



STATE OF MINNESOTA

Office of Governor Mark Dayton

130 State Capitol ♦ 75 Rev. Dr. Martin Luther King Jr. Boulevard ♦ Saint Paul, MN 55155

May 3, 2012

The Honorable Kurt Zellers
Speaker of the House
Room 463, State Office Building
100 Rev. Dr. Martin Luther King, Jr. Blvd.
St. Paul, Minnesota 55155

Dear Mr. Speaker:

I have vetoed and am returning Chapter 276, House File 8, a bill that would authorize the use of premium trust accounts for the purpose of paying health insurance premiums.

On the one hand, the goals of this bill are closely aligned with those of the federal Affordable Care Act. Both offer new ideas for how to aggregate public and private sector contributions for purchasing private health insurance coverage. Both allow the government to take a more active role in determining how consumers find affordable health insurance policies. Both would expand and maximize the use of government-funded tax subsidies and employer contributions for the purchase of health insurance.

However, HF 8 approaches those shared goals through a multi-layered and complex system which weakens protections for consumers. The private sector bureaucracy mandated by the bill would require a different account for each contributor to any trust fund. Indeed, the accounts established with employers' funds would each need to be separate and distinct from contributions by the employee or any other contributing entity. This would create a complex maze of interwoven funding streams, accounts and contracts. Consumers might have even less ability to know and predict their health care resources and liabilities, putting them at even greater risk of being ensnared by the health care industry's debt collection tactics.

There is a much simpler alternative, which I support. A health insurance exchange would offer a consumer-friendly, online marketplace where consumers can choose a private health insurance plan without the need for multiple accounts, contracts, and other unnecessary roadblocks.

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Our Health Insurance Exchange Task Force has made consensus recommendations for Health Insurance Exchange legislation, which I believe would be the optimal approach.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Dayton", written over the printed name.

Mark Dayton
Governor

cc: Senator Michelle L. Fischbach, President of the Senate
Senator David H. Senjem, Senate Majority Leader
Senator Thomas M. Bakk, Senate Minority Leader
Senator David Hann
Representative Paul Thissen, House Minority Leader
Representative Steve Gottwalt
The Honorable Mark Ritchie, Secretary of State
Mr. Cal R. Ludeman, Secretary of the Senate
Mr. Albin A. Mathiowetz, Chief Clerk of the House of Representatives