



Health Plan Partnership of Minnesota

SF 1037 (Frentz)

Chair Klein, Senator Frentz, and Committee Members,

The Health Plan Partnership of Minnesota supports SF1037 and Senator Frentz's efforts to control increasing costs in the health care insurance market while creating transparency for policy makers.

When the Affordable Care Act was passed by Congress and signed by President Obama, among the objectives of the law was creating uniformity in benefits and limiting cost increases for health coverage purchased by Americans.

The ACA defined a set of Essential Health Benefits (EHB) to be mandated in the fully insured health insurance market. Upon adoption of the ACA, Minnesota was already mandated coverage above and beyond the EHB.

The ACA also contained a tool designed to limit increasing costs in the fully insured market: Any mandates adopted by a state after the effective date of the ACA would have to be paid for by the individual states. The authors of the ACA acknowledged the reality that *mandating additional health care services adds cost to the system and increases premiums*, and thus expected policy makers to pay for the newly mandated coverage.

Like the policy makers who designed the ACA, Chair Klein has also verbalized the expectation that the cost of new mandates would be transparent. By requiring public programs to carry the cost of new mandates, the Chair is increasing transparency of health care costs.

Senator Frentz in SF 1037 continues to increase transparency of the cost of new mandates so policy makers can be fully informed as to the impact mandates have on the cost of coverage.

HPPM supports the goals of SF1037 and thanks Senator Frentz for his work.

Sincerely,

Michelle Benson

Formed in January 2023, our members currently include Allina Health | Aetna, Cigna, and UnitedHealthcare.

We welcome additional health plans and other related entities to join as we advocate for accessible, inclusive, high quality, and affordable health care across Minnesota.