Minnesota Hospital Association

161 Rondo Ave, St. 1010
St. Paul, MN 55103

March 26, 2026

Submitted Electronically

Chair Klein, and members of the Senate Commerce and Consumer Protection Committee,

On behalf of the Minnesota Hospital Association (MHA) and the patients that our 139 member hospitals and health systems serve, we write today asking for your consideration and support of SF 3936 & SF 4470 (Dahms) and its provisions requiring the Department of Commerce to extend Minnesota's reinsurance 1332 waiver.

Minnesota has done extraordinary work to achieve and maintain one of the lowest uninsured rates in the country, and MHA strongly supports policies that sustain and expand stable health coverage. As a result of multiple provisions in H.R. 1 and the failed extension of enhanced premium tax credits, the stability of Minnesota's health insurance market faces significant uncertainty in the coming years, with many Minnesotans likely to lose coverage.

As such, the extension of the reinsurance waiver is an important policy tool to have available and consider using in the future given its track record of reducing premiums and maximizing coverage. As hospitals continue to care for all patients regardless of coverage status, an increase in the uninsured population will raise uncompensated care costs, strain limited resources, and harm patient access to the care they need across our state.

Reinsurance has effectively stabilized coverage and reduced premiums for Minnesotans, and it is prudent to allow the Department of Commerce to continue seeking an extension of Minnesota's 1332 waiver.

We respectfully urge your support for SF 3936 & SF 4470 (Dahms) to keep reinsurance available as a tool to help stabilize the individual market and improve access to coverage for Minnesotans over the long term – especially considering the incoming market challenges.

Sincerely,

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