



April 8, 2025

Dear Members of the Health and Human Services Committee,

On behalf of the Minnesota Medical Association (MMA), representing more than 10,000 physicians and physicians-in-training across the state, thank you for the opportunity to weigh in on SF 2669.

The MMA supports the inclusion of SF 1402 to increase Medical Assistance (MA) reimbursement rates for outpatient physician services to 100% of Medicare. MA payment rates have failed to keep up with the cost of delivering care, causing clinics to make difficult decisions to cut or limit services. Without this needed rate increase, clinics will close, services will be reduced, and patients in every corner of the state will find it more difficult to access care. This proposal is funded by maximizing available federal matching funds through an assessment on managed care organizations, of which 99% of the assessment is paid back to the managed care organizations through increased capitation rates.

The MMA supports the inclusion of SF 1806 that restricts insurance companies and pharmacy benefit managers from forcing patients to change medications mid-year. These changes lead to delays in care, unexpected increases in medication costs, and overall worse health outcomes, especially for patients with chronic conditions. The legislation permits non-medical switching if the health plan offers a generic drug rated as therapeutically equivalent and is offered at the same or lower cost to the patient.

The MMA supports the inclusion of SF 831 to provide one-time funds for the Treat Yourself First campaign. Rates of burnout and associated mental health concerns among physicians have increased substantially in recent years. 6 in 10 physicians have experienced severe burnout and more than half of surveyed physicians know another physician who has considered, attempted, or died by suicide. 20% of physicians say they are depressed, but less than 15% receive mental health treatment, largely due to stigma over receiving treatment if needed. Treat Yourself First is a multi-disciplinary campaign to reduce the stigma of getting help and encouraging Minnesota's healthcare workforce to get care if they need it.

The MMA supports the inclusion of SF 2743 to extend coverage of audio-only telehealth services. Without legislative action this session, coverage for these services will expire on July 1 of this year. Following the 2024 Minnesota Department of Health study into the use and effectiveness of telehealth, it is clear these services are working well for both patients and providers. Audio-only telehealth is especially important for patients with limited access to internet or audio-visual technology and must be available to patients on both public and commercial plans.

The MMA must express our opposition to Article 6, Section 22, which increases the provider tax to two percent. The provider tax is one of the most regressive taxes we have and adds to the overall cost of healthcare. Unlike some other assessments included in the legislation, providers are not reimbursed for this tax. This tax disproportionately burdens smaller practices, making it difficult for them to sustain operations in an already challenging healthcare environment, thereby narrowing patient access to essential medical services, especially in rural and traditionally underserved communities. I urge members to oppose the inclusion of this section.

Thank you for your consideration.

Sincerely,



Edwin Bogonko, MD
President, Minnesota Medical Association