

## **Table of Contents**

### **2016-17 Governor's Budget, MNSure**

Agency Profile - MNSure.....	1
Expenditures Overview.....	3
Financing by Fund.....	4
Federal Funds Summary.....	5

[www.mnsure.org](http://www.mnsure.org)

**AT A GLANCE**

- MNsure is the state's online portal for individuals and small businesses to access public and private health insurance coverage.
- MNsure's IT system determines eligibility for Medical Assistance, Minnesota Care, and Advanced Premium Tax Credits.
- Coverage/programs available through MNsure
  - \* Private: Qualified Health Plans (QHP) and Small Business Health Options (SHOP)
  - \* Public: Medical Assistance (Medicaid), and MinnesotaCare (Basic Health Plan)
- MNsure provides customer assistance through its call center and network of assisters.

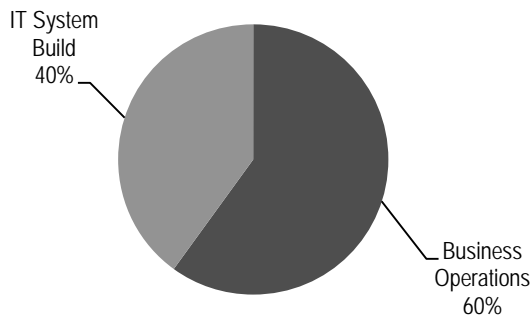
**PURPOSE**

MNsure exists to enroll Minnesotans in health insurance coverage so all Minnesotans have the security of health insurance. MNsure is a one-stop health insurance marketplace where consumers can compare, shop, and find affordable, comprehensive health insurance coverage.

MNsure's work contributes to the goals of **optimal health for Minnesotans, a thriving economy that encourages business growth and employment opportunities, and Minnesota families and communities that are strong and stable.**

**BUDGET**

**FY 2014 Spending by Category including open obligations**



Total spending = \$59.8 million federal grants

*Excludes \$24.6 million DHS/Medicaid share of IT Build contained in the DHS budget  
Health insurance premium pass-through activity also excluded*

*Source: SWIFT*

MNsure is transitioning from federal grant financing to self-sustainability over the next two years. Historically, spending has been paid for with federal grants.

Beginning in 2015, MNsure will be funded by a percentage of premiums on private insurance plans sold through MNsure and funds from the Department of Human Services. The share of funding paid by each will be primarily determined based on the distribution of enrollment across private and public plans.

## STRATEGIES

MNsure utilizes three primary strategies to promote enrollment in health insurance: financial assistance, customer service and application assistance, and outreach campaigns.

MNsure is the only place where consumers can access financial help to make the cost of insurance more affordable. Consumers may be eligible for tax credits to reduce private insurance premiums, a low-cost plan through Minnesota Care, or a no-cost plan through Medical Assistance. Consumers access MNsure at [www.mnsure.org](http://www.mnsure.org) where they can apply for and receive financial assistance based on income and family size.

MNsure employs a number of customer service channels that consumers can access for help with the MNsure application and enrollment. MNsure operates a toll-free call center that consumers can access seven days a week during the open enrollment period. Within the call center, MNsure has reserved dedicated staff to work closely with brokers/agents, navigators, and insurance carriers. MNsure also supports a network of more than 3,000 insurance agents and brokers and navigators that provide consumers in-person help.

MNsure executes an outreach and marketing campaign before and during the yearly open enrollment period to drive enrollment and awareness. This campaign includes traditional media, digital media, social media, and grassroots activation and outreach.

## RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Result	Insured Rate in Minnesota <sup>1</sup>	91.8%	95.1%	10/1/13 vs 5/1/14
Result	MNsure Enrollment <sup>2,3</sup>	0	356,911	10/1/13 vs 10/15/14
Result	Savings via Tax Credits to Consumers <sup>4</sup>	0	\$20 Million	10/1/13 vs 9/30/14
Result	Number of In-Person Assisters <sup>5</sup>	0	3,519	10/1/13 vs 10/21/14

---

M.S. 62V <https://www.revisor.mn.gov/statutes/?id=62V> provides the legal authority for MNsure.

<sup>1</sup> State Health Access Data Assistance Center, *Early Impacts of the Affordable Care Act on Health Insurance Coverage in Minnesota, 2014*.

<sup>2</sup> MNsure Board of Directors Meeting, MNsure Dashboard, October 15, 2014.

<sup>3</sup> Number of enrollments in Qualified Health Plans, MinnesotaCare, and Medical Assistance as of October 15, 2014

<sup>4</sup> MNsure Finance Staff. Tax credits are for enrollments in QHPs for policies purchased between October 1, 2013 through September 30, 2014.

<sup>5</sup> Includes Navigator/Agent/Broker/Consumer Application Counselors as of October 1, 2014

**Expenditures By Fund**

	Actual		Actual FY14	Estimate FY15	Forecast Base		Governor's Recommendation	
	FY12	FY13			FY16	FY17	FY16	FY17
2001 - Other Misc Special Rev	12	29,936	0	0	0	0	0	0
3000 - Federal	2,160	40,449	58,510	0	0	0	0	0
4120 - MN Health Insurance Exchange	0	0	0	118,621	95,033	43,853	95,033	43,853
<b>Total</b>	<b>2,173</b>	<b>70,385</b>	<b>58,510</b>	<b>118,621</b>	<b>95,033</b>	<b>43,853</b>	<b>95,033</b>	<b>43,853</b>
<i>Biennial Change</i>				104,573		(38,245)		(38,245)
<i>Biennial % Change</i>				144		(22)		(22)
<i>Governor's Change from Base</i>								0
<i>Governor's % Change from Base</i>								0

