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April 18, 2024

Chair Melissa Wiklund Senate Health and Human Services Committee 2107 Minnesota Senate Building St. Paul, MN 55155

Dear Chair Wiklund and committee members,

On behalf of Minnesota Famers Union (MFU), I write to share our organization's support for the Health Omnibus Finance Bill (SF4699), which includes several important provisions that will help address the healthcare challenges farmers and rural communities are facing. Key among these is language that will help continue the effort to implement a MinnesotaCare Public Option.

MFU is a grassroots organization that has represented Minnesota's family farmers, ranchers and rural communities since 1918. At our most recent annual convention MFU members voted to make "Ensuring Affordable and Accessible Care in Rural Minnesota" a top priority of our organization and SF4699 takes several steps to address this challenge.

MFU's top legislative priority this session was to continue making progress on the establishment of a MinnesotaCare Public Option. Farmers, like other small business owners, disproportionately purchase insurance on the individual market and are hit hard by the high cost of healthcare – and many can't afford it. This limits rural economic vitality by creating barriers for young people who want to build a life in agriculture and leads to tragic stories from some who cannot afford insurance.

Last session, lawmakers led the nation by authorizing a public option that would allow farmers and other small business owners to 'buy-in' to the comprehensive coverage provided to lower income Minnesotans as part of our state's Basic Health Plan (BHP). MFU strongly supports the provisions included in SF4699 that advance the work to secure federal authorization and funding for the MinnesotaCare Public Option. By directing state agencies to submit a federal waiver application for the MinnesotaCare Public Option, the state can complete analysis work and the application process can inform future legislation, implementation, and funding for the program.

In addition to the provisions related to the MinnesotaCare Public Option, MFU also supports several other provisions that will help address affordability and access. This includes provisions from SF4837 that will create stronger regulation of health maintenance organization (HMO) conversions. Without strong regulations in place charitable assets could be used for private gain and nonprofit HMOs could become targets for acquisition, leading to further consolidation. MFU also supports provisions from SF3971 that will update reimbursement for independent pharmacies serving Medical Assistance patients, which will provide a critical lifeline to those providers as the legislature works in future sessions on addressing the anticompetitive harm driving many pharmacies out of business.

Thank you again to the committee for the work done to put together this omnibus bill. If you have any questions, please contact our Government Relations Director, Stu Lourey, at <a href="mailto:stu@mfu.org">stu@mfu.org</a> or (320) 232-3047 (C). Thank you for considering the needs and perspectives of Minnesota's farm families.

Sincerely,

Gary Wertish

President, Minnesota Farmers Union