

Draft MNsure Board of Directors Meeting Minutes

Wednesday, July 30, 2025, 1 – 3:20 p.m.

Hybrid: Remote via WebEx and in-person
335 Randolph Ave. Board Room 104, St. Paul, MN

Participants in attendance: David Fisher – Chair, Dr. Daniel Trajano – Vice Chair, Matt Anderson, Yusra Arab, John Connolly, Stephanie Stoffel, Andrew Whitman

Staff in attendance: Angela Benson, Nicole Bjorklund, Libby Caulum, Emily Cleveland, Pete Engler, Magee Glenn-Burns, Claire Hahn, Erika Helvik Anderson, Jess Kennedy Eguia, John Nyanjom, Marian Potter, David Rowley, Danielle Schweitzer, Ella Stromberg, Christina Wessel

Guest: Harvey Perle – Chair, MNsure Board Advisory Committee

Meeting Topics

Welcome

David Fisher, Board Chair

The meeting was called to order by Chair David Fisher at 1:05 p.m. MNsure's chief legal counsel, Dave Rowley, conducted a roll call and there was a quorum with all board members present.

Public Comment

None.

Chair Update

David Fisher, Board Chair

Chair Fisher shared that he, Vice Chair Dr. Daniel Trajano, and MNsure staff will be creating a process to evaluate the board's performance, as required by the MNsure board policy to evaluate the board's performance at least every other year.

Administrative Items

David Fisher, Board Chair

MOTION: Andrew Whitman moved to approve the June 18, 2025, meeting minutes. Matt Anderson provided the second. Mr. Rowley conducted a roll call, and the motion carried.

Mr. Fisher shared an update on July's closed session evaluating CEO Libby Caulum's performance. The board found her performance satisfactory.

Mr. Anderson updated the board on the MNSure Board Advisory Committee. He shared that all committee members who were up for reappointment asked to be reappointed to the committee, and that the committee received 14 applications for the five available spots. Applications will be reviewed and a recommendation to the board on which of the candidates to appoint for the limited openings will be taken up at the next board meeting.

CEO Report

Libby Caulum, Chief Executive Officer (CEO)

General Updates

Ms. Caulum provided an update on the open enrollment (OE) period for the upcoming plan year, which is scheduled to run from November 1 through January 15. This timeline is consistent with the previous year and aligns with the Federally Facilitated Marketplace (FFM). Additional details — including hours of operation, marketing and communications strategies, assister support plans, and staffing preparations — will be presented at the October board meeting.

Ms. Caulum provided an update on MNSure's efforts to comply with the Governor's Return to Office order. MNSure remains on track to resume in-office operations by September 2.

Strategic Plan Implementation

The Strategic Plan for fiscal year 2026 (FY26) has been officially adopted, and work is underway on several prioritized initiatives. These include ongoing improvement efforts such as strengthening inter-agency relationships and enhancing internal communications, as well as more discrete, measurable projects. A key milestone already achieved is the successful implementation of Amazon Connect, which represents a major advancement in service delivery.

Preview of Upcoming Board Meetings

Ms. Caulum reminded board members that the next meeting is scheduled for **October 29**. In the interim, several work group sessions related to operational and strategic topics will take place. Caulum previewed the upcoming December and January meetings with an overview of proposed topics including open enrollment updates and strategic plan progress updates.

MNSure Plan Year 2025 Dashboard

Sign-up activity through the end of May reflects strong engagement across coverage programs:

- 335,445 Minnesotans visited MNSure.org to enroll in comprehensive coverage
- 119,874 Medical Assistance applications submitted
- 30,419 MinnesotaCare applications submitted
- 185,152 qualified health plan (QHP) sign-ups

- 55,053 qualified dental plan (QDP) sign-ups

As of this point in the year, 63% of households enrolled in QHPs are receiving tax credits, with an average monthly subsidy of approximately \$537.

Effectuated Enrollments

Effectuated enrollment data through the end of June indicates continued growth. Total membership reached 141,423, representing an increase of nearly 7,000 members compared to June 2024. This figure also reflects growth of over 33,000 members compared to June totals in 2023 and 2022, and nearly 34,000 more than in June 2021.

