



April 13, 2026,

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

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

Co-Chairs Bierman and Backer,

On behalf of the Minnesota Dental Association (MDA), thank you for the opportunity to provide supporting testimony on HF4401.

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 Minnesota's current dental payment system remains fundamentally outdated and does not reflect the actual cost of providing care today.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.¹ Such low reimbursement is approximately 32.6% of average charges submitted by dentists, the national average is 38.6%.² For pediatric services, Minnesota ranks 45th, with reimbursement at approximately 31.9% of average charges, compared to a national average of 39.6%.³ These figures

¹ American Dental Association. Dental Care in Medicaid Programs. Health Policy Institute. December 2025. Available from: https://www.ada.org/-/media/project/ada-organization/ada/adaorg/files/resources/research/hpi/dental_care_in_Medicaid_programs.pdf

² Ibid.

³ 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 dental access work group, created by the legislature in 2025. 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. The work group's recommendations on rate structure reflect an important step forward.

HF4401 includes strong rate adjustments that should be enacted at a minimum to begin addressing longstanding access challenges. The MDA maintains that additional investment is needed over time to ensure reimbursement better reflects the cost of providing care and supports broader provider participation. The language in the proposal is thoughtful and moves in the right direction, though there is still room to improve it when the budget allows. Without updating rates, Minnesota will continue operating under a reimbursement structure with base rates that date back to the 1980s, making it difficult to meaningfully improve access for patients who rely on these programs.

We ask for your support in advancing HF4401 today.

Sincerely,

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

Dan Murphy, MPP
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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.