

March 2023



Dear Legislator:

On behalf of the Health Plan Partnership of Minnesota, we respectfully oppose and urge caution on advancing legislation which would create a buy into MinnesotaCare for individuals and small businesses.

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

The Health Plan Partnership supports:

- Addressing barriers to care, increasing affordability, promoting preventative services and screenings, and advocating for equity in health care access and delivery.
- Expanding and improving access to behavioral health services and more effectively connecting to physical health.
- Streamlining access to health insurance and health care through partnership with providers.
- Looking for opportunities to improve quality while supporting total cost of care concerns.
- Establishing procedures related to transitioning from the public health emergency such as the provisions contained in HF 2286 (Noor)/SF 2265 (Wiklund).
- Increasing the Department of Commerce's staffing such as the Governor's budget request for additional funding to increase staffing in their division to increase filing examiners.
- Defraying the costs of additional mandates such as SF 1037 (Frentz)/HF 1158 (Tabke) that pays for the increased cost of a mandate and SF 1071 (Klein)/HF 1935 (Stephenson) that requires the Commissioner of Commerce to conduct an evaluation of existing health benefit mandates.
- 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.

We share a goal of reducing health insurance costs. We believe expanding health care coverage can and should be achieved by building upon the current system. Examples include:

- Aligning incentives between health plans and providers, to focus on outcomes, disease management, care coordination, medication adherence, and patient experience;
- Engaging consumers in health care decisions, including information related to costs and quality;
- Delivering care in the most effective manner possible, including via telehealth and in various care settings including homes and outpatient care sites;
- Leveraging data to support decisions resulting in the highest quality of care at a sustainable cost; and
- Advancing health equity and addressing social determinants of health including access to food, housing and transportation.

Areas of our caution and concern in HF 96/SF 49:

- **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. Our concerns include provider reimbursement below the cost of care, and costly, burdensome new regulations. While we applaud the goal of expanding coverage to all, we strongly believe that any legislation must ensure that 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 have a concern that 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 achieving its intended goal to capture enrollment for those who are currently without health care coverage, creating a broad buy-in to MinnesotaCare may 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.

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, fully vetted and cognizant of the impacts of other changes in the provider/payer ecosystem.

Sincerely,



Heidi Holste, Executive Director

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