



**MNSure**<sup>SM</sup>

Where you choose health coverage

# Technology Modernization



# Background

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- MNsure was established to ensure all Minnesotans have the security of health insurance
- MNsure is the only place where Minnesotans can shop and compare private health insurance plans and access federal tax credits that lower premiums
- Minnesotans applying for private or public health care coverage apply through MNsure

# MNsure FY2022 Budget

(\$000s)	FY2022
<b>RESOURCES</b>	
Balance Forward from previous year	2,099
Premium Withhold Revenue	20,620
Federal: ARPA Grant	1,107
State: Transfers & Appropriations	16,371
<i>ARPA State Fiscal Recovery Funds</i>	1,969
<i>Reinsurance Extension</i>	3,844
<i>DHS MA/MCRE reimbursement</i>	10,558
Miscellaneous (e.g. Earned Interest)	16
<b>TOTAL RESOURCES</b>	<b>40,213</b>
<b>EXPENDITURES</b>	
Administration	5,885
Communications	2,969
Customer Service	20,171
METS IT System	7,962
<b>TOTAL EXPENDITURES</b>	<b>36,987</b>
<b>BALANCE</b>	<b>3,226</b>

## Resources

- Federal and State grants enabled MNsure to make expanded tax credits and other benefits available to MNsure consumers
- State funding replaced premium withhold revenue MNsure lost as a result of the reinsurance program
- DHS reimbursements cover MNsure costs for supporting DHS and MA/MCRE programs

## Expenditures

- MNsure Contact Center accounts for ~\$12M of customer service funding
- ~\$6M in IT costs are attributable to METS maintenance and operations

## Balance

- Includes a portion of reinsurance reimbursement that will be applied in FY23
- FY22 shows 100% of the ARPA funding but only \$2M of the costs. The remaining \$1M will be expended in FY23.

## Background, cont.

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- MNsure has taken several steps since our rollout to enhance service delivery, including the deployment of new enrollment technology in 2019 that improved the plan comparison, shopping and enrollment experience for consumers
- Structural limitations in the underlying application and customer management technology platform create barriers for Minnesotans applying through MNsure to access and maintain health coverage
- Overall system complexity results in manual processes and increased staffing needs at MNsure

# Governor's Recommendation

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- Upgrade and replace MNsure's legacy technology to improve service delivery to consumers who apply, shop for, enroll and maintain their qualified health plan (QHP) coverage through the exchange
- This proposal will:
  - Remove barriers to accessing health coverage
  - Improve service delivery and consumer experience
  - Improve MNsure's flexibility and efficiency
  - Establish a modern, flexible technological foundation

# Proposal Benefits

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- Preserves “no wrong door” approach for Minnesotans seeking health coverage
- Introduces self-service capabilities
- Improves access for limited English proficient Minnesotans
- Introduces fully-integrated portal for MNsure navigators and brokers
- Flexible system with lower maintenance and operations costs
- Projected permanent annual savings to MNsure budget of over \$4M beginning in FY25

# Fiscal Request

- Total cost of \$18.77M to decommission QHP programs from METS, license replacement technology, and system maintenance and operations costs while MNsure transitions to a fully operational system

	FY22	FY23	FY24	FY25
General Fund Expenditures (\$000s)	0	\$7,775	\$7,476	\$3,521
FTEs	0	2	2	0