

2019 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.

Ninety percent of Minnesota Chamber of Commerce members offer health insurance to their employees. And yet, “Improving Access to Affordable Healthcare” is among the top issues Chamber members say the Legislature must address. This reflects the reality that employers – especially small employers – are struggling with the high cost of health insurance. More than 80% 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.

OUR GOALS

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

OUR KEY PRIORITIES FOR THE 2019 SESSION INCLUDE:

- Improve care outcomes and reduce costs by aligning Minnesota’s Health Records Act with HIPAA.
- Oppose health care taxes, mandates, and regulations that increase the cost of health care.
- Improve employers’ coverage options, including extension of state-based reinsurance for the individual market.
- 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.

ALIGN MINNESOTA’S HEALTH RECORDS ACT WITH HIPAA

Minnesota is one of only two states whose existing patient data privacy laws are narrower than federal law as it relates to patient consent for the sharing of information between health care providers. This presents barriers to delivering coordinated, cost-effective and high quality care, and it leads to higher health care costs as a result of duplicative and unnecessary tests and procedures. This requirement was established in state law decades before federal Health Insurance Portability and Accountability Act (HIPAA) rules existed. But now, decades after HIPAA became law, Minnesota providers are still bound by the outdated consent requirements of the Minnesota Health Records Act (HRA).

The Minnesota Chamber supports a change to the HRA to allow Minnesota health care providers, in accordance with the strict and thorough requirements of HIPAA, to share a patient’s information in the absence of written consent in a very narrow range of circumstances: for treatment, payment, and health care operation purposes. A recent study by Avalere Health, using extremely conservative assumptions, estimated savings associated with this type of HRA reform of \$600 million over the next 10 years in total Minnesota healthcare spending. Similarly, an analysis of data from another study conducted by Allina Health indicates that such reform could eliminate \$90 million a year across the state in unnecessary emergency room costs alone.

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

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.

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. These individual market options have been buoyed in recent years by the state's individual market reinsurance program, which has led to back to back premium decreases in the individual market. The Minnesota Chamber supports extension of the reinsurance program beyond its currently scheduled sunset in 2019.

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. ■