MINNESOTA ASSOCIATION OF
County Health Plans

1753 Cottonwood Circle • Saint Cloud, MN 56303 • www.machp.org

May 9, 2022

Concerns re: House/Senate HHS Omnibus Language (HF4706/SF4410)

The Minnesota Association of County Health Plans (MACHP) is a non-profit association representing the state's three county-owned-and-operated County-Based Purchasing (CBP) plans. For more than 40 years, CBP plans have been assuring access to quality, cost-effective care for people enrolled in Minnesota Health Care Programs (MHCP). CBP plans currently serve more than 90,000 MHCP enrollees in 22 counties, with another 11 counties starting CBP in 2023. Minnesota law, passed in 1997 on a bi-partisan basis (256B.692, 256B.694), gives counties special authority to choose and adopt CBP.

Dear Chairs Abeler and Liebling, and SF4410/HHS Finance Bill Conference Committee Members,

Thank you for your efforts and leadership on Health and Human Services matters. We write with serious concerns about the House and Senate HHS Omnibus language:

In general, **the House HHS Omnibus (HF4706, 1st engrossment)** rejects proven delivery systems of Minnesota Health Care Programs (MHCP) in favor of a Minnesota DHS takeover using a third-party administrator on a fee-for-service (FFS) basis. It also perpetuates the inappropriate inclusion of county-owned-and-operated County-Based Purchasing (CBP) plans with private "managed care" HMOs. The bill's fiscal note assumes this move will provide savings, but does not account for all the services and activities conducted by or required of CBP plans and private managed care plans. They are significantly beyond those provided by FFS, greatly benefit MHCP participants, and cannot possibly be fulfilled statewide with only 16 FTEs. Minnesota adopted the Pre-paid Medical Assistance Program (PMAP) to achieve greater care access, control runaway MHCP cost increases and assure access to providers not available in DHS's fee-for-service (FFS) system. A reversion to FFS is a step backwards for Minnesota and our counties.

1. Article 3, Sect. 10, Subd. 31 – **Long-acting reversible contraceptives:** We do not object as long as the added costs are reflected in capitated rates.
2. Article 3, Sect. 12, Subd. 4 – **Dental utilization report:** We object to the inclusion of county-based purchasing plans with private "managed care" plans. CBP plans have consistently achieved higher dental care access and utilization numbers across the counties they serve.
3. Article 3, Sect. 19, Subd. 9 – **Dental services:** Expands the list of "medically necessary" services. We do not object as long as the added costs are reflected in capitated rates.
4. Article 3, Sect. 22, Subd. 18h. – **Nonemergency medical transportation:** Provisions related to managed care, including CBP plans, item (c) fuel adjustment "when gasoline exceeds $3.00 per gallon". We do not object as long as the added costs are reflected in capitated rates.
5. Article 3, Sect. 28, Subd. 68 – **Tobacco and nicotine cessation:** CBP plans included as "participating entities". We do not object as long as the added costs are reflected in capitated rates.
6. Article 3, Sect. 32, Subd. 4 – **Limitation of choice; opportunity to opt out:** We strongly oppose this provision. Eroding county authority and CBP in public programs moves Minnesota backwards, adding nothing to access or outcomes for the people we serve.
7. Article 3, Sect. 36, Subd. 1 – **Applies "managed care opt out" (256B.69, subd. 4, paragraph (a)) against county authority:** We strongly oppose this provision. Again, eroding county authority and CBP in

public programs moves Minnesota backwards, resulting in reduced access to care and poorer care outcomes for the people we serve.

8. Article 3, Sect. 59, Subd. (a)(3) – **Delivery reform analysis:** We strongly oppose this provision. Of the three models to be explored, only the DHS takeover using a third-party administrator is mandatory. CBP plans, again inappropriately included with private managed care plans, is only a possible option. This suggests a predetermined outcome, undermines the authority of elected county officials, and fails to recognize the outstanding work and results of Minnesota's CBP plans.

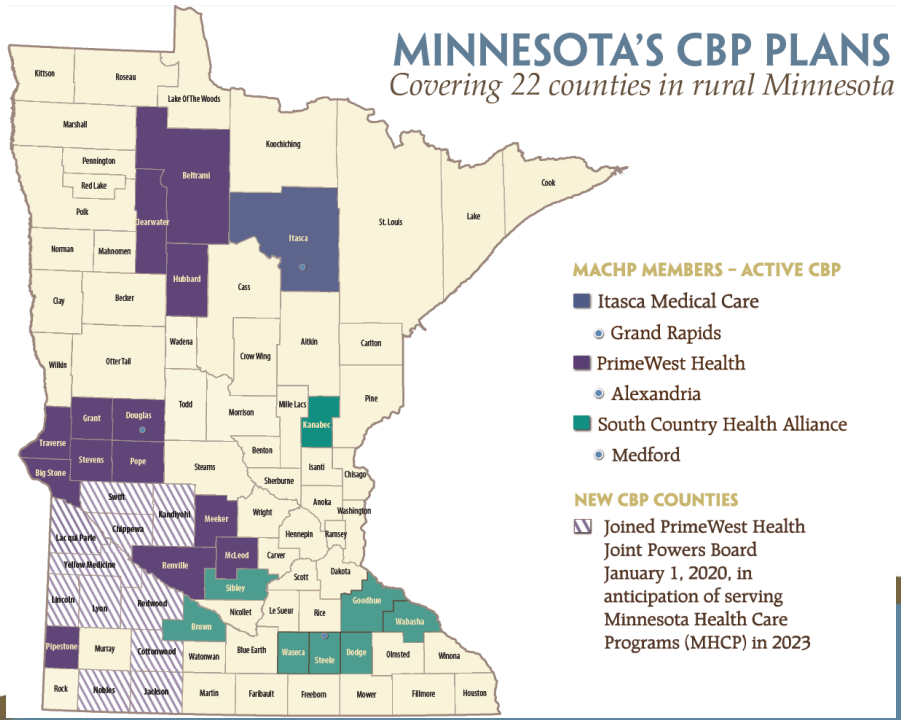
In the Senate HHS Omnibus (SF4410, 3rd engrossment), Article 16, Sect. 26, Subd. 9d. - **Financial and quality assurance audits**: We object to the elimination of reports to the Legislature regarding DHS ad hoc reports and audit results that are intended to prevent excessive and unnecessary administrative requirements. CBP plans and managed care plans are inundated with reports, data submissions, and audits year-round which divert time and resources away from improving members' health care experiences and population health. Instead, we urge legislators to carefully scrutinize the costs/benefits of the various regulatory reporting and audit requirements, and seek to minimize their burden without diluting appropriate and necessary oversight. Our CBP plans are ready to help in such a reevaluation.

For these reasons, and on behalf of the **22 Minnesota counties that own and operate CBP plans, and their county commissioners**, our association **raises these concerns and objections to the House and Senate HHS omnibus positions**. We urge conferees to take these points into careful consideration as you assemble the Conference Committee Report. Please contact me with any questions or concerns.

Sincerely yours,

Steve Gottwalt | Executive Director | 952-923-5265 | steve@machp.org

Cc: MACHP Board – Itasca Medical Care; PrimeWest Health; South Country Health Alliance
Julie Ring – Association of Minnesota Counties (AMC) Executive Director
Joseph Schulte – AFSCME Political, Legislative Communications Coordinator



IMCare
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