

2018 POLICIES

Health Insurance

Health insurance is an increasingly important benefit, allowing employers to attract and retain talent in the marketplace and ensure their employees stay healthy and productive at work.

Employers – especially small employers – are struggling with the high cost of health insurance. Nearly 90% of Minnesota Chamber members who currently offer health insurance to their employees report they will be forced to make significant changes to their offerings – including reductions in coverage and dropping coverage altogether – if costs continue to increase at their current rate. Already, in the last three years alone, the number of small employers participating in our state’s small group market has shrunk by one-quarter. That’s nearly 7,000 small employers in Minnesota who’ve had to find other coverage options for their employees or who’ve dropped coverage altogether.

OUR GOALS

Ensure access to quality, affordable health care in the commercial market by reducing health care taxes and

OUR KEY PRIORITIES FOR THE 2018 SESSION INCLUDE:

- Improve Minnesota’s medical procedure price transparency laws.
- Improve care outcomes and reduce costs by conforming Minnesota’s Health Records Act to HIPAA.
- Oppose health care taxes, mandates, and regulations that increase the cost of health care.
- Improve employers’ coverage options.
- Pursue greater state flexibility under the Affordable Care Act’s innovation waivers.

mandates; expanding product and coverage options for employers and individuals; increasing market competition and stability; encouraging outcome-based payment and delivery reform; and improving consumer engagement and transparency of cost and quality.

IMPROVE MINNESOTA’S MEDICAL PROCEDURE PRICE TRANSPARENCY LAWS

Ever-increasing health care costs have pushed health insurance products toward higher out-of-pocket costs for policyholders. As a result, more and more Minnesotans are shouldering a much larger share of their health care costs themselves, often spending thousands of dollars in deductibles before coverage kicks in. This has forced individuals to be better consumers of health care, though often with incomplete information about cost. Minnesota has laws on the books that require health care providers to disclose the cost of medical procedures at the request of a patient or prospective patient, but these laws must be improved to ensure they are followed and this vital information is provided to consumers in a timely manner.

CONFORM MINNESOTA’S HEALTH RECORDS ACT TO HIPAA

Minnesota’s health care delivery systems are changing to include innovative health care delivery models such as medical homes, accountable care organizations and total cost of care structures. These models show promise for improving health outcomes and affordability. Better coordinated care is more effective care, resulting in lower overall costs for consumers, employers and the health care system. It can also have significant public health benefits, which is increasingly important as Minnesota faces a growing opioid abuse epidemic. As providers are expected to become more accountable for quality and the care of their patients, they need the tools to manage this care. Minnesota is one of only two states

whose existing patient data privacy laws are narrower than federal law. This presents barriers to delivering coordinated, cost-effective and high quality care. These laws must be updated to conform with the federal Health Insurance Portability and Accountability Act (HIPAA), while safeguarding patient privacy, to take full advantage of improved care delivery models.

OPPOSE THE ADDITION OF HEALTH CARE TAXES, MANDATES, AND REGULATIONS THAT INCREASE THE COST OF HEALTH CARE

Small employers typically purchase insurance products in the fully insured market, which is subject to many health insurance taxes and mandates imposed at the state level. In Minnesota, state and federal health insurance taxes on fully insured products will make up about 10% of the cost of every premium dollar. These same fully insured products must also cover more than 60 state-mandated benefits, with each one, on average, adding more than 1% to premiums. The Chamber opposes the addition of new, cost-escalating taxes and mandates, as well as the imposition of other regulations (like the restrictions on the use of prescription drug prior authorization and mandated nurse staffing ratios that have been debated at the Legislature in recent years) that also increase the cost of health care.

IMPROVE EMPLOYERS' COVERAGE OPTIONS

Minnesota employers need more options and greater flexibility in providing health coverage for their employees. This includes group coverage, self-insurance, and individual market options for self-employed individuals and small employers with "defined contribution" programs.

PURSUE GREATER STATE FLEXIBILITY UNDER THE AFFORDABLE CARE ACT'S INNOVATION WAIVERS

The Affordable Care Act allows states to pursue waivers from a number of the law's requirements. Among other things, states can seek to reduce the burden of ACA compliance on employers through changes to the law's employer mandate; they can redesign the insurance and care delivery mandates required under the law to lower costs and increase choice and competition in the marketplace; and they can increase coverage options for individuals and employers. ■