

April 2023



Dear House and Senate Members:

The Health Plan Partnership of Minnesota is a nonprofit trade association representing several health plans in Minnesota. We formed in January 2023, and our current members include Allina Health | Aetna, Humana, and UnitedHealthcare. One out of five Minnesotans are served by our health insurance plans. We advocate for accessible, inclusive, high quality, and affordable health care across Minnesota.

We appreciate the work that you have all put in to create the House and Senate Healthcare Bills. The Health Plan Partnership of Minnesota supports:

- **Promoting preventative services and screenings:** We support the tobacco cessation provisions of the bill as well as the provisions to promoting preventative services and screenings, and those provisions that advocate for equity in health care access and delivery.
- **Behavioral Health Services:** We support the expansions that improve access to behavioral health services as these provisions can more effectively connect to physical health in a meaningful way.
- **Continuous eligibility for children:** We support the provisions contained in HF 2286 (Noor)/SF 2265 (Wiklund) and the funding to support those provisions in this bill.
- **Expansion of coverage of undocumented residents:** We believe health care is a basic human right and support a model that covers the care of individuals living in Minnesota who are not documented citizens.
- **Telehealth:** We support expansions in the realm of telehealth including the provision to extend the audio-only telehealth usage provision.

Areas where we want to express our caution and concern:

- **Public Option:**
 - **We are concerned about the disruption to the health care delivery system, including providers.** While we share a goal of health care access and coverage, we have concerns with a public option via a MinnesotaCare buy-in. While we applaud the goal of expanding coverage to all, we strongly believe any legislation must ensure providers are able to sustain the infrastructure needed to provide care to an expanded population.
 - **Cost shifting.** As providers are reimbursed at below-cost rates for care, it shifts the cost of care to other parts of the system – namely, the fully insured health insurance market made up of individuals and businesses. Cost shifting results in higher health care premiums without increases in service levels or outcomes.
 - **Disruption to MNsure, the State’s Health Insurance Exchange.** We are concerned there may be an adverse selection impact to MinnesotaCare – resulting in those who are the most ill and with the most complex care needs enrolling in the Basic Health Plan, creating further distress on the health care ecosystem. Rather than capturing enrollment for those who are currently without health care coverage, creating a broad buy-in to MinnesotaCare is likely to disrupt enrollment in MNsure. Enrollees in MNsure may flee the state’s health insurance exchange to MinnesotaCare, which may destabilize the MNsure population and actuarial soundness.
 - **Provider and Employer Concerns:** We continue to support access to affordable health care but echo the concerns of our provider partners that the proposal may have unintended impact on the current health care system. Therefore, we recommend any expansion of MinnesotaCare be prudent, actuarially sound, fully vetted and cognizant of the impacts of other changes in the provider/payer and employer ecosystem.
 - **Specific suggestions** to include as we move forward with implementation language, study language AND/OR reports required:
 - What impact will a MinnesotaCare expansion have on both the fully insured and self-insured marketplace, including impacts on:
 - Enrollment

- Financial soundness- including how much expansion of MinnesotaCare has on premiums versus the costs of care and drugs.
 - Increasing the income limits rather than open access to all.
- Resulting impacts to health care delivery and access:
 - Will there be rate shifts? How does it impact rural access?
 - Will there be impacts on MinnesotaCare provider tax collection?
 - As part of this analysis, we recommend that the Departments should review and report on how other states manage provider reimbursement.
- **Proposed Regulations and Mandates:** Any proposed new regulation should be thoughtfully considered and analyzed for the impact on the cost of care, as cost affects the access and affordability of health care. Further, it is concerning that legislation is being proposed that exempts certain groups from proposed mandates. We believe if legislation is passed to ensure insurance products cover procedures or diseases that these proposed mandates should be applied equally to all parts of the market. We have heard the issue seems to be the cost to the state system as to why these are not being applied equally. This is a real concern for business as well. In addition, any new mandate should be set out far enough in advance so implementation can be realistic for insurers to develop future products.
- **Nurse Staffing Ratios:** We appreciate it takes significant human and financial resources to care for our patients in hospitals. We have grave concerns that legislation is being included in each of the Omnibus bills that have significant changes and implications to access to healthcare. We strongly encourage you to compromise with the nurses and hospitals before passing the legislation as it stands today.
- **Managed Care changes:** We are concerned about eliminating managed care from Medical Assistance. For many years, the managed care system has proven to provide much needed preventative care coverage and support for individuals being served by this healthcare delivery model. We urge you to examine the “real” goals of this provision and consider a different path such as a study.
- **Prescription Drug Legislation:** Pharmacy Benefit Managers (PBMs) reduce cost of care through purchasing leverage. Please seek compromise in the areas that would regulate the PBM industry in regard to the NCPDP Real-Time Prescription Drug Benefit Standard and in Prescription Drug Benefit Transparency and Management “frozen formulary.”

We appreciate the work that has gone into crafting these bills and we look forward to working with you as you debate the final provisions of the legislation. In addition to the comments submitted through this letter, we look forward to engaging in conversations to share ideas that have the potential to optimize the cost of care through innovative, market-based solutions now and in the future. We encourage any study that comes out of the legislation to include all sectors of the healthcare system, including the health insurance industry.

Please feel free to reach out me at hholste@healthplansmn.org or 612-708-1982 if you have any questions or concerns.

Sincerely,



Heidi Holste, Executive Director

Current members of the Health Plan Partnership of Minnesota include Allina Health | Aetna, Humana, UnitedHealthcare