Joint Advisory Task Force Meeting

July 28, 2026

Today's Objectives

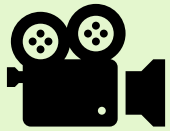
- Build relationships and mutual understanding across task forces
- Contextualize work of the task forces in other related initiatives
- Invite member input on proposed working group focus areas and scope
- Build a shared understanding of the Center's vision and how the task force members are contributing to that

Today's Agenda

- Getting to Know Each Other – **CHCA/Mathematica**
- Framing the Next Phase of Work – **Mathematica**
- *Lunch*
- The Center's Work Ahead – **CHCA/Co-Chairs**
- Closing and Next Steps – **CHCA**

Housekeeping

- Slides will be available on the Center's website
- Bathrooms are outside the room at the end of the hallway
- Please remain on mute when not speaking
- Tech problems? Please try logging back in, or email Health.Affordability@state.mn.us.



This meeting is being recorded.

Closed captioning is available.

Getting to Know Each Other

Alex Caldwell | Director, Center for Health Care Affordability

Introductions

We will go around to each person in the room and you will have a minute to share:

1. Your name
2. What task force you are on
3. Why you signed up for the task force

Break

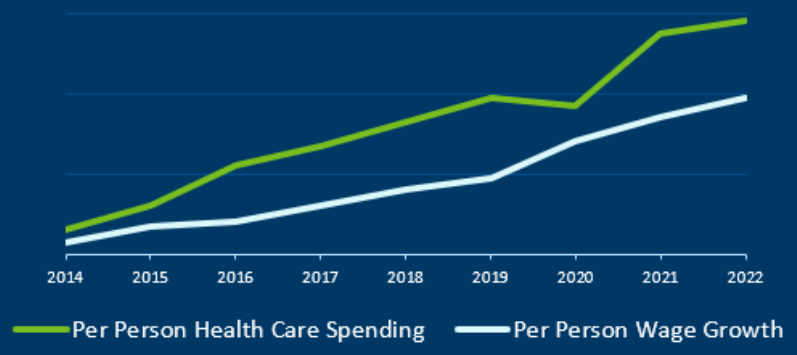
Framing the Next Phase of Work

Julie Sonier| Mathematica

Our North Stars

Minnesota's health care spending will **grow at a slower, more sustainable rate**

Right now, healthcare spending is growing faster than wages, making it harder for Minnesotans to afford the care they need.



Fewer Minnesotans will report **foregoing or delaying needed care due to cost**

Today, almost a quarter of Minnesotans report skipping treatment and medications because they can't afford it.

1 in 4

Minnesotans skip treatment + medication due to cost

The Task Forces' Work to Date

	Sep – Dec 2025	Jan –Mar 2026	Apr – May 2026	June 2026
HCAATF	**September through December:** Grounding, principles, & high-level areas of interest	**February:** Brainstorming ideas (non-value-added spending and high & variable prices)	**April & May**: Refining priorities	**June**: Recommend initial priority topics
PPATF		**January:** Grounding & principles, areas of opportunity **March:** Value-based payment and insurance design		**June**: Perspective on HCAATF emerging priorities

Situating the Task Forces' Work in the Broader Policy Landscape

Impacts of H.R. 1

Rural Health Transformation Program

Future MDH studies

H.R. 1 Will Increase Financial Pressure on Minnesota Hospitals, with Greater Impacts for Some Providers and Communities

- Medicaid work reporting requirements and more frequent eligibility renewals will likely increase coverage churn and coverage losses, resulting in:
  - More uninsured Minnesotans and greater affordability burdens for people losing Medicaid coverage
  - Delayed or forgone care, which may increase use of higher-cost settings over time
  - More uncompensated care for hospitals and clinics
  - Added administrative costs for eligibility verification, reporting, and renewals
- Provider tax restrictions and phased down limits on provider taxes could cost Minnesota hospitals about $1 billion per year when the limit reaches 3.5%, resulting in:
  - Increased financial pressure across Minnesota hospitals
  - Greater strain on independent, rural, and safety-net providers with less ability to absorb losses
  - Potential upward pressure on total health care spending if costs shift to commercial payers, premiums, or state/local funding source

Reference: MN DHS

Lower State-Directed Payment Limits Could Shift Costs to Commercial Payers

- Other impacts on provider payment rates
  - Lower state-directed payment limits for hospitals, nursing facilities, and academic medical centers
  - Prior Medicaid rules allowed states to establish state directed payments up to the average commercial rate
  - New limits are tied to 100% of Medicare which could result in payer cost shifting and may affect provider financial stability where Medicaid payment arrangements are key for providing certain services

Reference: health.state.mn.us

RHTP Will Support Strategic Investments in Rural Healthcare but will not Replace Ongoing Medicaid Funding Losses under H.R. 1

