



Health Industry Advisory Committee Meeting Minutes

April 22, 2021, 2 – 4 p.m.

Virtual meeting via Cisco Webex

Members in attendance: Matthew Schafer – Chair, Hodan Guled – Vice Chair, Matthew Aiken, Jenifer Ivanca, La Sheenlaruba Tyacke, Joel Ulland, Brian Vamstad

Members not in attendance: Maria Lima-Leite, Danielle Paciulli, Richard Wallace

Staff in attendance: Christina Wessel, Joel Ingersoll, Eva Groebner

Meeting Topics

Welcome and Attendance

Matt Schafer, HIAC Chair

Matt Schafer, chair, called the meeting to order at 2:02 p.m. Christina Wessel, MNsure staff, took attendance.

Review and Approval of Prior Meeting Minutes

Motion: Hodan moved to approve the draft March 25 meeting minutes at the May meeting. Matt Schafer seconded. All were in favor and the minutes will be voted on in the next committee meeting.

Public Comment and Operational Feedback

No public comments.

No operational feedback.

MNsurance Update

Christina Wessel, Senior Director of Partner and Board Relations

Christina noted that there had not been a MNsure board meeting since the last time the committee had met. She presented a slide show for the committee. Christina shared some updates surrounding MNsure’s implementation of the American Rescue Plan Act (ARPA). Minnesotans that were already enrolled through MNsure will see increased savings; some will be eligible for tax credits for the first time. Minnesotans enrolled in health coverage off the exchange can move to MNsure and will potentially receive subsidies.

Christina explained that tax credits are calculated, in part, based upon the second lowest cost silver plan available to each enrollee. Once their tax credits are calculated that person may enroll into any metal level plan and utilize the same tax credits. She added that a person can receive the credits each month as an advanced premium tax credit (APTC) or all at once in the subsequent year when they file federal income taxes. Further, Christina explained, an applicant can apply through MNsure without financial assistance and still be deemed eligible for the credits when they file federal taxes. That application, she continued, is shorter as it does not require income or tax filing information from an applicant.

Christina pointed out that ARPA did not change eligibility rules for APTC regarding employer-sponsored health insurance. Employees that have access to affordable employer-sponsored insurance cannot receive APTC. She continued that the “family glitch” by which family members that have access to the employer plan are not calculated into an affordability rate, only the employees are, has also not changed under the ARPA. She then explained the two-year increases that households at or below 400% of the federal poverty level (FPL) will see under ARPA as a percentage of household income:

- 200 - 250% FPL: previously 6.52 - 8.33%, now 2.0 – 4.0%
- 250 - 300% FPL: previously 8.33 – 9.83%, now 4.0 – 6.0%
- 300 - 400% FPL: previously 9.83%, now 6.0 – 8.5%

Minnesotans over 400% FPL were not previously eligible for tax credits, but under the ARPA, percentage of cost versus household income is limited to 8.5% for plan years 2021 and 2022.

Christina explained the changes will be implemented in phases due to the eligibility system changes required. Phase 1 will update the eligibility system to calculate for applicants at or below 400% FPL for undated tax credits. Phase 2 will calculate applicants over 400% FPL later in the summer. Christina noted that all retroactive credits will be obtainable at tax time next year. Another benefit available for some households next tax season will be for households that are eligible for tax credits and have received unemployment insurance. MNsure does not expect to implement this type of credit.

Next, Christina shared that MNsure extended the COVID-19 special enrollment period, which was set to end on May 17, to Friday, July 16. She noted that Minnesotans that are enrolled directly through health insurance carriers that offer plans through MNsure can work with their carrier to import the portion of their deductible they have already met into a qualified health plan through MNsure. This will give many more Minnesotans access to tax credits without punishing them for starting a new policy mid-year.

Finally, Christina said that MNsure is using a variety of communication channels: press releases, email marketing, social media, updates to its website FAQ and a social media toolkit for MNsure assisters to amplify messaging. She noted MNsure intends to include ARPA benefit messaging during the November open enrollment period as well, as the changes impact plan year 2022 as well.

Matt Schafer commented that the roll-out and implementation of ARPA has been great through MNsure. Jenifer Ivanca asked whether other states have had similar success as MNsure. Matt

replied that Medica operates in nine states. His observation was that states that have not expanded Medicaid had higher uninsured rates and may see higher numbers of enrollees with the affordability ARPA offers. Christina commented that many states and the federal exchange are working hard to implement changes as quickly as possible. She said that the potential benefits under ARPA are great for consumers in several ways, but the complexities require additional communications and system updates.

Joel Ulland agreed that the staff at UCare was appreciative of the communication and work with MNsure. He noted that having ARPA pass in March for January changes complicated implementation across the industry. He also suggested that over-communication with consumers could lead to confusion, whereas coordinated messaging should help consumers take advantage of benefits that apply to them.

