



**Minnesota Hospital Association**

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April 14, 2015

Representative Matt Dean  
Minnesota House of Representatives  
401 State Office Building  
St. Paul, MN 55155

Dear Chairman Dean:

On behalf of the Minnesota Hospital Association (MHA) and our members, which include 143 hospitals and health systems committed to strengthening healthy communities throughout the state, I want to thank you for launching a public discussion about MinnesotaCare, its financing, and long-term sustainability.

For many years, MHA has supported MinnesotaCare as an effective way to help make health care coverage affordable for some of our residents. This aligns with one of our Association's long-standing, bedrock values: Affordable access to quality health care for all Minnesotans. Last week, in light of your MinnesotaCare II proposal, our board of directors revisited the MinnesotaCare program and reaffirmed our position that Minnesota should keep MinnesotaCare as a Basic Health Plan (BHP) at this time.

However, MHA is also acutely aware of the fact that our initial support of MinnesotaCare's transition to a BHP was based on several earlier projections that, in hindsight, turned out to be deeply flawed. The actual number of MinnesotaCare enrollees has been far less than projected and the amount of the federal government's contribution to the program's costs was greatly overestimated.

Your proposed legislation raises important questions about MinnesotaCare and its future sustainability in light of the wide gap between these earlier projections and today's realities. It is imperative for the state to address these questions. Accordingly, MHA encourages the Legislature to require a thorough study of MinnesotaCare, as well as other alternatives that could ensure coverage for these residents.

As with our commitment to affordable access to care, advocating for this study reflects another core value of MHA's: Leadership through knowledge-based solutions. The Legislature and Governor, as well as MHA and other stakeholders, cannot make thoughtful, knowledge-based policy decisions without strong data and analytics to use in evaluating our options. With more current and accurate information, Minnesota will be better positioned to design knowledge-based, affordable, effective and sustainable solutions.

Until a study is complete and data-driven options are evaluated, MHA supports keeping MinnesotaCare as a BHP in place. MHA and our members look forward to working with you to enact legislation requiring a study and then exploring future options available based on what we learn.

Sincerely,

Lawrence J. Massa, M.S., FACHE  
President & CEO