



Provider and Payer Advisory Task Force

June 11, 2026

Today's Objectives

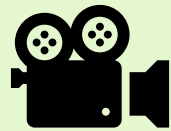
- Review the role of the Center and the task forces
- Review the work of the task forces to date
- Provide an opportunity to weigh in on:
 - Priority topics under consideration by the HCAATF
 - Specific questions identified by HCAATF

Today's Agenda

- Where We've Been and Where We're Going - **CHCA**
- Discussion of Priority Topic Areas – **Mathematica**
- *Break*
- Continued Discussion of Priority Topic Areas and HCAATF Questions – **Mathematica**
- 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.

Where We've Been and Where We're Going

Alex Caldwell | Director, Center for Health Care Affordability

Task Force Objectives

HCAATF

- Consumer advocates, employers, health care purchasers, and health policy experts
- **Develops policy recommendations** and affordability initiatives grounded in experiences and needs of those accessing and paying for healthcare
- **Analyzes spending trends, explores cost drivers**, evaluates strategic options, recommend actionable solutions, supports public engagement and transparency, advises the Center on evaluating impact

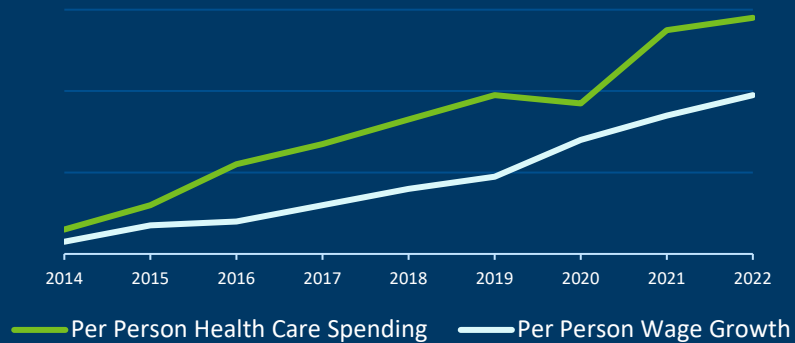
PPATF

- Members have knowledge and demonstrated expertise in healthcare delivery and financing
- Offers insights on the **feasibility and impacts of draft affordability strategies** and identifies barriers to and enablers for implementation
- **Offers technical insights** on cost growth trends, shares expertise on market dynamics, analyze strategic options, advises on how to measure impact, highlights innovations that support affordability



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



HCAATF

September through December:
Principles, values & 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:
Principles, values & areas of opportunity

March:
Value-based payment and insurance design

June:
Perspective on HCAATF emerging priorities

HCAATF's Path to Identifying & Refining Priority Topics



Non-Value-Added Spending

- Administrative complexity
- Role of profit-seeking intermediaries

High & Variable Prices

HCAATF presentation and brainstorming **topics, policies, and questions for future learning**

HCAATF refined to more **specific subtopics** and identified **questions for PPATF**

HCAATF to **discuss PPATF feedback**

Value-Based Payment

- Simplified benefit design
- Tiered networks

Gathered feedback from PPATF at March meeting

HCAATF learned about topics and **reflected on PPATF feedback**

HCAATF will have **opportunity to refine**

Insurance Benefit Design

HCAATF April and May Meetings

- Main focus of these meetings was on **prioritizing the ideas generated previously** about:
 - Non value added spending (specifically, administrative complexity and intermediaries/investor related spending)
 - High and variable prices
- Discussion about insurance benefit design and value-based payment, but no specific prioritization of options yet
- Discussion and re-grounding in the task force's role
- Currently, there are 7 potential priorities under consideration by HCAATF
 - Wording is still evolving based on HCAATF feedback

Potential Priority Topics – Current Version

Non-Value-Added Spending

- Impact of ownership structure and profit-driven intermediaries
- Role of pharmacy benefit managers

High and Variable Prices

- Market consolidation
- Health insurance affordability
- Commercial prices and price growth

- Insurance Benefit Design
- Value-Based Payment

May 20 Recap: Community Conversation with Advocates

HCAATF priority topic areas as presented to the group:

- Provider prices and price growth
- Concentrated health care markets
- Pharmacy benefit managers (PBMs)
- Private equity ownership in health care
- Health insurance affordability

Key discussion themes:

- General agreement with the direction the task force is headed and the topic areas selected
- Participants expressed the importance of going upstream to address root causes
- The priority areas identified by HCAATF are connected and cannot be addressed in isolation from each other
 - Provider prices and price growth were a particular focus of concern
- Several of the topic areas were considered part of a broader trend toward “corporatization” of health care

What's Next

- Today, the PPATF will have the opportunity to share perspective on topics being prioritized by the HCAATF
- HCAATF will meet in late June
- HCAATF co-chairs will summarize HCAATF recommended priority topics for research and policy development in writing to MDH, to be submitted by early July

Group Discussion

- What questions do you have, if any, about the work of the two task forces and the process to date?
- Do you have any questions about the process moving forward?



Priority Topic Areas

Julie Sonier | Mathematica

Pre-Read: Potential Priority Topics

- The list of potential priority topics sent to the PPATF ahead of time reflects the results of the brainstorming activity from the February HCAATF meeting
- In April, **HCAATF selected two topics from the list of “non-value-added” spending** through a live polling exercise to determine which options have the highest task force member interest
- Similarly, **three topics for addressing high and variable prices emerged** as having the most task force member interest
- Wording of the topics continues to evolve in response to task force member feedback

Pre-Read: High Level Background on Selected Priority Topics

- In preparation for its May meeting, HCAATF members received high level framing information about each of the five selected priority topics.
 - How does this topic relate to affordability?
 - What would the HCAATF need to learn about the topic in order to make policy recommendations related to it?
 - What could pursuing this topic look like?
 - What Minnesota-specific context should the HCAATF keep in mind?

Goals for Today's Discussion On Selected Priority Topics

- Reflect on how these topics were framed up for HCAATF
 - What other points or considerations are important for the HCAATF to be thinking about?
- What is your advice about where to start among these priorities?
 - For example, where are the opportunities most significant, and what are the greatest potential pitfalls (e.g. level of complexity)?
- Share your perspective on broader questions these topics are raising for HCAATF members

Priority Topic #1

- **Impact of ownership structure and profit-driven intermediaries:**
Assess how non-clinician ownership structures like private equity firms and other profit-driven intermediaries are affecting health care spending and consider options to reduce or prevent negative impacts on affordability

Group Discussion (Topic #1)

- What will the HCAATF need to learn about this topic as it moves forward?
- What potential pathways could be considered to address this topic?
- What is important to consider from a Minnesota-specific context?
- What is your advice about how to proceed?



Break

Priority Topic #2

- **Role of pharmacy benefit managers:** Analyze PBM financial practices in Minnesota including rebates, spread pricing, administrative fees, and vertical integration. Identify policy options that could improve consumer affordability and transparency along with fair pricing for pharmacies.

Group Discussion (Topic #2)

- What will the HCAATF need to learn about this topic as it moves forward?
- What potential pathways could be considered to address this topic?
- What is important to consider from a Minnesota-specific context?
- What is your advice about how to proceed?



Priority Topic #3

- **Market consolidation:** Develop deeper understanding of health care market consolidation, including mergers and acquisitions involving both Minnesota-based and out-of-state entities, and how it affects health care prices and spending, and identify policy options to reduce its impact

Group Discussion (Topic #3)

- What will the HCAATF need to learn about this topic as it moves forward?
- What potential pathways could be considered to address this topic?
- What is important to consider from a Minnesota-specific context?
- What is your advice about how to proceed?



Priority Topic #4

- **Health insurance affordability:** Develop and assess options to improve affordability by strengthening Minnesota's insurance regulatory process, such as setting benchmarks for acceptable provider reimbursement growth, price variation for selected services, expectations for insurer contracting and payment strategies, and risk pool considerations

Group Discussion (Topic #4)

- What will the HCAATF need to learn about this topic as it moves forward?
- What potential pathways could be considered to address this topic?
- What is important to consider from a Minnesota-specific context?
- What is your advice about how to proceed?



Priority Topic #5

- **Commercial prices and price growth:** Assess the degree to which high prices for commercially insured patients contribute to high spending and spending growth. Develop and evaluate state policy options to reduce commercial prices and/or price growth to improve affordability, such as reference prices, all-payer pricing, market or service-specific price caps, price uniformity, and prospective price growth reviews.

Group Discussion (Topic #5)

- What will the HCAATF need to learn about this topic as it moves forward?
- What potential pathways could be considered to address this topic?
- What is important to consider from a Minnesota-specific context?
- What is your advice about how to proceed?



HCAATF Questions to PPATF

- How does either private equity and/or market consolidation lead to better care for patients?
- What is the incentive for providers to negotiate different reimbursement rates with payers for similar services at the same facility?
 - What impact would using Medicare reimbursement rates for all have on the financial health of your organization?
- What are the challenges and opportunities with different ownership structures?
- What is causing financial instability for hospitals?
 - What are the factors that would lead to hospital acquisition or consolidation?

Group Discussion (1/2)

- What perspective can you provide about the questions raised by HCAATF so far?
- What is important to consider from a Minnesota-specific context?



Priority Topic Areas: Insurance Benefit Design and Value-Based Payment

- **Insurance benefit design:** Explore and assess options for how insurance benefit design can improve affordability, by improving incentives to use high-value, lower-cost services
- **Value-based payment:** Assess barriers to adoption of value-based payment arrangements and identify strategies to address them

HCAATF Discussion on Insurance Benefit Design and Value-Based Payment

Insurance benefit design

- Seen as potentially useful for:
 - Encouraging primary care
 - Steering patients to lower-cost care settings
 - Improving predictability of out-of-pocket costs
- Questions about state leverage to influence self-funded employer plans, though some noted potential value in creating these options for employers that may want them
- Concern about added complexity for consumers

Value-based payment

- Recognized potential as a strategy to support prevention, care coordination, flexibility in care delivery, and accountability for quality and cost
- Noted that evidence on savings is mixed, and savings may not translate directly into lower premiums or lower out-of-pocket costs for patients
- Concerns about administrative burden (e.g., quality measure fragmentation), rural/small provider risk

HCAATF Questions to PPATF cont.

- Which insurance benefit design and value-based payment approaches are most feasible in practice? Where does the strongest evidence exist? How could these strategies improve affordability without increasing complexity or shifting costs?
- Why have prior efforts to standardize quality measures failed to resolve fragmentation?
 - Why do providers and payers continue to use different measures, incentives, and assessment methods?
- Would approaches for fully insured state-regulated plans be likely to have spillover effects to self-insured employer plans?

Group Discussion (2/2)

- Currently, the potential recommendations in these areas are high-level given limited ability to date for deep discussion by HCAATF. What feedback do you have on the current versions?
- What perspective can you provide about the questions raised by HCAATF so far?
- As we move forward, what will the HCAATF need to learn about?
- What is your advice about how to proceed?





What: Joint Task Force Meeting

When: July 28th, 9 am to 1 pm

Where: Wilder Foundation, Auditorium A



Stay tuned for:

- Health Care Affordability and Advisory Task Force meeting on June 24th, 9am-12pm

Thank You!

Center for Health Care Affordability

Health.Affordability@state.mn.us