April 14, 2026

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

This Is Medicaid is a broad and diverse coalition of more than 50 organizations from across our state, partnering to protect and strengthen Medicaid for the good of all Minnesotans. Our members serve urban, suburban, and rural communities; people with disabilities and serious or chronic health conditions; children, adults, and seniors; in other words, the people who rely on Medicaid across our great state. What unites us is our belief that Minnesota is stronger together when our communities are healthy.

Thank you for working on SF 4612, the Omnibus Health and Human Services Budget package proposal. In particular, we appreciate your attention to the fact that Minnesota will need to make changes to our state Medicaid program due to the passage of H.R. 1 (Public Law 119-21) in order to stay in compliance and preserve federal funding. However, these changes also come with significant risk of harm to our communities, and we urge you to ensure that these efforts protect access to health care coverage as much as possible.

We greatly appreciate the omission of the Governor's proposal to adopt cost-sharing for certain people on Medicaid. While Minnesota will likely need to adopt a similar policy in the future, this federal mandate does not take effect until 2028 and the Governor's proposal goes above and beyond the basic changes needed for the state to achieve federal compliance. State Medicaid programs across the country are also still awaiting federal guidance from CMS on this topic. Holding off on this policy change until the next legislative session will allow time for genuine engagement with the community on how to implement it in the least harmful way for our state.

We acknowledge that many changes are necessary to adopt work reporting requirements as mandated by H.R. 1 to retain federal funding. However, this policy will almost certainly mean that Minnesotans who are eligible for Medicaid will not be able to access it due to overwhelming administrative and bureaucratic process issues - not because they do not meet the eligibility criteria. Currently in Minnesota's Medical Assistance program, 70 percent of adults covered by Medicaid are employed[1] and those who do not work are often already caring for a loved one, are in school, or face substantial barriers to work. Experiences documented from states outside of Minnesota[2] indicate that implementation of work requirements results in high administrative costs and removal of enrollees from health care who should be eligible. **It is imperative that the Minnesota Legislature does everything possible to mitigate the harm this policy will create.**

We especially want to avoid adversely impacting people who are recovering from or living with serious diseases like cancer or other chronic illnesses. These individuals may fit the definition of someone who is perceived to be included and 'should' work, but in reality, it is often impossible for them to do so. It is important for lawmakers to understand that a narrow definition of medical frailty may not fully account for the vast array of complex health conditions that may limit a person's ability to comply with H.R. 1's work and community engagement standards. **We urge lawmakers to adopt the broadest standards possible for medical frailty to protect Minnesotans' access to Medicaid coverage.**

[1] https://mnbudgetproject.org/resource/work-reporting-requirements-could-lead-to-large-loss-of-health-care-coverage-across-minnesota
[2] https://www.kff.org/medicaid/understanding-the-intersection-of-medicaid-and-work-an-update/

While the bill as released is a start, much more could and must be done to protect access to health care in our state. As you continue to refine language and policy proposals, **we urge you to adopt the following changes to the work requirements provisions in the bill for harm reduction:**

- Only implement work and community engagement requirements and related policies to the minimum extent that federal funding is at risk for non-compliance.
- Make the process to request, approve, and receive a hardship waiver clear and timely.
- Expand and clearly define exemptions to work requirements (such as "medically frail") to ensure they apply to individuals as intended.
- Take steps to educate the public on exemption options and publicize the definitions and availability of these exemptions with enrollees, providers, and the general public.
- Ensure the process for applying for these exemptions is not a barrier by establishing an integrated process that will screen new or renewing enrollees for medical frailty.
- Establish approved durations of medical exemptions for the period of time that each particular exemption warrants (e.g.: someone with a permanent condition should not have to re-verify).
- Allow for initial self-attestation of information if data cannot be obtained automatically.
- Make all policies, processes, and communications simple, accessible, and user-friendly.
- Allow individuals who lose Medical Assistance coverage due to work requirements to access MinnesotaCare coverage.

Lastly, please ensure that the administrative resources needed at both the state and county levels, as well as necessary IT investments, are included as an integral part of the compliance package for HR1. These changes will bring unprecedented disruption to our health care system. Medicaid enrollees, health care providers, and administrators will all need a strong and reliable infrastructure in place to support them in navigating these changes.

Thank you,

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