



Professional Distinction

Personal Dignity

Patient Advocacy

March 5, 2025

Senator Melissa Wiklund, Chair, Senate Committee on Health & Human Services
2107 Minnesota Senate Bldg.
St. Paul, MN 55155

Dear Chair Wiklund and Members of the Health & Human Services Committee,

With 22,000 members, the Minnesota Nurses Association (MNA) represents roughly 80 percent of all active bedside hospital nurses in Minnesota and is the largest voice for professional nursing in the state. As a leader on issues relating to nursing, labor, and healthcare, MNA serves as a voice for nurses and patients and the health and well-being of Minnesotans statewide, including on issues related to improving our state healthcare delivery system and removing barriers for patients to access and afford quality healthcare in their community.

On behalf of the members of MNA, I write to express strong support for Senate File 1059, establishing the "Patient-Centered Care" (PCC) system in our state and authorizing administrative and payment services to go through this system rather than the traditional means of providing services to those on MinnesotaCare or other Medical Assistance programs. This would allow the state (or county) to pay providers directly for the care they deliver, eliminating the need for a health plan to function in this role – which only adds to the costs and barriers patients face. This would also allow the state to avoid having to contract with the profit-driven HMOs and other plans that currently raise costs, denial rates, and create additional barriers for patients seeking services that they need. This would also eliminate barriers for providers and hospitals, who have testified in recent years to the amount of administrative burdens created by insurance companies that take resources away from providing care for patients.

The current system relies on DHS paying "managed care organizations" to do what the state (and many counties) would be capable of doing at a small fraction of the cost, and by eliminating the reliance on these unnecessary middlemen, would also create opportunities for better alignment with other human services programs that are also administered through DHS (or counties). This will eliminate many barriers for patients and families with considerable outpatient appointments and vital service needs.

Despite lacking the knowledge and appropriate relationship to patients to make decisions about care, we know that health plans have effectively been making healthcare decisions for patients by denying claims for even the most vital services. We know that health inequities continue to be exacerbated under this current system, while the amount of infighting between insurance companies and providers about who pays for what is certainly a disservice to patients. In short,

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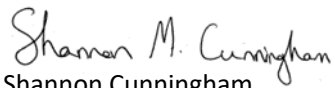


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the current system puts profits before the needs of patients. The PCC approach provides a path for a new way forward and leverages existing machinery at the state and local levels to do so.

Rather than forcing patients to navigate the health insurance landscape, and to continue wasting money by relying on health insurance companies to administer our public programs, MNA is in full support of SF1059 and hopes that the Minnesota Legislature will prioritize these changes this year. We are thankful to Senator Marty for carrying this legislation, and to all leaders at the Legislature looking for ways to eliminate profiteering within our healthcare system.

Sincerely,

A handwritten signature in cursive script that reads "Shannon M. Cunningham".

Shannon Cunningham
Director of Governmental and Community Relations
Minnesota Nurses Association