



February 24, 2025

Dear Senator Wiklund,

On behalf of the Minnesota Ambulatory Surgery Center Association (MNASCA), I am writing to express our strong support for SF 1402, increasing Medical Assistance and MinnesotaCare outpatient payment rates. This legislation addresses a significant issue in our healthcare system and aligns with the recent Minnesota Department of Human Services study recommending outpatient rates be raised to 100% of Medicare levels.

The proposed rate increase will provide:

- **Improved Access to Care:** Higher reimbursement rates will enable healthcare providers to continue offering services to Medical Assistance and MinnesotaCare patients, ensuring better access to necessary outpatient care.
- **Support for Healthcare Providers:** The current reimbursement rates, at only 60-70% of Medicare and 30% of commercial payers, are unsustainable for many providers. This increase will help ensure the financial viability of outpatient care facilities.
- **Phased Implementation:** The three-year phase-in approach allows for a gradual adjustment to the new rates, making it more manageable given the projected state budget forecast.

MNASCA is committed to promoting high-quality, value-driven surgical services in Minnesota. We believe SF 1402 is a crucial step towards achieving this goal and ensuring the long-term sustainability of outpatient care in our state.

We appreciate your leadership in addressing this critical issue and look forward to collaborating with you to pass SF 1402.

Sincerely,

Tracy Mills, President  
Minnesota Ambulatory Surgery Centers Association