Provider and Payer Advisory Task Force Meeting #3

Date: June 11, 2026, 9:00 am - 12:00 pm

Wilder Foundation

Meeting Summary and Key Themes

Meeting Overview

The Provider and Payer Advisory Task Force (PPATF) met for its third meeting to continue supporting the Center for Health Care Affordability (CHCA). The meeting focused on reviewing the roles of the two task forces, discussing the work completed so far, and gathering practical feedback on priority topics being considered by the Health Care Affordability Advisory Task Force (HCAATF). Members were asked to share what the HCAATF should learn before developing recommendations, what policy options may be worth considering, and what practical issues may arise for providers, payers, patients, and communities.

Welcome and Agenda Review

Alex Caldwell, Director of the Center for Health Care Affordability, welcomed members attending in person and online and reviewed the agenda and meeting logistics. She explained that the meeting was an important point in the task force process because the HCAATF was preparing to narrow its priority topics and share written input with MDH. PPATF members were encouraged to use their experience to identify where ideas may be workable, where they may create unintended effects, and where more research or data would be needed.

Where We've Been and Where We're Going

Alex reviewed the different roles of the two task forces. The HCAATF is made up of consumer advocates, employers, purchasers, and health policy experts, and is responsible for developing recommendations and affordability initiatives for MDH. The PPATF serves as an advisory partner to the HCAATF by offering practical and technical input on implementation, how health care markets work, cost growth trends, and ways to measure impact. Members were also reminded of the Center's two main goals, described as north stars: slowing health care spending growth in Minnesota and reducing the number of Minnesotans who delay or skip needed care because of cost.

Alex also reviewed how the task forces have moved from broad grounding work toward more specific topic areas. The HCAATF has recently focused on priority topics related to spending that may not add value and high and variable prices, while insurance benefit design and value-based payment remain important topics that need more discussion. Seven priority topics were presented for PPATF input: ownership structure and profit-driven intermediaries, pharmacy

benefit managers, market consolidation, health insurance affordability, commercial prices and price growth, insurance benefit design, and value-based payment.

Alex also shared a brief recap of a May 20 community conversation with advocates. Advocates learned about the Center's work, and shared feedback on the HCAATF's priority topics. Participants generally agreed that these topics matched concerns they see in their own work and stressed the need to address root causes of affordability problems. Advocates also highlighted that these topics are connected and should not be treated separately, and some described them as part of a broader trend toward more corporate control of health care.

Task Force Role and Scope

Task force co-chairs reflected on the role of the task forces and the Center. They encouraged members to think of the groups not only as short-term bodies writing recommendations, but also as advisors helping MDH build a stronger and more lasting center for research, policy development, and public engagement. Members said this framing helped clarify the purpose of the task forces and the value of bringing provider and payer perspectives together to identify common ground.

Members also discussed whether the work should focus mainly on the commercial insurance market or on health care affordability more broadly. Alex clarified that the commercial market is often a starting point in other states because affordability burdens are visible through premiums, deductibles, and cost sharing. At the same time, members were encouraged to keep the full health care system in view, including Medicaid, Medicare, uninsured Minnesotans, and the ways that financial pressure in one part of the system can affect other parts of the system.

Priority Topic #1 Ownership Structure and Profit-Driven Intermediaries

Julie Sonier of Mathematica introduced the first priority topic, which focused on how investor-led ownership structures, such as private equity and other profit-driven intermediaries, may affect health care spending and affordability. Several members said the HCAATF should seek to build a clearer picture of where these ownership structures exist in Minnesota, how fast they are growing, what services and patient groups are affected, and what happens after ownership changes. Members suggested looking at spending, use of services, quality, access, patient experience, and provider financial stability rather than focusing only on whether an ownership structure is good or bad.

The discussion emphasized that ownership changes can have different effects depending on the setting. In some communities, outside investment may help preserve access, support technology, or keep services available; in other cases, members were concerned that profit incentives could increase costs, reduce staffing, or shift attention away from patient care. Members also noted that financial pressure on independent practices and rural providers may lead some organizations to seek outside investment. For that reason, HCAATF was encouraged to examine why ownership changes are happening and to consider rural and urban settings, types of care, virtual care, independent practices, and large health systems separately.

Priority Topic #2 Pharmacy Benefit Managers

Members agreed that prescription drug costs and pharmacy benefit managers, or PBMs, are important affordability issues. PBMs manage prescription drug benefits for health plans and

employers, but members noted that their financial practices can be difficult to understand. Concerns raised during the discussion included loss of access to local pharmacies, delays in getting medications, uncertainty about what patients will pay for prescriptions, and rules or incentives that steer patients away from independent pharmacies and some private practices.

