



February 21, 2023

Members of the House Health Finance and Policy Committee,

On behalf of the Minnesota Chamber of Commerce, representing 6,300 employers and their more than 500,000 employees across the state, we appreciate the opportunity to share our thoughts about HF 1030 (Liebling), eliminating cost-sharing in public health care programs, the State Employee Group Insurance Program, and the individual and small group markets.

Employer-sponsored health insurance is an increasingly important benefit, both in terms of retention and attraction of talent and in terms of keeping employees healthy and productive at work. And yet, three-fourths of our members who offer insurance to their employees report that they will be required to make significant changes to their benefit offerings – including dropping coverage altogether – if costs continue to rise at their current rate.

We understand the rationale for legislation like HF 1030. Many Minnesotans struggle to use the health insurance they buy because of the out of pocket spending that many plan designs require in addition to monthly premiums. For some, this additional out of pocket spending creates a barrier to accessing important care and treatment. However, enrollee cost sharing is often used as an important tool to moderate the cost of premiums – which itself is helpful in maintaining enrollment and stability in the individual and small group markets – and encourage the use of high quality, lower cost services and providers.

It is often difficult, however, for legislators to weigh concerns about cost against the hoped for benefit from proposals like HF 1790. We are pleased that a process now exists for the Department of Commerce to review newly proposed health insurance requirements like this. As part of this new process, the Department has provided the Legislature with reports analyzing several bills that included proposals for new health insurance coverage and benefit requirements. And while we would note the Department's findings that nearly all of the proposals reviewed thus far would lead to some increase in premium costs for those in the fully insured market – and would urge continued caution in adding more costs to what is already an extremely expensive product – it is reassuring to see the law working and that these reports allow legislators and stakeholders to draw their own conclusions about the value of each proposal.

We are concerned, however, that no such review has been completed for HF 1030. We believe this bill should be reviewed by the Department of Commerce as part of the mandated health benefit proposal

process. As was noted above, this will ensure legislators have access to reliable data and information about the cost/benefit tradeoffs associated with the proposal.

Thank you for the opportunity to provide this feedback.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bentley Graves", with a stylized flourish extending to the right.

Bentley Graves
Director, Health Care & Transportation Policy
Minnesota Chamber of Commerce