

S.F. No. 333 (as amended by the A-3 amendment) – Commerce commissioner requirement to request the continuation of a state innovation waiver

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Overview

S.F. 333 extends the state's reinsurance program beyond benefit year 2027. The reinsurance program is authorized, and funded in part, by the federal government pursuant to a Section 1332 State Innovation Waiver. The state has a waiver to operate the program through 2027, but benefit years 2026 and 2027 are currently unfunded. This bill directs the commissioner of commerce to submit a new application to extend the waiver and authorizes a transfer of funds to the premium security account. The commissioner must further submit a waiver application on an ongoing basis, as needed, to continue the reinsurance program until the commissioner is otherwise directed by the legislature.

Section Summaries

Section 1 (amends Laws 2017, chapter 13, article 1, section 15, as amended by Laws 2017, First Special Session chapter 6, article 5, section 10, Laws 2019, First Special Session chapter 9, article 8, section 19, Laws 2021, First Special Session chapter 7, article 15, section 1, and Laws 2022, chapter 44, section 5) This section removes a requirement that the Minnesota Comprehensive Health Association must transfer all unused funds in the premium security plan account as of June 30, 2029, to the commissioner of commerce.

Section 2 (amends Laws 2021, First Special Session chapter 7, article 15, section 3, as amended by Laws 2022, chapter 44, section 7) This section requires individual health plans to continue accounting for the reinsurance program in their proposed rate filings. Existing law ends this requirement after benefit year 2027.

Section 3 (uncodified; Continuation of State Innovation Waiver) This section directs the commissioner of commerce to apply to the federal government for continuation of the Section 1332 State Innovation Waiver that authorizes the reinsurance program. The waiver permits the state to deviate from certain state requirements set forth in the Affordable Care Act, and to obtain federal funding for the reinsurance program based on the reduced amount of premium tax credits paid by the federal government as the result of the reinsurance program. This section 3 requires the commissioner

to submit a waiver application on an ongoing basis, as needed, to continue the reinsurance program until the commissioner is otherwise directed by the legislature.

Section 4 (uncodified; Transfer) This section directs the commissioner of management and budget to transfer \$413,000,000 in fiscal year 2026 from the general fund to the premium security plan account to fund the reinsurance program.



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