



March 26, 2026

Chair O’Driscoll, Chair Koegel, and members of the committee:

On behalf of the Minnesota Chamber of Commerce and our 6,300 member businesses across the state, I write in support of HF 400.

Health insurance remains one of the most important benefits employers offer in an increasingly competitive labor market. It enables businesses to attract and retain talent while helping ensure employees remain healthy and productive.

Approximately 70 percent of Chamber members provide health insurance to their employees. Of those, roughly three-quarters do so through the state-regulated, fully insured market. This structure allows small and mid-sized employers to offer coverage without assuming the financial risk associated with self-insured plans.

However, the fully insured market in Minnesota is subject to one of the longest lists of mandated benefits in the country – 77 mandates with more proposed each session.

While these mandates are often well-intentioned and designed to improve access to care, they also carry costs. Since 2022, Minnesota’s bipartisan mandate review process has required the Department of Commerce to evaluate the cost and impact of proposed mandates. These analyses consistently show that mandates increase premiums, with those costs ultimately borne by employers and employees.

This is particularly concerning at a time when health care affordability continues to be a growing challenge. Nearly three-quarters of Chamber members who currently offer coverage report they may need to make significant changes if costs continue to rise, including reducing benefits or discontinuing coverage altogether. Some employers have already made those difficult decisions. One in five Chamber members that no longer offer health insurance report that rising costs forced them to drop coverage.

HF 400 addresses an important component of these cost pressures. While many drivers of health care costs are outside the Legislature’s direct control, the addition of new coverage mandates is not.

When policymakers determine that additional benefits serve a public health purpose, HF 400 provides a pathway for the state to invest in those benefits directly, rather than increasing costs within the fully insured market.

This approach helps balance policy goals with affordability, ensuring that coverage remains accessible for employers and employees who rely on the individual and small group markets. For these reasons, the Minnesota Chamber of Commerce supports HF 400.

Sincerely,

Jonathan Cotter
Director, Health Care and Commerce Policy
Minnesota Chamber of Commerce