

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3938

04/15/2016 Authored by Halverson, Thissen, Norton, Atkins, Rosenthal and others

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

1.1 A bill for an act
1.2 relating to MNsure; modifying MNsure's operations funding; requiring
1.3 qualifying life events to be processed within certain time periods; requiring
1.4 improvements to the small business health options program operated by MNsure;
1.5 directing the commissioner of commerce to study ways to stabilize health plan
1.6 premiums offered through MNsure; amending Minnesota Statutes 2014, section
1.7 62V.05, subdivision 2, by adding subdivisions.

1.8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.9 Section 1. Minnesota Statutes 2014, section 62V.05, subdivision 2, is amended to read:

1.10 Subd. 2. **Operations funding.** (a) ~~Prior to January 1, 2015, MNsure shall retain or~~
1.11 ~~collect up to 1.5 percent of total premiums for individual and small group market health~~
1.12 ~~plans and dental plans sold through MNsure to fund the cash reserves of MNsure, but~~
1.13 ~~the amount collected shall not exceed a dollar amount equal to 25 percent of the funds~~
1.14 ~~collected under section 62E.11, subdivision 6, for calendar year 2012.~~

1.15 (b) ~~Beginning January 1, 2015, MNsure shall retain or collect up to 3.5 percent of~~
1.16 ~~total premiums for individual and small group market health plans and dental plans sold~~
1.17 ~~through MNsure to fund the operations of MNsure, but the amount collected shall not~~
1.18 ~~exceed a dollar amount equal to 50 percent of the funds collected under section 62E.11,~~
1.19 ~~subdivision 6, for calendar year 2012.~~

1.20 (c) Beginning January 1, 2016, through December 31, 2017, MNsure shall retain or
1.21 collect up to 3.5 percent of total premiums for individual and small group market health
1.22 plans and dental plans sold through MNsure to fund the operations of MNsure, but the
1.23 amount collected may never exceed a dollar amount greater than 100 percent of the funds
1.24 collected under section 62E.11, subdivision 6, for calendar year 2012.

(b) Beginning January 1, 2018, through December 31, 2018, MNsure shall retain or collect up to three percent of total premiums for individual and small group market health plans and dental plans sold through MNsure to fund the operation of MNsure, but the amount collected may never exceed a dollar amount greater than 100 percent of the funds collected under section 62E.11, subdivision 6, for calendar year 2012.

(c) Beginning January 1, 2019, MNsure shall retain or collect up to 2.5 percent of total premiums for individual and small group market health plans and dental plans sold through MNsure to fund the operation of MNsure, but the amount collected may never exceed a dollar amount greater than 100 percent of the funds collected under section 62E.11, subdivision 6, for calendar year 2012.

~~(d) For fiscal years 2014 and 2015, the commissioner of management and budget is authorized to provide cash flow assistance of up to \$20,000,000 from the special revenue fund or the statutory general fund under section 16A.671, subdivision 3, paragraph (a), to MNsure. Any funds provided under this paragraph shall be repaid, with interest, by June 30, 2015. The funding reductions in paragraphs (b) and (c) shall be implemented in a manner that does not negatively impact the customer service MNsure provides to consumers.~~

(e) Funding for the operations of MNsure shall cover any compensation provided to navigators participating in the navigator program.

Sec. 2. Minnesota Statutes 2014, section 62V.05, is amended by adding a subdivision to read:

Subd. 4a. Processing qualifying life events and changes in circumstances.

(a) The MNsure board and the commissioner of human services shall jointly develop procedures to require qualifying life events and changes in circumstances, reported by persons enrolled through the Minnesota eligibility technology system in a public health care program or a qualified health plan, to be processed within 30 days of receiving a report of a qualifying life event or change in circumstances. The procedures must be developed and implemented no later than September 1, 2016. The commissioner shall communicate these procedures to county staff in a timely manner and shall provide guidance and training as necessary to assist county staff in complying with this subdivision.

(b) For purposes of this subdivision, a qualifying life event or change in circumstances that must be processed within 30 days includes the following:

(1) a change of address;

(2) a change in enrollment in a federally recognized tribe;

(3) a change of a dependent through birth, adoption, foster care, or a child support order;

(4) a change in circumstances resulting in eligibility changes for advanced premium tax credits or cost-sharing reductions;

(5) a change in employer-sponsored insurance resulting in eligibility changes for advanced premium tax credits or cost-sharing reductions;

(6) loss of a dependent due to death or divorce;

(7) an achievement of citizenship, status as a United States national, or lawfully present status;

(8) loss of health care coverage;

(9) marriage;

(10) being a victim of domestic abuse or spousal abandonment;

(11) a MNsure mistake related to enrollment, disenrollment, or failure to enroll in a qualified health plan;

(12) a violation of a material provision of a qualified health plan contract; and

(13) other life events or changes in circumstances specified by the commissioner or the MNsure board.

Sec. 3. Minnesota Statutes 2014, section 62V.05, is amended by adding a subdivision to read:

Subd. 4b. **Small business health options program outreach and assistance.** The MNsure board and the commissioner of commerce shall jointly develop and implement an outreach and assistance program to provide small businesses with information about the small business health options program (SHOP) and assist small businesses with comparing health plans and obtaining coverage through SHOP. The outreach and assistance program must provide small businesses with information about the benefits of purchasing coverage through SHOP and information about using a broker to create an account and choose coverage through SHOP.

Sec. 4. **SMALL BUSINESS HEALTH OPTIONS PROGRAM.**

The MNsure board shall develop a plan to improve the operation of the MNsure portal for small employers using the small business health options program (SHOP) to compare health plan coverage options and obtain or renew coverage. The plan must list specific improvements to be made to the portal and must include a timeline for implementation for each improvement. Initial improvements to the portal must be implemented in time for the 2017 open enrollment period. The MNsure board shall provide a report on the plan by September 1, 2016, to the Legislative Oversight Committee

4.1 established under Minnesota Statutes, section 62V.11, and shall provide a report on plan
4.2 implementation to the Legislative Oversight Committee by March 1, 2017.

4.3 **Sec. 5. EFFORTS TO STABILIZE MARKETPLACE PREMIUMS.**

4.4 (a) In order to stabilize marketplace premiums, the commissioner of commerce shall:

4.5 (1) study and create models of potential Minnesota-tailored rate stability mechanisms
4.6 for the individual marketplace, such as a reinsurance program;

4.7 (2) study and create models merging the state's individual and small group markets;

4.8 and

4.9 (3) study options for making the state's rate review process more transparent utilizing
4.10 public information and hearings.

4.11 (b) The commissioner shall issue a report on the preliminary findings of the studies

4.12 listed in paragraph (a) to the chairs and ranking minority members of the legislative

4.13 committees with jurisdiction over health and marketplace premiums by January 15, 2017.