

GENERATIONS

HEALTH CARE INITIATIVES

130 West Superior Street, Suite 700

Duluth, MN 55802

March 20, 2017

Representative Matt Dean
Health and Human Services Finance Committee
Subject: H.F. 10

Dear Representative Dean and Health and Human Services Finance Committee Members:

This letter outlines our position on the advantages of preserving MNsure as the Minnesota's health insurance exchange and the disadvantages of moving to the federal exchange.

For the past 15 years, Generations Health Care Initiatives, a private foundation located in Duluth, has focused on increasing access to health care. Since 2011, Generations has coordinated the Insure Duluth Coalition, which utilizes MNsure grant funding and other resources to expand enrollment in the Duluth area.


With the Affordable Care Act and the establishment of MNsure, Minnesota has experienced a decrease in the uninsured rate of over 50% (9% to 4%), and now has one of the lowest uninsured rates in the nation. We view this as a tremendous success in improving the health and well-being of people in our state. This past year MNsure had a record number of enrollments in both public programs and private health plans MNsure is now a mainstay and accepted way to enroll in health insurance coverage in our state.

We present the following as the major disadvantages of moving to the federal exchange:

- **MNsure as a one-stop shop for all consumers is a clear advantage over the federal exchange.** In examining how healthcare.gov operates in Wisconsin, there are entirely different websites and policies for counting income for public programs and private insurance, which causes confusion and ultimately leaves some people in a "gap" between commercial health plans and Medicaid. The two websites/systems do not "talk" effectively to one another. Consumers who are most impacted are 1) mixed households 2) people whose income is "borderline" between public and private coverage and 3) self-employed people.
- **Minnesota would lose flexibility and control with a federal exchange.** MNsure has been tailored to meet unique aspects of Minnesota programs and systems. As the nation's only basic health plan program, it is questionable whether healthcare.gov could be adapted to include MinnesotaCare. Also, a key to MNsure's increased enrollment is its robust navigator program that does grassroots outreach and enrollment through local entities throughout the state. A move to the federal exchange would undoubtedly reduce the level of navigator activity in the state and result in inadequate levels of enrollment assistance in our community.
- **With millions of dollars already spent to establish MNsure, it would be a waste of government resources and tax payer money to dismantle the current system.** MNsure is a functional enrollment platform which is highly utilized and has experienced increasing enrollments each year. Dismantling an established, effective tool for a lesser system is not good stewardship of public money.
- **With debate underway to repeal/replace the Affordable Care Act (ACA), this is not an opportune time to be moving to the federal exchange.** An initial federal plan has been presented and much debate will ensue in the coming months. We believe it would behoove the state to wait until there is more certainty whether the federal exchange will even exist before deciding to move in this direction.

In summary, we believe that moving to the federal exchange would be a step backwards for Minnesota, especially for consumers. The progress Minnesota has made in expanding coverage to thousands of residents through MNsure should not be reversed. Please contact me if there are further questions, jmpeterson@ghci.us.

Sincerely,


Jenny Peterson, Executive Director