

New Costly and Complex Reporting Requirements in Medical Assistance Will Have Unintended Consequences on Minnesotans



ABOUT 368,000 MINNESOTANS will be at risk of losing healthcare under [HF3722 and SF3611], if the state has to implement work reporting requirements for Medical Assistance.

Those impacted will need to prove that they meet work reporting requirements, or that they qualify for one of the multiple exceptions to avoid losing coverage under Medical Assistance.

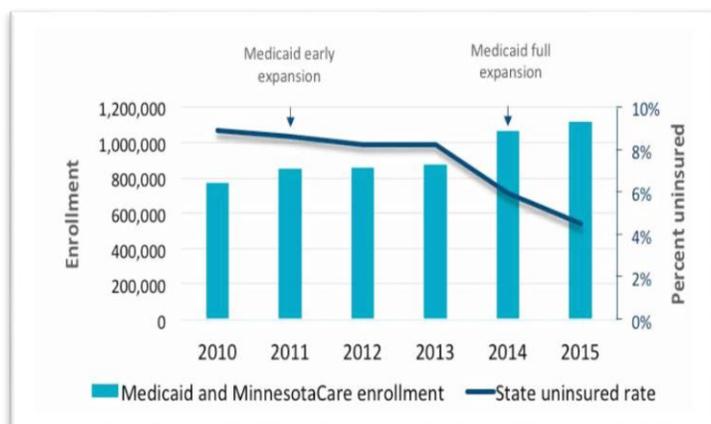
This Bill Will Increase Health Care Costs and the Number of Uninsured Minnesotans

New reporting requirements for Medical Assistance will cause more people to lose their health care coverage and will not decrease costs in Minnesota’s health care system. Instead, it will do just the opposite. Health care coverage plays an important role in whether and when people get care, where they get it, and ultimately, how healthy they are. Uninsured adults are far more likely than those with insurance to postpone care or forgo it altogether. The consequences can be serious, especially when preventable health conditions or chronic diseases go undetected or untreated.

- According to Kaiser Family Foundation, one in five uninsured adults in 2016 went without needed medical care due to cost.
- Studies also repeatedly show that the uninsured are less likely than those with insurance to receive preventive care for major health conditions and chronic disease.

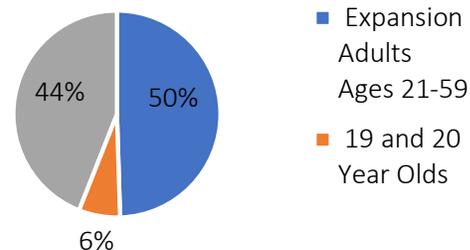
From 2010 to 2015, Minnesota experienced a significant decline in its rate of uninsurance, reaching an all-time low of about 4 percent. The impact is evident.

Medical Assistance & MinnesotaCare enrollment and uninsurance



Source: State Health Compare, SHADAC, University of Minnesota

Statewide
Total: 367,954 adult MA enrollees

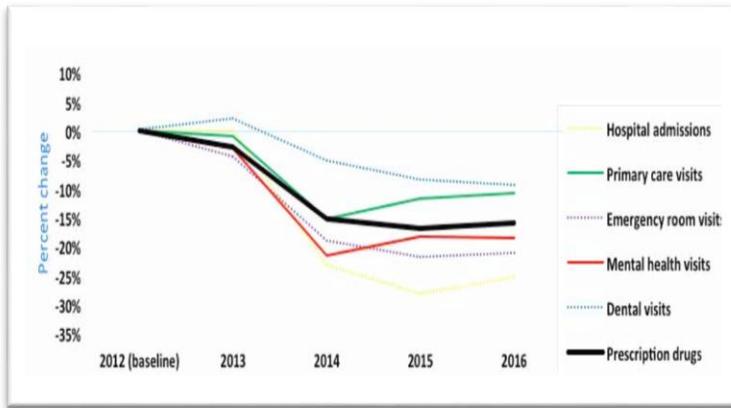


Source: Minnesota Department of Human Services data. Reflects Medical Assistance enrollment in the eligibility categories subject to work requirements under HF 3722 and SF 3611, excluding adults 60 years and older.

After rising by \$192 million over a decade, hospital uncompensated care fell by 16.7% (about \$53 million) between 2013 and 2015.

Since 2014, the state also has seen a drop in the need for charity care.

Medical Assistance Services Utilization: 2012-2016



Source: Medicaid Matters, Minnesota Department of Human Services. (2018)

In 2016, Medical Assistance enrollees received fewer costly hospital visits, admissions, and emergency room services than they did in 2013.

Today, Medical Assistance enrollees are more likely to utilize cost-effective health care services through primary care settings rather than high-cost inpatient hospital and emergency room settings than prior to 2013.

This Bill Will Not Solve Any Budget Concerns About Medical Assistance

The adults targeted by this bill are a small fraction of the spending in Medical Assistance at 15 percent. Moreover, the federal government pays over 90 percent of the costs for this adult population. In fact, if the state lost the ability to cover this population under Medical Assistance, the state would see a loss of about \$1.5 billion annually in federal funds.¹

Please oppose HF3722/SF3611.

We urge lawmakers to support policies to expand value-based payment arrangements in Medical Assistance, simplify and streamline the program for enrollees and counties, and increase enrollee's access to employment supports and job referral programs without taking away their access to health care.

This is Medicaid is a coalition of nonprofit organizations from across Minnesota that work to protect Medicaid from harmful changes and funding cuts. The nonpartisan organizations advocate for or directly serve people who access health care and supports through Medicaid.

This is Medicaid supporting organizations: Allina Health, American Heart Association, Amherst H. Wilder Foundation, AspireMN, ARRM, Catholic Charities of St. Paul and Minneapolis, Catholic Health Association of Minnesota, Children's Defense Fund – Minnesota, Children's Minnesota, Clare Housing, Gillette Children's Specialty Healthcare, Community Involvement Programs, Hammer Residences, Inc., Hennepin County Medical Center, Jewish Community Relations Council of Minnesota and the Dakotas, Legal Services Advocacy Project, Living Well Disability Services, Lutheran Social Service of Minnesota, Minnesota AIDS Project, Minnesota Association of Community Health Centers, Minnesota Association of Community Mental Health Programs, Minnesota Brain Injury Alliance, Minnesota Budget Project, Minnesota Council of Nonprofits, Minnesota Family and Advocate Coalition, Minnesota Coalition for the Homeless, Minnesota Health Care Safety Net Coalition, Minnesota Organization on Fetal Alcohol Syndrome, Minnesota Social Service Association, NAMI Minnesota, Portico Healthnet, Rare Action Network, St. David's Center for Child & Family Development, The Arc Minnesota, The Leukemia & Lymphoma Society, The Minnesota Consortium for Citizens with Disabilities, and Volunteers of America of Minnesota and Wisconsin.

¹ Minnesota Department of Human Services. "Repealing the Affordable Care Act: Impacts to Minnesota's Public Healthcare Programs," January 6, 2017. <http://mn.gov/dhs/aca-repeal/issue-brief/>. (About \$2 billion annually is how much the state stands to lose in federal funds for Medicaid expansion (\$1.5 b) and basic health plan population (\$500 m).