



Representative Joe Hoppe, Chair
House Commerce & Regulatory Reform Committee
543 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul, Minnesota 55155

Senator Gary Dahms, Chair
Senate Committee on Commerce & Consumer Protection
95 University Avenue W.
Minnesota Senate Bldg, Suite 2111
St. Paul, MN 55155

RE: Reinsurance & High Risk Pools

Dear Rep. Hoppe and Sen. Dahms,

Since 1965, the Hemophilia Foundation of Minnesota/Dakotas (HFMD) has been providing quality programs and services to the bleeding disorders community. These programs include our summer camp for kids, financial assistance for members experiencing financial crisis, post-secondary scholarships, group fitness events, ongoing education programs, and legislative advocacy in St. Paul.

In Minnesota there are approximately 600 individuals affected with hemophilia or related bleeding disorders. While only a small portion of the bleeding disorder community receives insurance coverage through the individual market, those that do rely on this coverage to access lifesaving treatments.

As you're well aware, Minnesota's individual market has structural problems that must be addressed. Enrollment has declined by nearly 40% since 2015. For consumers, this translates to fewer options and higher premiums. For insurers it means narrowing networks, competing in fewer geographic areas, pulling out of the market completely, and large losses.

We applaud the Legislature and Governor on quick passage of HF/SF 1, which lowered premiums by 25% in 2017. To stabilize the insurance market in 2018 and beyond, HFMD supports the establishment of a reinsurance program. Reinsurance provides a level of certainty for insurers who otherwise wouldn't return to the individual market; lowering premiums will also increase consumer participation in the individual market, particularly by those who are younger and healthier. We will be watching these proposals closely and encourage you to reach out if you have any questions.

(turn over)

Lastly, if the ACA is repealed, Minnesota will need to set up a high risk pool or reinsurance program to provide those with preexisting conditions, including hemophilia and related bleeding disorders, with coverage. In order to meet the unique needs of the bleeding disorder community, the program must:

- Include hemophilia as an automatic qualifying condition
- Not require an individual to obtain a denial letter from an insurer in order to enroll in the program
- Allow individuals to enter the program without a delay (MCHA had a 6-month wait)
- Maintain current prohibition on lifetime and yearly spending caps
- Cover and/or require inclusion of Hemophilia Treatment Centers (HTC's) in network
- Continue the prohibition of step-therapy or financial incentives to steer patients away from factor selected by their doctor and speciality pharmacist
- Ensure out of pocket costs do not exceed the maximum allowed under the ACA
- If open/closed enrollment periods remain in effect, provide for special enrollment periods for consumers to purchase coverage due to qualifying life-changes
- Provide for a timely and clear appeal process to address any problems that may arise in receiving treatment or coverage
- Give oversight to the Department of Commerce

Thank you for your proactive work on this important issue. We look forward to working with you as Minnesota adapts to changes made at the federal level.

Best,



James Paist, Executive Director
Hemophilia Foundation of MN/Dakotas

cc

House Commerce Committee Members
Senate Commerce Committee Members
House Health and Human Services Reform
Committee Members
House Health and Human Services Finance
Committee Members
Senate Health Policy & Finance Committee
Members
Governor Mark Dayton
Commissioner Mike Rothman

Contact

Ben Olson, HFMD Lobbyist
Olson Advocacy, www.olson-advocacy.com
612.799.8963, ben@olson-advocacy.com