March 23, 2026

Chair Bierman and members of the Health Finance and Policy Committee.

On behalf of Fairview Health Services (Fairview), we appreciate the opportunity to express our strong support for HF4349 and HF4064. Together, these bills represent an important step forward in expanding access to life-changing cell and gene therapies for patients and families across Minnesota.

In partnership with faculty at the University of Minnesota Medical School, Fairview is proud to be a leader in advancing cell and gene therapy clinical trials in the Upper Midwest. We serve patients and families from across the country and welcome our chance to continue to bring cutting-edge treatments closer to home. M Health Fairview Masonic Children's Hospital is one of just 40 centers nationwide designated as a Rare Disease Center of Excellence by the National Organization for Rare Disorders (NORD), reflecting our deep commitment to caring for patients with complex and rare conditions.

In recent years, the field of cell and gene therapy has experienced remarkable breakthroughs, delivering one-time, potentially curative treatments for rare diseases such as sickle cell disease, beta thalassemia, and metachromatic leukodystrophy (MLD). In fact, Masonic Children's Hospital is one of only five approved treatment centers in the nation authorized to provide Lenmeldy, a one-time, life-saving therapy for MLD.

Despite this progress, access to these therapies remains limited. Most are administered in inpatient settings and carry costs of $2–5 million per treatment. Our current reimbursement system was not designed to accommodate these significant, upfront costs—creating real barriers for providers and, most importantly, for patients who need timely care.

During the 2024 legislative session, Minnesota took an important first step by establishing a pathway within Medicaid to cover inpatient cell and gene therapies outside of traditional DRG payments. However, that pathway depends on the state negotiating outcomes-based agreements (OBAs) with manufacturers for each individual therapy. In practice, the uncertain timing of these agreements has left providers and patients without a reliable or timely solution to cover these treatments.

HF4349 would align Minnesota with other states by carving out payment for the full class of inpatient cell and gene therapies and removing the requirement for individual OBAs as a condition of reimbursement. This change would provide greater certainty, expand access, and accelerate the delivery of life-saving treatments to patients who cannot afford to wait.

This is especially critical for conditions like MLD, which the Minnesota Department of Health added to the state's newborn screening panel in 2025. For families receiving a

diagnosis shortly after birth, time is of the essence. They should have confidence that they can access life-saving care close to home, without delay.

While HF4349 addresses urgent, near-term reimbursement challenges, HF4064 looks ahead. The feasibility study proposed in this bill offers an opportunity to develop a long-term, statewide strategy that brings together Minnesota's clinical, research, and manufacturing strengths. By aligning the expertise of our healthcare providers, academic institutions, and medtech industry, Minnesota can position itself as a national leader in advancing innovation in cell and gene therapy.

We appreciate your consideration and leadership on these important issues, and we look forward to working together to ensure that Minnesota patients have access to the therapies that can transform—and save—their lives.

Regards,

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