Jenifer observed changes that she has seen in her two offices as a health insurance broker. She noted that the 18 to 26 age group was hard to reach prior to the pandemic but have been calling to ask about pricing more recently. She added that her staff remains in contact with these potential consumers, even if they are unready to purchase a policy, so that they remain aware of their health care options.

Matt Aiken mentioned many of his clients have contacted his agency to find out if they can switch plans under ARPA. He agreed with Jenifer that more consumers have called for price estimates than in previous years. Matt further noted that his agency works with more small businesses, so they are researching more information about COBRA changes through the Department of Labor. He agreed with others, however, that MNsure has provided concise messaging and helpful tools that do not overwhelm assisters.

Legislative Update

Matt Schafer, Chair

Matt Schafer began with federal guidance regarding state reinsurance programs that Wisconsin had confirmed receipt of. He explained that Minnesota likely has received similar guidance, but he was not able to verify prior to the meeting. According to guidance from the national Departments of Human Services and Treasury, a recalculation of funding will be administered for state reinsurance programs through 1332 waivers. The amount of funding will reflect federal law as of March 10, 2021, prior to the federal law's passage. Matt suggested this may increase funding and may result in more consumers through the individual market.

Next, Matt explained that the state House and Senate were in omnibus bill week. He stated they had each heard commerce budgets on their floors and would be moving forward with budget negotiations. The House planned to take up a bill on April 26 and the Senate on April 28. He explained that the Senate had language to reextend for five years to coincide with the five-year waiver, additionally leaving language in the bill to authorize the Department of Commerce to renew or modify the 1332 waiver.

Matt continued with an update to MinnesotaCare premiums under the ARPA. He stated that each the House and Senate are looking to adopt amendments to lower MinnesotaCare premiums to qualify for additional basic health funding. The figures were unclear but will

potentially decrease the premium paid by enrollees and be compensated by federal funding. Christina clarified that premiums for basic health plans cannot cost more than qualified health plans, which is why legislators are looking at ways to reduce the out-of-pocket amounts that enrollees will pay. She noted that only Minnesota and New York have a situation where APRA has reduced qualified health premiums to below a basic health plan cost. The Centers for Medicare and Medicaid Services (CMS) is expected to provide more guidance in these cases.

Joel Ulland added that U.S. Representative Angie Craig created a model of Minnesota's reinsurance program for use at the federal level. The bill was introduced with a series of other bills in March. The U.S. Senate had not committed to move forward but will likely look at it more thoroughly over the upcoming months. He added that a lot of healthcare issues will be tied into infrastructure legislation moving forward.

March Presentations Discussion

HIAC members

Matt Schafer noted that the March meeting was so full of informative presentations that the committee did not have time left that day to discuss. He asked that the committee discuss any information from March that could be turned into action items for the MNsure board.

Hodan agreed that both presentations were full of relevant information for the committee. She suggested that the committee take a deeper look into how to implement changes surrounding equity at MNsure. She asked whether the committee would be ready to present to the MNsure board in June or July, and whether the committee wanted to team up with the Consumer Small Employer Advisory Committee (CSEAC) for recommendations. Christina noted that the board will have meetings in June and in July, so the committee can prepare a presentation for either month.

Brian Vamstad observed that a lot of federal recommendations that were coming out took health equity into consideration. He agreed that the committee should align its support with a baseline of health equity across healthcare. Matt Schafer reminded the committee that it intended to meet with CSEAC again before presenting to the board and suggested that health equity recommendations be an action item at a joint meeting.

Jenifer suggested that the committee review its past recommendations to further its messaging. She noted that a past recommendation about MNsure spacing out its advertising budget throughout the year helped MNsure develop year-round marketing. She suggested MNsure could benefit from the committee looking at how systemic racism could impact health equity across the marketplace. Joel Ulland agreed that looking at the committee's past recommendations could help create a game plan for targeted marketing.

Matt Schafer noted that the March presentation from the Minnesota Department of Health included a suggestion for an external health equity audit done for MNsure as an agency. He suggested the committee make that recommendation to the board.

La Sheenlaruba Tyacke suggested that the committees recommend the board expand types of demographics, such as removing gender from the application. Matt Schafer recalled that was a

recommendation that CSEAC was looking at, so he suggested that be a joint recommendation if CSEAC members were still pursuing it.

Hodan said that health equity as a core topic could be a stronger recommendation coming from both committees. She also noted that having fewer stronger recommendations could add weight to the topics rather than presenting numerous less-developed suggestions. Joel agreed with Hodan's point and suggested that the committee revisit past recommendations with respect to current events and the ARPA changes as a starting point. Matt Schafer asked that MNsure staff gather past recommendations before the May meeting so that the committee could spend that meeting reviewing and expanding on the recommendations before meeting with CSEAC in June. He said that the committee would then present to the MNsure board in July.

Adjourn

Motion: Matt Schafer moved to adjourn. Matt Aiken seconded. All were in favor and the meeting adjourned at 3:04 p.m.