- Minnesota received approximately **$193 million** for the first year of the Rural Health Transformation Program (RHTP) to invest in rural health initiatives. The funding will:
  - Support strategic investments in **new technology tools** to bring care closer to home for rural residents
  - **Improve health outcomes** for Minnesotans with or at risk of developing cardiovascular disease, diabetes and chronic kidney disease
  - Expand the **rural health care workforce** through education and training pathways
- The program is a five-year investment initiative, and its funds generally cannot replace Medicaid or other insurance payments for reimbursable clinical services. It may strengthen rural delivery systems, but it will not directly offset recurring reductions in Medicaid revenue under H.R. 1.

Upcoming MDH Reports

- Study of Low-Value Care
  - Recommendations for reducing the volume and growth of low-value care in Minnesota
  - Estimates volume, cost, and change over time of low-value care in Minnesota, using the MN APCD and other data sources
  - Data sources include environmental scan, interviews, and analysis of MN APCD
- Study of Administrative Health Care Spending
  - Estimates Minnesota healthcare administrative spending using state and national data
    - Includes where it occurs and categories of spending
  - Findings include an environmental scan, key informant interviews, and data gap analysis
  - Recommendations focused on how t reduce the volume and growth of administrative spending in Minnesota

HCAATF Priorities for Policy Development and Recommendations in 2026-27

1. High prices and price growth
2. Consolidated healthcare markets
3. Private equity ownership of healthcare entities
4. Health insurance affordability
5. Prescription drug spending and transparency

PROPOSED: Priority Topic Working Groups

1. High and Variable Commercial Healthcare Prices

2. Investor Ownership and Influence in Healthcare

Purpose of the Working Groups

- Dive deeper into a specific priority topic area
- Engage experts to gain topic-specific perspective and knowledge
- Identify and vet policy options and recommend an approach to the HCAATF

Priority Topic Working Groups Scope: **High and Variable Commercial Healthcare Prices** (1/2)

- **Objective**
  - Develop a shared understanding of significant commercial healthcare price issues in Minnesota and their impacts on affordability
  - Recommend policy options, tradeoffs, implementation considerations, guardrails, and a preferred approach for HCAATF consideration to improve healthcare affordability
- **How MDH will support working group**
  - Provide analysis on which prices contribute most to Minnesota's affordability challenges
  - Compare commercial prices with Medicare and other available benchmarks
  - Examine price variation across and within health systems and factors that may help explain it
  - Present evidence on policy approaches used in other states, including their effectiveness and relevance for Minnesota

Priority Topic Working Groups Scope: **High and Variable Commercial Healthcare Prices** (2/2)

- **Potential discussion topics for working group members**
  - Minnesota-specific factors that should inform how commercial pricing issues are understood
  - Pros, cons, and implementation challenges of policy options such as reference pricing, price-growth caps, same-service/same-price approaches, and facility fee regulation
  - Additional policy strategies the working group should consider
  - Which policy approach(es) members would recommend for Minnesota

Priority Topic Working Groups Scope: **Investor Ownership and Influence in Healthcare** (1/2)

- **Objective**
  - Develop a shared understanding of significant affordability and related issues created by investor ownership and influence in Minnesota
  - Identify gaps in the state's ability to detect and monitor ownership changes and prevent or address problematic outcomes
  - Recommend policy options, including pros and cons, and a preferred approach for HCAATF consideration to improve healthcare affordability
- **How MDH will support working group**
  - Define investor ownership and influence that are relevant to healthcare affordability challenges
  - Describe where investor involvement is present or emerging nationally and in Minnesota, including differences by healthcare sector
  - Assess which ownership-related practices and market conduct may increase spending, patient costs, or other undesirable market outcomes
  - Summarize Minnesota's current ownership reporting requirements, remaining gaps, and relevant policy approaches used in other state

Priority Topic Working Groups Scope: **Investor Ownership and Influence in Healthcare** (2/2)

- **Potential discussion topics for working group members**
  - Minnesota-specific factors that should inform the working group's approach
  - Pros, cons, and implementation considerations associated with policy approaches used in other states
  - Additional strategies the working group should consider
  - Which policy approach(es) members would recommend for Minnesota

Working Group Details and Expectations

1. Members are **encouraged but not required** to participate in a working group
2. Working groups will include up to **10-15** core members
3. For working group participation and placement members will be asked to **select/rank one preferred working group** and describe their relevant expertise/experience and interest
4. Members who are not in a working group are **encouraged to listen** and they will receive updates through regular task force meetings
5. Meetings will be **public and hybrid** with an in-person option
6. Working groups will report back to task forces

