

HOUSE RESEARCH

Bill Summary

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Subject: Funding for MNsure operations

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Overview

Current law allows MNsure to retain up to 3.5% of total premiums for individual and small group market health plans and dental plans sold through MNsure, to fund the operation of MNsure. This bill modifies the percentage of total premiums MNsure may retain, beginning with calendar year 2017.

Section

1 Operations funding. Amends § 62V.05, subd. 2. Strikes paragraphs that governed MNsure funding and cash flow assistance in prior calendar years. Establishes the following funding structure for MNsure for current and future calendar years.

Paragraph (a): for calendar year 2016 only, allows MNsure to retain up to 3.5% of total premiums for individual and small group market health plans and dental plans sold through MNsure, to fund the operations of MNsure.

Paragraph (b): for calendar year 2017 and subsequent calendar years, allows MNsure to retain up to 1.75% of total premiums for plans sold through MNsure, if the Office of the Legislative Auditor certifies that MNsure met the listed operational and technological benchmarks for the previous calendar year.

Paragraph (c): for calendar year 2017 and subsequent calendar years, if the Office of the Legislative Auditor does not certify that MNsure met the benchmarks in paragraph (b), allows MNsure to retain or collect up to 1.5% of total premiums for plans sold through MNsure.

Section

Paragraph (e): lowers the ceiling for the total amount MNsure may retain to fund operations, from 100% to 60% of the amount collected in MCHA member assessments in calendar year 2012.

This section is effective the day following final enactment.