

April 1, 2025

Representative Kelly Moller, Co-Chair Public Safety Finance and Policy Committee Minnesota House of Representatives St. Paul, MN Representative Paul Novotny, Co-Chair Public Safety Finance and Policy Committee Minnesota House of Representatives St. Paul, MN

Re: HF 2260

Rep. Moller, Rep. Novotny, and members of the Public Safety Finance and Policy Committee:

I write in support of HF 2260, in particular the proposed changes outlawing soliciting kickbacks in human services programs. These changes would provide important protections to ensure that the healthcare services Minnesotans receive, and the Minnesota medical assistance (Medicaid) program pays for, are based on the provider-patient relationship, and not on prohibited financial incentives.

One of my duties as Attorney General is to hold those who defraud the Minnesota Medicaid program accountable for their conduct.¹ My role in ensuring the continuing integrity of the Medicaid program is central to my mission to help Minnesotans afford their lives and live with dignity, safety, and respect. There are few things more fundamental to life in Minnesota than ensuring that Minnesota's most vulnerable populations have continuing access to health care services, and that the money this Legislature has dedicated to providing services to these vulnerable people is used to provide them with health care services, and not line the pockets of fraudsters. Unfortunately, in a program as large as Medicaid, a select few bad actors will prioritize lining their own pockets instead of providing critical, necessary health services to Minnesotans who need them.

HF 2260 would provide important protections to ensure that Minnesotans are receiving health care services from providers for the right reasons. This may include the specialty of the provider, comfort with the provider, cultural sensitivity from the provider, and other considerations best judged by the provider and the person receiving health care services. What should not be a consideration – and what this bill would ensure is not – is a payment or other financial incentive offered by the provider to have the patient receive services from them, instead of another provider.

¹ Minn. Stat. § 256B.12.

Specifically, the bill includes provisions prohibiting any provider from offering financial incentives to patients to receive Medicaid-funded health care services. This will help safeguard program integrity, by ensuring that patients are receiving necessary health care from providers for the appropriate medical reasons. And it will help patients receive care from providers whose primary concern is the best interest of the patient, not the financial incentive for the provider.

Finally, the bill mirrors restrictions on prohibited payments that are already codified in Federal law. Advancing this bill would prohibit these payments at a State level, and allow my office's Medicaid Fraud Control Unit (MFCU) to investigate and hold accountable providers who engage in this prohibited activity.

Thank you for allowing me to provide my recommendations with respect to this bill. If you have any questions or would like additional information, my team and I would be happy to help in any way that we can.

Sincerely,

KEITH ELLISON Attorney Gen

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