

April 8, 2025

Senator Melissa Wiklund  
95 University Avenue W.  
Minnesota Senate Bldg., Room 2107  
St. Paul, MN 55155

**Re: SF2669 – Health and Human Services Omnibus Bill**

Chair Wiklund and members of the committee,

On behalf of Allina Health, I would like to express our sincere gratitude for your work and partnership in addressing numerous challenges in the nonprofit healthcare systems environment.

As we have shared for the past few years, Minnesota's healthcare continuum continues to be in a dynamic environment. Regulatory uncertainty, lagging reimbursement rates, and rising costs continue to challenge our ability to deliver care. We are pleased to see several significant pieces of legislation we support included in the omnibus that will help provide stability to Minnesota's hospitals, our providers, and our patients. This includes:

- Establishing a Hospital Directed Payment Program
- Increasing MA reimbursement rates for mental health and physician services
- Extending coverage for audio-only telehealth for three years to July 1, 2028
- Establishing grant funding for the "Treat Yourself First" campaign
- Establishing a grant program for children's & adolescent mental health programming

While we are pleased to see many items we support, there are several proposals that will add unnecessary administrative and financial burdens at a time when hospitals cannot afford them. We urge the committee to limit new reporting or administrative requirements until we receive further clarity on the federal regulatory environment. We would also like to express our concern over the inclusion of the proposal to ban facility fees. Allina Health is committed to providing our patients with an open, transparent care experience, but eliminating facility fees as part of the reimbursement model would cause immense financial harm to our organization along with all the hospitals across the state. We encourage members to remove this provision and continue work with health systems over the interim on a solution that works for patients and providers.

Thank you for the opportunity to comment and we look forward to continuing to work with the committee to address barriers to patient care in Minnesota.

Sincerely,



Kristen McHenry  
Director of Public Affairs  
Allina Health