Senator ..... moves to amend the delete-everything amendment (SCS4365A-4) to S.F. No. 4365 as follows:

Page 51, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 2025 Supplement, section 62E.23, subdivision 1a, is amended to read:

Subd. 1a. **~~2028~~ Assessment on group health carriers.** (a) An assessment is imposed ~~in~~ each calendar year ~~2028~~ on group health carriers operating under the Minnesota premium security plan ~~in~~ during the previous benefit year ~~2027~~. ~~This is a onetime assessment.~~

(b) By May 1~~, 2028~~ each year, the association must provide each group health carrier with an estimate of the carrier's assessment under paragraph (a).

(c) By June 30~~, 2028~~ each year, the association must ~~notify each group health carrier of the carrier's assessment amount under paragraph (a). The association must determine~~ propose each carrier's assessment amount, in consultation with the commissioner, based on the group health carrier's portion of the total premiums for group health plans written in Minnesota for the previous benefit year ~~2027~~. The commissioner must approve the carrier's assessment amount. The ~~association must establish the~~ final assessment amount for each group health plan ~~so~~ must ensure that the aggregate assessment amount collected from group health plans under this subdivision equals the amount necessary for the appropriations and transfers under section 62E.25, subdivision 1. By July 25 each year, the association must notify each group health carrier of the carrier's proposed assessment amount under paragraph (a).

(d) Subject to paragraph (e), each group health carrier must pay the assessment under paragraph (a) to the ~~association~~ commissioner by August 1~~, 2028~~ each year, for deposit in the premium security plan account created under section 62E.25. A group health plan must pay the assessment in the manner determined by the commissioner.

(e) A group health carrier may apply to the commissioner to defer all or part of the assessment imposed under paragraph (a). The application must be submitted to the commissioner by May 15~~, 2028~~ of the calendar year after the applicable benefit year. The commissioner may defer all or part of the assessment if the commissioner determines the payment of the assessment places the group health carrier in a financially impaired condition. The commissioner may deny an application for deferral under this paragraph. No later than June 15~~, 2028~~ of the calendar year after the applicable benefit year, the commissioner must notify the association and the group health carrier whether the assessment deferral is approved or denied. If the commissioner approves the deferral request, the notice must include the

amount of and due date for the deferred portion of the assessment. If all or part of the assessment is deferred, the association must include the amount deferred in the other group health carriers' assessments in a proportionate manner consistent with this subdivision. ~~The~~ A group health carrier that receives a deferral is liable to the ~~association~~ commissioner for the amount deferred and is prohibited from receiving or becoming entitled to a reinsurance payment under the Minnesota premium security plan until the group health carrier has paid the deferred assessment.

(f) If the association determines the assessment imposed under paragraph (a) exceeds or is less than the amount necessary to operate and administer the Minnesota premium security plan and issue reinsurance payments, the association must require group health carriers to pay an additional amount or the association must issue a refund to the group health carriers. The association must determine the accuracy of the assessment ~~by May 30, 2029~~ within two years of the assessment.

(g) By August 15~~, 2028~~ of the year after the applicable benefit year, the association must remit the assessments collected under this subdivision to the commissioner for deposit in the premium security plan account created under section 62E.25."

Page 52, delete section 3 and insert:

"Sec. 3. Minnesota Statutes 2025 Supplement, section 62E.23, subdivision 2, is amended to read:

Subd. 2. **Payment parameters.** (a) The board must design and adjust the payment parameters to ensure the payment parameters:

(1) will stabilize or reduce premium rates in the individual market;

(2) will increase participation in the individual market;

(3) will improve access to health care providers and services for those in the individual market;

(4) mitigate the impact high-risk individuals have on premium rates in the individual market;

(5) take into account any federal funding available for the plan;

(6) ~~for benefit year 2027,~~ take into account the assessment under subdivision 1a;

(7) ensure the premium security plan account created under section 62E.25, subdivision 1, has sufficient money to ensure MNsure's stable operation after taking into account the Minnesota premium security plan's effect on MNsure's funding; and

(8) take into account the total amount available to fund the plan.

(b) The attachment point for the plan is the threshold amount for claims costs incurred by an eligible health carrier for an enrolled individual's covered benefits in a benefit year, beyond which the claims costs for benefits are eligible for reinsurance payments. The attachment point shall be set by the board at $50,000 or more, but not exceeding the reinsurance cap.

(c) The coinsurance rate for the plan is the rate at which the association will reimburse an eligible health carrier for claims incurred for an enrolled individual's covered benefits in a benefit year above the attachment point and below the reinsurance cap. The coinsurance rate shall be set by the board at a rate between 50 and 80 percent.

