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February 24, 2025

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

MACHP Supports SF1402: MA rate increases for physician and professional services

Dear Chair Wiklund,

The Minnesota Association of County Health Plans (MACHP), representing the state's three county-based purchasing (CBP) plans, owned and operated by 32 counties across Greater Minnesota, **supports SF 1402, and thanks you for the courage to work for Medical Assistance rate increases long overdue.** For too long, Minnesota has looked the other way while paying providers less than their costs for taking care of people most in need and most vulnerable.

In Greater Minnesota the impacts of low MA reimbursement rates are devastating. The overall population in rural areas of our state is poorer, older, less healthy, faces greater distances, fewer options and less resources than the rest of our state. That means a larger share of our Greater Minnesota population relies on MA, and they comprise a larger percentage of rural health care providers' patient base. **Low MA rates are forcing many rural providers to close their doors,** fraying our already thin rural health care safety net.

SF1402 helps address these critical issues. While we know Minnesota faces budget challenges, we cannot continue to pay physicians and health care professionals below cost and expect better results. Without MA rate increases, we will continue to see access to care erode in Greater Minnesota, resulting in less overall health and greater costs. One in every five Minnesotans counts on MA, and they are counting on us to do the right thing. We thank you and urge your colleagues to support SF1402.

Sincerely yours,


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Cc: MACHP Board of Directors
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IMCare
PrimeWest Health
South Country Health Alliance