This sustained enrollment growth highlights the impact of enhanced tax credits, which have significantly improved affordability for consumers. These results continue to inform MNsire's communications with policymakers as discussions progress around the potential extension of these benefits in the coming months.

Premium Withhold Revenue

At the halfway point of plan year 2025, Caulum noted that premium withhold revenue is approximately \$1 million above forecast, placing the organization in a strong fiscal position.

However, leadership acknowledges that upcoming federally mandated policy changes are likely to affect this outlook in future years. Plan year 2025 may represent a high-water mark in terms of revenue and enrollment performance.

Federal Update

Recent federal developments are expected to significantly impact MNsire's operations and the consumers it serves. These changes stem from two primary sources: the federal budget reconciliation bill signed into law by President Trump on July 4, 2025, and a newly finalized rule for ACA marketplaces issued by the Centers for Medicare & Medicaid Services (CMS) and the Center for Consumer Information and Insurance Oversight (CCIIO) on June 20, 2025. While some provisions take effect as early as next month, others will be phased in through plan year 2028. Collectively, these changes represent a significant transformation in how marketplaces operate and deliver services.

Key Changes Affecting MNsire and Consumers

Caulum reviewed the following provisions due to their significant impact on MNsire and its enrollees:

1. Termination of eligibility for DACA recipients effective August 2025
2. Reduction in actuarial value and increased out-of-pocket costs effective August 2025
3. Expiration of enhanced premium tax credits at the end of plan year 2025
4. Shortened open enrollment period beginning for plan year 2027
5. Restricted APTC eligibility for lawfully present immigrants beginning in plan year 2027
6. End of automatic reenrollment for APTC recipients beginning in plan year 2028

Anticipated Impacts

Caulum stated that taken together — and in conjunction with changes to Medicaid programs — these federal mandates could reverse much of the progress made in expanding access to affordable health coverage in Minnesota. Private insurance is projected to become more expensive, harder to obtain and maintain, and less valuable to consumers. MNsure estimates that by 2029, up to 45% of current enrollees could lose coverage due to eligibility restrictions, administrative complexity, or financial barriers.

She noted that such losses could destabilize Minnesota's private insurance market, increase uncompensated care costs for providers, and result in poorer health outcomes across the state. However, MNsure remains committed to its mission and will work to mitigate coverage losses where possible.

Fiscal Year 2026 Budget

Marian Potter, Chief Financial Officer (CFO)

Ms. Potter reviewed the FY2025 financial forecast, noting that actual expenses are currently tracking below budgeted levels. MNsure has exceeded revenue projections due to increased enrollment beginning in January 2025. Other factors impacting MNsure's FY2025 forecast higher than anticipated interest due to changes in project timelines.

FY25 Forecast: Revenue/Expenses

Category	FY25 Budget	FY25 Forecast
Premium Withhold Revenue	\$29,051,000	\$29,107,097
State	\$28,909,000	\$28,857,019
Other	\$600,000	\$2,338,665
Total Revenue	\$58,560,000	\$60,302,781
Administration	\$6,733,000	\$5,710,251
Communications	\$2,601,000	\$2,402,518
Customer Service	\$25,187,000	\$24,120,178
Eligibility & Enrollment IT System	\$20,847,000	\$20,596,825
Total Expenses	\$55,368,000	\$52,829,772

Approach to Revising the March Budget

MNsured staff revised the forecasting assumptions presented in the March 2025 preliminary budget to reflect changes in project timelines, changes in state and federal policies and laws, and the proposed individual market rate increases released by the Minnesota Department of Commerce (Commerce) in June.

Reserves

Ms. Potter explained the composition of reserve funds, including the balance forward from the prior fiscal year, underspending from previous years, and reinsurance funding either deposited or carried forward. Other sources include direct appropriations, IT project funding, and accrued interest.

Reconciliation Bill/CCIIO Rule: Potential to Decrease Enrollment

Ms. Potter discussed the potential impacts of the reconciliation bill and the CCIIO rule, which may result in decreased enrollment and will require new operational efforts. Key concerns include a shortened open enrollment period, the sunset of enhanced premium tax credits, the prohibition of auto-renewals, and the requirement for manual verification of income and citizenship data.