**Expenditures by Program**

Program: Health Insurance Exchange	2,173	70,385	0	0	0	0	0	0
Program: Health Insurance Marketplace	0	0	58,510	118,621	95,033	43,853	95,033	43,853
<b>Total</b>	<b>2,173</b>	<b>70,385</b>	<b>58,510</b>	<b>118,621</b>	<b>95,033</b>	<b>43,853</b>	<b>95,033</b>	<b>43,853</b>

**Expenditures by Category**

Compensation	924	1,928	8,210	16,341	12,867	11,989	12,867	11,989
Operating Expenses	1,202	65,494	48,838	102,280	82,166	31,864	82,166	31,864
Other Financial Transactions	47	721	375					
Grants, Aids and Subsidies			925	0	0	0	0	0
Capital Outlay-Real Property		2,242	162					
<b>Total</b>	<b>2,173</b>	<b>70,385</b>	<b>58,510</b>	<b>118,621</b>	<b>95,033</b>	<b>43,853</b>	<b>95,033</b>	<b>43,853</b>
Total Agency Expenditures	2,173	70,385	58,510	118,621	95,033	43,853	95,033	43,853
Internal Billing Expenditures	172	615	32	0	0	0	0	0
<b>Expenditures Less Internal Billing</b>	<b>2,000</b>	<b>69,770</b>	<b>58,478</b>	<b>118,621</b>	<b>95,033</b>	<b>43,853</b>	<b>95,033</b>	<b>43,853</b>
<b>Full-Time Equivalents</b>	<b>9.9</b>	<b>18.4</b>	<b>115.4</b>	<b>186.0</b>	<b>186.0</b>	<b>186.0</b>	<b>186.0</b>	<b>186.0</b>

(Dollars in Thousands)

**2001 - Other Misc Special Rev**

	Actual		Actual FY 14	Estimate FY15	Forecast Base		Governor's Recommendation	
	FY12	FY 13			FY16	FY17	FY16	FY17
Balance Forward In		0						
Receipts	12	29,936	0	0	0	0	0	0
<b>Expenditures</b>	<b>12</b>	<b>29,936</b>	0	0	0	0	0	0
<i>Biennial Change in Expenditures</i>				(29,949)		0		0
<i>Biennial % Change in Expenditures</i>				(100)		0		0
<i>Gov's Exp Change from Base</i>								0
<i>Gov's Exp % Change from Base</i>								0

**3000 - Federal**

	Actual		Actual FY 14	Estimate FY15	Forecast Base		Governor's Recommendation	
	FY12	FY 13			FY16	FY17	FY16	FY17
Receipts	2,161	40,449	58,510	0	0	0	0	0
<b>Expenditures</b>	<b>2,160</b>	<b>40,449</b>	<b>58,510</b>	0	0	0	0	0
<i>Biennial Change in Expenditures</i>				15,901		(58,510)		(58,510)
<i>Biennial % Change in Expenditures</i>				37		(100)		(100)
<i>Gov's Exp Change from Base</i>								0
<i>Gov's Exp % Change from Base</i>								0
FTEs	9.9	18.4	115.4	0	0	0	0	0

**4120 - MN Health Insurance Exchange**

	Actual		Actual FY 14	Estimate FY15	Forecast Base		Governor's Recommendation	
	FY12	FY 13			FY16	FY17	FY16	FY17
Balance Forward In				537	405	400	405	400
Receipts	0	0	537	118,489	95,028	44,716	95,028	44,716
<b>Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>118,621</b>	<b>95,033</b>	<b>43,853</b>	<b>95,033</b>	<b>43,853</b>
Balance Forward Out			537	405	400	1,263	400	1,263
<i>Biennial Change in Expenditures</i>				118,621		20,265		20,265
<i>Biennial % Change in Expenditures</i>						17		17
<i>Gov's Exp Change from Base</i>								0
<i>Gov's Exp % Change from Base</i>								0
FTEs				186.0	186.0	186.0	186.0	186.0

# FY16-17 Federal Funds Summary

(Dollars in Thousands)

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	2014 Actuals	2015 Budget	2016 Base	2017 Base	State Match or MOE Required?	FTEs
Dept. of Health & Human Services, Center for Medicare & Medicaid Services (CMS), Center for Consumer Information and Insurance Oversight (CCIIO) 93.525	<p><b>CCIIO Health Insurance Exchange Establishment Grants (authorized under Section 1311 of the Affordable Care Act):</b></p> <p>These grants provide start-up funding to States seeking to establish a State-based Exchange.</p> <p>The 2015 and 2016 amounts include a \$34 million increase to Minnesota's existing CCIIO grants, awarded 12-22-2014.</p> <p>(dollars in thousands)</p>	\$34,343	\$58,510	\$60,668	\$28,278	\$0	No	117
	Federal Fund – Agency Total (not in Federal Fund)		\$58,510	\$60,668	\$28,278	\$0		

## Narrative:

These grants provide start-up funding to States seeking to establish a State-based Exchange. Exchanges help qualified individuals and qualified small employers shop for, select, and enroll in high-quality, affordable private health plans that fit their needs at competitive prices. Exchanges also assist eligible individuals to receive premium tax credits and cost sharing reductions.

In Minnesota, the Exchange (MNSure) is also used to determine eligibility and facilitate enrollment in the public health care programs (Medical Assistance and MinnesotaCare) administered by DHS. Accordingly, CCIIO establishment grant funding is being coupled with funding from the federal Medicaid program to pay for the development of MNSure's IT system. There is a state match requirement associated with federal Medicaid funding, which impacts the DHS budget.

CCIIO establishment grants funds are available to States through 12-31-2015; however spending after 1-1-2015 is limited to completion of the development, design and implementation (DDI) of the system, and consumer assistance activities associated with the extended period of IT development.