Members also cautioned that PBMs are only one part of the larger prescription drug system. They said the HCAATF would need more background information on Minnesota-specific PBM rules, recent state and federal policy changes, the role of the Prescription Drug Affordability Board, and the difference between addressing prices for individual drugs and addressing broader PBM or pharmacy-system issues. Although members viewed the topic as important, some suggested it may not be the best place to start because of its complexity and the need for additional information and expertise.

Priority Topic #3 Market Consolidation

Members discussed mergers, acquisitions, and other forms of consolidation in Minnesota's health care market. They noted that consolidation can raise prices or reduce competition, but it can also help preserve access, support new technology, or keep services available in smaller communities. Members encouraged the HCAATF to first understand what current legal and regulatory review processes already do, what gaps may remain, and whether those processes fully consider affordability, access, quality, rural provider stability, and the effects of consolidation after a transaction is completed.

A recurring theme was the need to understand why consolidation occurs. Members identified staffing costs, technology costs, administrative complexity, payer mix, revenue pressure, and the cost of maintaining services as possible drivers. They also suggested that the HCAATF look at what happens after mergers, including whether prices rise, whether access improves or worsens, whether quality changes, and whether promised community benefits or service commitments are maintained. Members said the effects of consolidation should be studied by geography, service line, ownership type, and market segment rather than treated as one statewide issue.

Priority Topic #4 Health Insurance Affordability

Members discussed options to improve health insurance affordability, including possible targets for how quickly provider payment rates grow, expectations for insurer contracting and payment strategies, and attention to the mix of healthier and sicker people in an insurance plan or market. Members emphasized that affordability should be viewed from the patient's perspective and should include premiums, deductibles, copays, facility fees, and other out-of-pocket costs that can make people delay or skip care. Members also said the state should examine what happens when patients delay care, including later health problems and downstream costs.

Members raised questions about how Medicaid, Medicare, Medicare Advantage, and commercial insurance affect provider finances in different ways. They noted that provider financial stability can depend heavily on payer mix and that changes in payment rates could affect organizations differently. Members encouraged HCAATF to study the drivers of premium increases, administrative costs on both the payer and provider sides, variation by system and service line, the mix of people in insurance pools, and how affordability problems may cause people to leave coverage or choose less complete coverage.

Priority Topic #5 Commercial Prices and Price Growth

Members discussed whether high prices for commercially insured patients are a major driver of spending growth and how the state could evaluate policy options such as reference pricing, all-payer pricing, price caps, price uniformity, or advance reviews of price growth. Members agreed that commercial prices and price growth are central to cost containment, but they also cautioned that reducing commercial payment rates without understanding the effects could affect provider revenue, network access, and the availability of care, especially in rural areas and for essential services.

The discussion also broadened from price levels to how health care dollars are used. Some members asked whether savings or avoided spending could be redirected toward higher-value services, such as primary care, prevention, and chronic disease management. Members also emphasized the need to consider uninsured individuals, help eligible people keep coverage, and reduce uncompensated care. Overall, members advised that commercial price policy should be evaluated with clear attention to patient cost barriers, provider financial stability, rural and urban differences, and opportunities to improve long-term affordability.

Insurance Benefit Design and Value-Based Payment

The group also revisited insurance benefit design and value-based payment, two topics discussed at earlier PPATF meetings. Insurance benefit design refers to how health plans structure deductibles, copays, covered services, and provider networks. Julie reviewed insights from HCAATF members, who noted that benefit design can make primary care easier to access, help guide patients toward lower-cost or higher-value care and improve predictability of out-of-pocket costs. At the same time, members said these approaches can make choices more complicated for consumers and may shift costs without reducing the underlying cost of care.

Value-based payment refers to payment models that reward quality, outcomes, or cost control rather than paying only for each service delivered. HCAATF members recognized that these models can support prevention, care coordination, flexibility, and accountability, but they also stressed that putting these models into practice remains difficult.

PPATF members suggested exploring alignment of quality measures across Medicare Advantage, Medicaid, and commercial plans where possible. They also noted that any benefit design or value-based payment strategy will require investment in data and health information systems, particularly if the goal is to reduce administrative burden rather than add another layer of reporting.

Closing and Next Steps

The meeting closed with a reminder that PPATF feedback would be shared with HCAATF as it continues to refine priority topics. HCAATF is expected to meet on June 24, and the HCAATF co-chairs are expected to summarize recommended priority topics for research and policy development in writing to MDH in early July. The next PPATF meeting is the joint task force meeting with the HCAATF, scheduled for July 28, 2026, from 9:00 am to 1:00 pm at the Wilder Foundation.

ABOUT THE CENTER FOR HEALTH CARE AFFORDABILITY

The Minnesota Center for Health Care Affordability at the Minnesota Department of Health is committed to making health care more affordable for all Minnesotans.

The Center identifies cost drivers, provides transparent research, and advances solutions that stabilize health care spending so Minnesotans can afford the high-quality care they need.

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