



S.F. No. 565 – Cost defrayal to health plan companies for additional benefits by the commissioner of commerce requirement

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Date: March 5, 2025

Bill Overview

This bill amends Minn. Stat. § 62J.26 by adding a new subdivision 6. This new subdivision requires the commissioner of commerce to reimburse health plans companies for the costs of “mandated health benefit proposals” the state requires the companies to include in their health plans. This reimbursement is known as “defrayal,” and this bill applies such defrayal to health plans across the individual, small group, and large group markets. A mandated health benefit proposal is defined in section 62J.26 and is required to go through an evaluation process administered by the Department of Commerce. The defrayal payments required by this bill are triggered if the evaluation projects that the proposal will result in a net increase in the per-member, per-month costs for the total nonpublic insured population, and the proposal is ultimately enacted into law.

