



March 21, 2024

RE: Support for SF 3543

Chair Wiklund and Members of the Committee,

TakeAction Minnesota is a grassroots, multi-racial people's organization that believes in a state that works for all of us and where nobody is left out. With our members, we advocate for policies that promote justice and fairness. Our members know that no matter our age, race, or where we live, we all need the freedom to care for ourselves and our families.

We are writing in support of SF 3543 (Marty) to restore Minnesota's non-profit requirement for HMOs. Healthcare is a public good. Patients and communities suffer when access to healthcare is driven by profit motives rather than the needs of communities across the state. Profit motives and profit extraction endanger the wellbeing of patients as well as the healthcare workforce, and can negatively impact public health, mental health, wellbeing and racial equity, not to mention the state budget.

When for-profit HMOs were allowed into our state in 2017, there was no public campaign for the change and no public debate. As MDH noted in their recent preliminary report on HMO regulations, there were no larger changes made to the HMO statutes to recognize this huge change and ensure proper oversight and regulation.

We do not support contracting HMOs or health plan benefit companies in our public programs, and we have worked for many years to increase oversight and transparency of our non-profit HMOs. But we can certainly agree that introducing national for-profit HMOs is a step in the wrong direction. We encourage you to support this bill, as well as a parallel proposal to regulate non-profit HMO conversions (when a for-profit buys a non-profit). As we have seen, it is all too easy to delete the word "non-profit" behind closed doors, and passing this bill alongside conversion regulations should reduce the incentive to do so again.

Sincerely,

Robert Haider
Legislative Director
TakeAction Minnesota