Task Force/Working Group Timeline 1/2

<table>
<tr><th></th><th>September</th><th>October</th><th>November</th><th>December</th><th>January</th></tr>
<tr><td rowspan="2">HCAATF</td><td></td><td>Meeting:
Discuss
Affordability
Standards</td><td></td><td></td><td rowspan="4">Joint Meeting:
WGs report back and TF members decide on next phase of work</td></tr>
<tr><td colspan="4">Welcome to participate in a working group or listen as able</td></tr>
<tr><td>PPATF</td><td colspan="4">Welcome to participate in a working group or listen as able</td></tr>
<tr><td>WG1 (Prices)</td><td>Meeting</td><td>Meeting</td><td></td><td>Meeting</td></tr>
<tr><td>WG2 (PE/Investor)</td><td>Meeting</td><td></td><td>Meeting</td><td>Meeting</td><td></td></tr>
</table>

Task Force/Working Group Timeline 2/2

	September	October	November	December	January
HCAATF	-	Tuesday, Oct. 13, 9am-12pm	-	-	Joint Meeting: TBD
PPATF	-	-	-	-	
WG1 (Prices)	Friday, Sept. 11, 9am-12pm	Tuesday, Oct. 27, 1:30-4:30pm	-	Wednesday, Dec. 2, 9am-12pm	
WG2 (PE/Investor)	Thursday, Sept. 24, 1-4pm	-	Friday, Nov. 6, 9am-12pm	Wednesday, Dec. 9, 1-4pm	

Small Group Discussion WG#1

- In small groups discuss the following:
  - What questions do you have about how MDH is proposing to move forward with this working group and its objectives?
  - MDH plans to bring a more refined, focused scope to each working group. Are there key components of the draft scope that MDH is missing or should be modified or excluded?
  - Looking at the Key Background Information section – is there additional information you'd like us to come prepared with?
- Assign one person to share out to the broader group

Small Group Discussion #2 In-Person Table Roster

Table 1
- Sheila Kiscaden (Co-Chair)
- Marie Dotseth
- Shaun Frost
- Cassandra Beardsley
- *Staff: Henry Siegel*

Table 2
- Ghita Worcester (Co-Chair)
- Sheila Moroney
- Tyler Winkelman
- Andrew Knox III
- *Staff: Diane Rydrych*

Table 3
- Lois Stevens
- Lin Nelson
- Kate Schreck
- Jamie Rancour
- *Staff: Julie Sonier*

Table 4
- Matthew Anderson (Co-Chair)
- Thompson Aderinkomi
- Breanne Ostrom
- Kevin Boren
- *Staff: Katie Burns*

Table 5
- Joel Beiswenger (Co-Chair)
- Phillip Cryan
- Justin Stofferahn
- Jim Wilson
- *Staff: Susan Castellano*

Table 6
- Brittney Dahlin
- Adam Janiak
- John Naylor
- Amy McNally
- *Staff: Alex Caldwell*

Small Group Discussion WG#2

- In small groups discuss the following:
  - What questions do you have about how MDH is proposing to move forward with this working group and its objectives?
  - MDH plans to bring a more refined, focused scope to each working group. Are there key components of the draft scope that MDH is missing or should be modified or excluded?
  - Looking at the Key Background Information section – is there additional information you'd like us to come prepared with?
- Assign one person to share out to the broader group

Lunch

The Center's Work Ahead

Alex Caldwell | Director, Center for Health Care Affordability

Setting Healthcare Affordability Standards

The Center is planning to convene an Affordability Standards Technical Panel to define affordability goals which may include:

1. Setting a goal for how much total healthcare spending in Minnesota should grow each year
   - Example tool: **Total Healthcare spending Benchmarks** tied to broader economic measures such as income, wages, or state economic growth
2. Determine how much of a Minnesotan's household budget should reasonably go toward healthcare expenses
   - Example tool: **Affordability thresholds** to determine whether healthcare is affordable for households

In the **October meeting**, the HCAATF will be given an opportunity to provide feedback and input on MDH's initial ideas for setting affordability standards.

The Panel will convene in **late October** and **mid-November**

Discussion: Healthcare Affordability Standards

- What could healthcare affordability standards help Minnesota accomplish?
- **What would make these standards useful** to policymakers, employers, providers, and consumers?
- Are there **pitfalls or opportunities** we should keep in mind as we begin designing them?

Next Steps

Working Group 1: High and Variable Commercial Healthcare Prices

When: September 11, 9 am to 12 pm

Where: Wilder Foundation

Working Group 2: Investor Ownership and Influence in Healthcare

When: September 24, 1 pm to 4 pm

Where: Wilder Foundation

Thank You!

Center for Health Care Affordability

Health.Affordability@state.mn.us