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Chair Liebling and members of the committee,

TakeAction Minnesota is a grassroots organization representing 55,000 individual Minnesotans in every county in the state and 22 organizational members advocating together for racial, gender, and economic justice at the local, state, and federal level. We are writing today in support of HF1000, the HF1000 A1 amendment, and HF1139.

We care for each other in Minnesota, and we believe every person has inherent worth and dignity without exception. We know that our families, economy, and local communities are stronger when we all have access to truly affordable, high-quality healthcare for every Minnesotan. Every day, but especially during the COVID-19 pandemic, we need our state and personal healthcare investments to go toward care, not profit.

During the COVID-19 epidemic, state, local, small businesses, and household budgets have been stretched to the breaking point, while other businesses have thrived. We know that it is in our common interest for the common good for everyone to pay their fair share to ensure that we can climb out of this crisis together, and ensure that our safety net is strong and sufficient to meet increased needs. Like other insurers, the HMOs contracted by the state to manage healthcare delivery for Minnesota's Health Care Programs saw significantly reduced claims in 2020. The portion of the MHCP operated under Fee for Service (FFS) realized significant savings, which are now available on the bottom line to sustain the safety net. Insurers have been paying back rebates to their customers. HF1139 simply asks HMOs to do the same.

HF1000, as amended would ensure that for-profit HMOs and insurers also pay their fair share. HF1000 corrects an oversight that allowed for-profit HMOs to receive the premium tax benefit afforded to non-profit HMOs, and instead groups them with other for-profit insurers. The A1 amendment addresses another tax benefit granted to all Minnesota HMOs and insurers, when the Trump administration abruptly ended a federal tax on health insurance premiums in 2019. Maryland, Delaware, New Jersey and Colorado have all initiated state health insurer taxes, fees, or assessments to redirect that revenue to state programs to increase health care affordability. Minnesota should follow suit.

We ask for your support for HF1139 and HF1000 as amended,

Sincerely,

Kenza Hadj-Moussa  
Political Affairs Director  
TakeAction Minnesota