(d) The reinsurance cap is the threshold amount for claims costs incurred by an eligible health carrier for an enrolled individual's covered benefits, after which the claims costs for benefits are no longer eligible for reinsurance payments. The reinsurance cap shall be set by the board at $250,000 or less.

(e) The board may adjust the payment parameters to the extent necessary to secure federal approval of the state innovation waiver request in Laws 2017, chapter 13, article 1, section 8.

(f) For purposes of paragraph (a), clause (7), the ~~association~~ commissioner must consult with the commissioner of management and budget and the board of directors of MNsure to determine the amount of funding necessary to ensure MNsure's stable operation.

Sec. 4. Minnesota Statutes 2025 Supplement, section 62E.23, subdivision 3, is amended to read:

Subd. 3. **Operation.** (a) The board shall propose to the commissioner the payment parameters for the next benefit year by January 15 of the year before the applicable benefit year. The commissioner shall approve or reject the payment parameters no later than 14 days following the board's proposal. If the commissioner fails to approve or reject the payment parameters within 14 days following the board's proposal, the proposed payment parameters are final and effective.

(b) If the amount in the premium security plan account in section 62E.25, subdivision 1, is not anticipated to be adequate to fully fund the approved payment parameters as of July 1 of the year before the applicable benefit year, the board, in consultation with the commissioner and the commissioner of management and budget, shall propose payment parameters within the available appropriations or~~, for benefit year 2027,~~ assess group health

carriers to obtain the necessary funding. The commissioner must permit an eligible health carrier to revise an applicable rate filing based on the final payment parameters for the next benefit year.

(c) Notwithstanding paragraph (a), the payment parameters for benefit years 2023 through 2027 are:

(1) an attachment point of $50,000;

(2) a coinsurance rate of 80 percent; and

(3) a reinsurance cap of $250,000.

Sec. 5. Minnesota Statutes 2025 Supplement, section 62E.24, subdivision 1, is amended to read:

Subdivision 1. **Accounting.** The board must keep an accounting for each benefit year of all:

(1) funds appropriated for reinsurance payments and administrative and operational expenses;

(2) requests for reinsurance payments received from eligible health carriers;

(3) ~~for benefit year 2027,~~ assessments collected and deferred under section 62E.23, subdivision 1a;

(4) reinsurance payments made to eligible health carriers; and

(5) administrative and operational expenses incurred for the plan.

Sec. 6. Minnesota Statutes 2025 Supplement, section 62E.24, subdivision 2, is amended to read:

Subd. 2. **Reports.** (a) The board must submit to the commissioner and to the chairs and ranking minority members of the legislative committees with jurisdiction over commerce and health and make available to the public quarterly reports on plan operations and an annual report summarizing the plan operations for each benefit year. All reports must be made public by posting the report on the Minnesota Comprehensive Health Association website. The annual summary must be made available by November 1 of the year following the applicable benefit year or 60 calendar days following the final disbursement of reinsurance payments for the applicable benefit year, whichever is later.

(b) The reports must include information about:

(1) the reinsurance parameters used;

(2) the metal levels affected;

(3) the number of claims payments estimated and submitted for payment per products offered on-exchange and off-exchange and per eligible health carrier;

(4) the estimated reinsurance payments by plan type based on carrier-submitted templates;

(5) funds appropriated for reinsurance payments and administrative and operational expenses for each year, including: (i) the federal and state contributions received; (ii) investment income; (iii) ~~for benefit year 2027,~~ assessments collected under section 62E.23, subdivision 1a; and (iv) any other revenue or funds received;

(6) the total amount of reinsurance payments made to each eligible health carrier; and

(7) administrative and operational expenses incurred for the plan, including the total amount incurred and as a percentage of the plan's operational budget."

Page 54, after line 10, insert:

"Sec. 8. **CONTINUATION OF STATE INNOVATION WAIVER.**

Subdivision 1. **Waiver application submission.** The commissioner of commerce must apply to the Secretary of the United States Department of Health and Human Services under United States Code, title 42, section 18052, for continuation of the state innovation waiver previously granted to implement the Minnesota premium security plan under Minnesota Statutes, section 62E.23, for benefit years beginning January 1, 2028, and in subsequent benefit years, to maximize federal funding. The commissioner must submit the application by December 31, 2026. The waiver application must clearly state that operation of the Minnesota premium security plan after the 2027 benefit year is contingent on approval of the waiver request. The commissioner of commerce shall reapply for the waiver as necessary to continue the operation of the Minnesota premium security plan under Minnesota Statutes, section 62E.23.

Subd. 2. **Notification.** The commissioner must notify the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services and insurance, and the board of directors of the Minnesota Comprehensive Health Association, regarding (1) the commissioner's intent to submit a waiver application, and (2) federal action taken with respect to the waiver request."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly