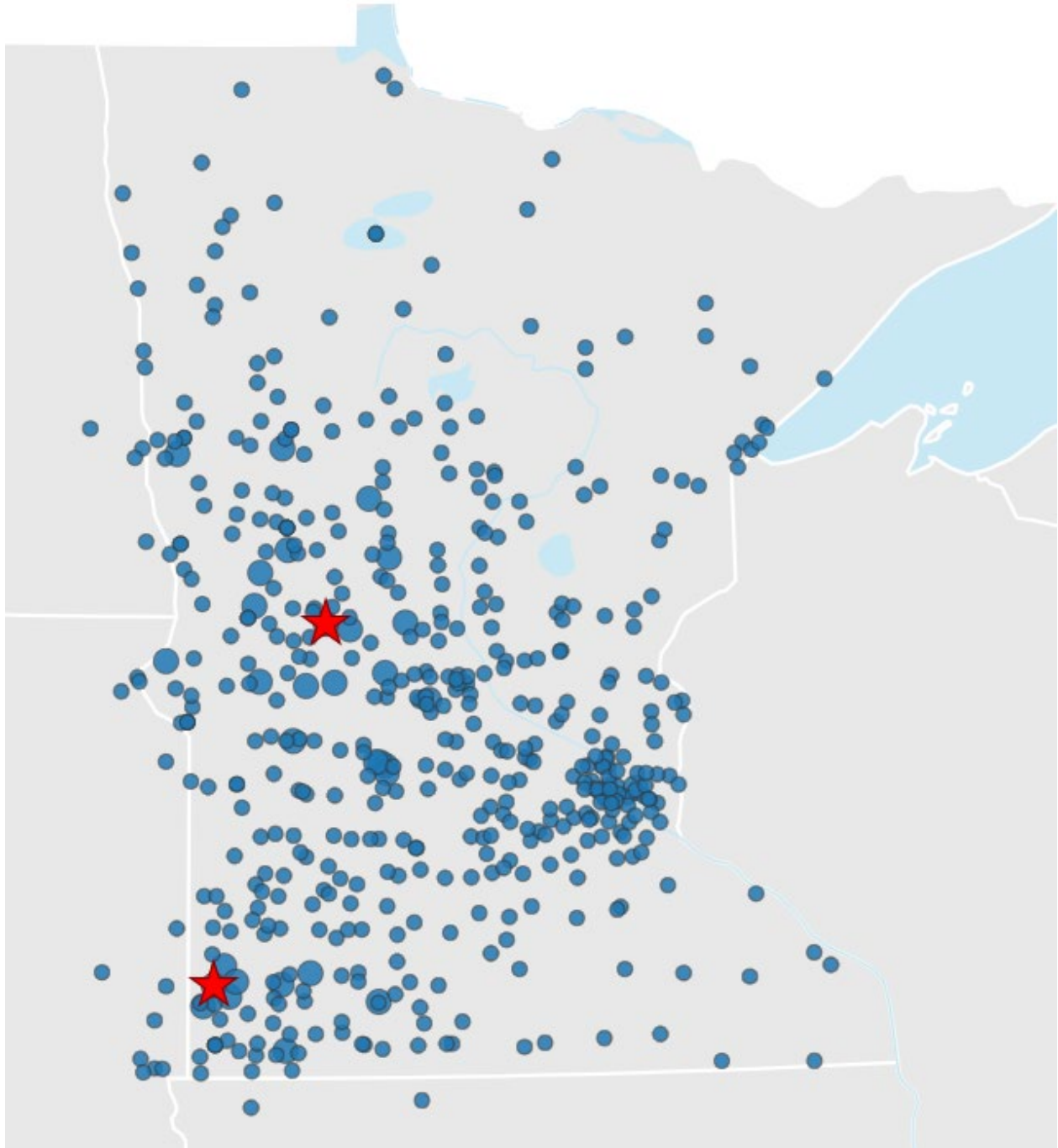


Caring Hands Dental Clinic Zip Codes Served in 2024 and 2025 (597).



**According to the ADA's Health Policy Institute, Minnesota's Medicaid FFS reimbursement rate is 31.9% of charges for children and 32.6% for adults. In comparison to what private insurance companies pay, Minnesota's reimbursement is 53.3% for children and 50.6% for adults. Since 2022, reimbursements have not kept up to the national average, losing ground by 7%.**



April 10, 2026,

Representative Jeff Backer, Co-Chair  
Health Finance & Policy Committee  
2<sup>nd</sup> Floor, Centennial Office Building  
St. Paul, MN 5515

Representative Robert Bierman, Co-Chair  
Health Finance & Policy Committee  
5<sup>th</sup> Floor, Centennial Office Building  
St. Paul, MN 5515

Co-Chairs Backer and Bierman,

On behalf of the Minnesota Dental Association (MDA), thank you for the opportunity to provide input on HF4931.

In 2025, the Legislature delayed implementation of a single administrator model for dental services under Minnesota Health Care Programs (MHCP) until 2028 and established a work group to develop recommendations for effective implementation. While this concept was not originally proposed by the MDA, our membership supports it as an opportunity to improve administrative efficiency, consistency, and transparency across the system. A 2022 DHS legislative report identified several reasons dentists hesitate to participate in MHCP, including low reimbursement rates, inconsistent care coordination, multiple prior authorization processes, and administrative burdens that vary across fee-for-service, managed care, and county-based purchasing models. Our members experience these challenges firsthand, and a single administrator has the potential to meaningfully simplify the system.

For a single administrator model to succeed for both providers and patients, it must be paired with meaningful updates to the reimbursement structure. Minnesota's current dental payment system remains fundamentally outdated and does not reflect the actual cost of providing care today. Although rates have been adjusted over time, the underlying methodology continues to be based on 1989 charges. This antiquated foundation remains a primary barrier to provider participation in MHCP and contributes to ongoing access challenges for patients across the state. While prior rate increases have resulted in modest improvements, a more substantial structural update is necessary to support sustainable provider participation.

Minnesota's Medicaid dental reimbursement rates remain among the lowest nationally when measured as a percentage of average dentist charges. For adult Medicaid dental reimbursement, Minnesota ranks 37th among the 44 states and the District of Columbia.<sup>1</sup> Such low reimbursement is approximately 32.6% of average charges submitted by dentists, the national average is 38.6%.<sup>2</sup> For pediatric services, Minnesota ranks 45th, with reimbursement at approximately 31.9% of average charges, compared to a national average of 39.6%.<sup>3</sup> These figures

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<sup>1</sup> American Dental Association – Health Policy Institute, December 2025 Update – Dental Care in Medicaid Programs

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.



demonstrate that Minnesota's reimbursement levels lag significantly behind national averages and continue to present a substantial barrier to provider participation and patient access.

Over the past several months, the MDA has actively participated in the Legislature's dental access work group. One of the group's key responsibilities has been to develop recommendations regarding how dental reimbursement rates should be established in statute. Without updating the underlying statutory rate structure, the state risks implementing administrative reform without addressing one of the primary drivers of provider nonparticipation.

Last week, the committee was scheduled to hear HF4401. Through an amendment, the bill would codify the rate structure recommended by the dental access work group by moving rates closer to current cost levels rather than the existing 1989-based structure. Although the bill was not heard due to time constraints, the MDA respectfully encourages the committee to consider that language at a minimum so a more adequate and sustainable rate structure can be enacted.

With respect to the delay in implementation of the single administrator as proposed by HF4931, the MDA's priority is enactment of the rate adjustments contained in HF4401, at a minimum, prior to the January 2028 effective date. The MDA does not take a position on the proposed delay itself. However, successful implementation of a single administrator critically depends on the establishment of adequate reimbursement levels. If the rate adjustments proposed by the dental access work group, or comparable updates, are not enacted in advance, a delay may be necessary at that time to ensure the system is launched with appropriate payment levels in place.

The MDA remains committed to an updated and sustainable system that supports provider participation and improves access to care for Minnesota patients. We respectfully request continued attention to ensure an updated rate structure is enacted in the final weeks of session.

Sincerely,

A handwritten signature in black ink that reads "Dan Murphy".

Dan Murphy, MPP  
Director of Government Affairs  
[dmurphy@mndental.org](mailto:dmurphy@mndental.org)  
612-767-4255

***About the Minnesota Dental Association***

*The Minnesota Dental Association is the voice of dentistry in Minnesota, representing practicing dentists. It is committed to the highest standards of oral health and access to care for all Minnesotans. Learn more at: [www.mndental.org](http://www.mndental.org).*