



February 24, 2025

Senator Melissa Wiklund
2107 Minnesota Senate Bldg.
St. Paul, MN 55155

RE: SF1402 (Wiklund) - Medical assistance rate adjustments establishment for physician and professional services

Senator Wiklund and members of the committee,

On behalf of Allina Health, I am writing to express support for SF1402 which would provide increased MA reimbursement rates for outpatient mental health and physician services.

Allina Health is a fully-integrated health system with 11 hospital campuses, 65 primary care clinics, and 14 urgent care centers across the Twin Cities, and central and southern Minnesota. We provide robust, patient-centered mental health services across the entire continuum and serve patients at every stage of life—from child and adolescent to geriatric. Each year, Allina Health’s mental health and addiction program cares for over 100,000 patients statewide through inpatient programs, outpatient services in ambulatory care, adult day treatment, and adolescent partial-hospital treatment.

Minnesota’s mental health care continuum is at a critical juncture. Current MA reimbursement rates are unsustainable for hospitals and health systems, as well as the community providers that are vital to a functioning continuum of care. As the need for mental health services continues to increase across the state, providers are being asked to do more with increasingly limited resources. Because of this, Minnesota and its patients have seen services across the state either close or cut services to stay afloat. Unfortunately, this decrease in access has delayed patients’ ability to access the proper level of care when they need it; instead, they are forced to seek care in hospital emergency departments as they wait for a bed to become available.

The provisions and funding included in SF1402 will help Minnesota meet the needs of our communities by providing reliable and adequate funding to ensure the care that our patients need is available to them when and where they need it. Adequately funding the entire continuum of care will prevent the reliance on crisis care in hospitals or other emergency situations and will better position our patients for success in school, community, or wherever else they find themselves.

Thank you for the opportunity to comment on this crucial legislation.

Sincerely,

Joseph R. Clubb

Joseph R. Clubb
Vice President MHA CSL
Allina Health

Mary Beth Lardizabal

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