Updated Budget Plan: Overview

Ms. Potter presented the updated budget plan, reflecting slower growth than originally proposed in the March budget due to anticipated impacts from the reconciliation bill and CCIIO rule and a conservative, smoothed average percentage rate increase based on the proposed rate increases released by Commerce in June.

Summary of Updated Budget Plan

Funding Category	FY25 Estimated Actuals	FY26 Proposed Budget	FY27 Plan
Revenue	N/A	N/A	N/A
Premium Withhold Revenue	\$29,107,097	\$29,255,219	\$31,534,845
State	\$28,857,019	\$21,333,676	\$15,087,978
Other	\$2,338,665	\$900,000	\$400,000
Total Revenue	\$60,302,781	\$51,488,895	\$47,022,823
Expenses	N/A	N/A	N/A
Administration	\$5,710,251	\$7,705,356	\$8,061,873

Funding Category	FY25 Estimated Actuals	FY26 Proposed Budget	FY27 Plan
Communications	\$2,402,518	\$3,016,424	\$3,166,402
Customer Service	\$24,120,178	\$31,600,332	\$32,003,074
Eligibility & Enrollment IT System	\$20,596,825	\$14,170,127	\$8,456,583
Total Expenses	\$52,829,772	\$56,492,239	\$51,687,933

Updated Impact on Reserves

Category	FY25 Estimated Actuals	FY26 Proposed Budget	FY27 Plan
Reserves beginning of year	36,530,000	44,003,010	38,999,665
Reserves end of year*	44,003,010	38,999,665	34,334,554
Months working capital	10.0	8.3	8.0

MOTION: Ms. Stoffel moved to approve the fiscal year 2026 budget and three-year financial plan for fiscal years 2025, 2026, and 2027 as presented and discussed. Mr. Whitman provided the second. Mr. Rowley conducted a roll call, and the motion carried.

IT Updates

Jess Kennedy Eguia, Chief Operations Officer (COO), and George McNulty Minnesota IT Services (MNIT), Chief Business Technology Officer for Department of Human Services (DHS) and MNsure

MNsured COO Jess Kennedy Eguia presented on some of the recent IT modernization efforts. She also shared that the QEST is still on track to go live in June 2026.

Amazon Connect Transition

MNsured successfully completed the transition of the telephony system to Amazon Connect this summer. This change provides improvements to the customer service experience, with a potential for even further improvements in the future.

Easy Enrollment Program Update

Ms. Eguia also provided an update on the Easy Enrollment program that was implemented earlier this year in partnership with the Minnesota Department of Revenue. Exceeding expectations, approximately 113,000 Minnesota households requested information about health insurance options by checking a box on their tax returns. Approximately 120 consumers enrolled in coverage due to the special enrollment period made available through the program. This project underscores strong collaborations with other state agencies and vendors.

MNsire Board Advisory Committee Presentation

Matt Anderson

Mr. Anderson introduced Harvey Perle, the chair of the MNsire Board Advisory Committee. Mr. Perle shared the comments from the advisory committee's discussions related to questions the board posed to them on various topics including: their perspectives related to barriers to enrollment, opportunities for improved communications from MNsire to consumers and partners, outreach and marketing considerations, under-insured and uninsured communities, engagement opportunities related to the launch of the new IT platform, the amount of plan choice available to consumers, and potential operational efficiencies to pursue.

Conflict of Interest Discussion/Presentation

Dave Rowley, General Counsel

Mr. Anderson made a presentation to the board about potential conflicts of interest arising from his outside relationships and activities with health care-related entities.

MOTION: Dr. Trajano moved to vote on whether Mr. Anderson's relationships and activities as presented to the board resulted in a conflict of interest. Ms. Stoffel seconded. Mr. Rowley conducted a roll call. The board unanimously found no conflict of interest. Mr. Anderson abstained from voting on this matter.

New Business

David Fisher, Board Chair

None.

Adjourn

MOTION: Mr. Whitman moved to adjourn the meeting. Dr. Trajano seconded. Mr. Rowley conducted a roll call, and the motion carried. The public meeting adjourned at 3:20 p.m.