

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 565

(SENATE AUTHORS: FRENTZ, Dahms and Utke)		
DATE	D-PG	OFFICIAL STATUS
01/23/2025	161	Introduction and first reading Referred to Commerce and Consumer Protection
02/03/2025	268	Author added Dahms
03/03/2025	626	Author added Utke
03/10/2025	689	Comm report: To pass and re-referred to Health and Human Services

1.1

A bill for an act

1.2

relating to commerce; requiring the commissioner of commerce to defray costs to

1.3

health plan companies for additional benefits; amending Minnesota Statutes 2024,

1.4

section 62J.26, subdivision 4, by adding a subdivision.

1.5

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6

Section 1. Minnesota Statutes 2024, section 62J.26, subdivision 4, is amended to read:

1.7

Subd. 4. **Sources of funding.** (a) The commissioner shall not use any funds for purposes

1.8

of ~~this section~~ subdivisions 1 to 3 other than as provided in this subdivision or as specified

1.9

in an appropriation.

1.10

(b) The commissioner may seek and accept funding from sources other than the state to

1.11

pay for evaluations under this section to supplement or replace state appropriations. Any

1.12

money received under this paragraph must be deposited in the state treasury, credited to a

1.13

separate account for this purpose in the special revenue fund, and is appropriated to the

1.14

commissioner for purposes of this section.

1.15

(c) If an evaluation is required under this section, the commissioner may use for purposes

1.16

of the evaluation:

1.17

(1) any funds appropriated to the commissioner specifically for purposes of this section;

1.18

or

1.19

(2) funds available under paragraph (b), if use of the funds for evaluation of that mandated

1.20

health benefit proposal is consistent with any restrictions imposed by the source of the funds.

1.21

(d) The commissioner must ensure that the source of the funding has no influence on

1.22

the process or outcome of the evaluation.

2.1 Sec. 2. Minnesota Statutes 2024, section 62J.26, is amended by adding a subdivision to
2.2 read:

2.3 Subd. 6. **Defrayal of cost.** If an evaluation of a mandated health benefit proposal projects
2.4 that the proposal results in a net increase in per-member, per-month costs for the total
2.5 nonpublic insured population and the proposal is enacted into law, the commissioner must
2.6 make payments to health plan companies to defray the cost of the mandated health benefit
2.7 proposal on the products offered by the companies in the individual, small group, and large
2.8 group markets. The commissioner must make a payment to a health plan company under
2.9 this subdivision within 60 days of the date the commissioner receives a statement from the
2.10 health plan company. The existing process under Code of Federal Regulations, title 45,
2.11 section 155.170, to defray the cost and ensure quantifiable cost calculation meets the
2.12 requirements of this subdivision.

2.13 **EFFECTIVE DATE.** This section is effective January 1, 2026, and applies to all
2.14 mandated health benefit proposals passed into law after that date.