



# Health Industry Advisory Committee Meeting Minutes

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**February 24, 2022, 2 – 4 p.m.**

**Virtual meeting via Cisco Webex**

**Members in attendance:** Matthew Schafer – Chair, Michael Boho, Deb Kersten, Nancy Molenda, La Sheenlaruba Tyacke

**Members not in attendance:** Brian Vamstad

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

## Meeting Topics

### Welcome, Introductions, and Attendance

*Matt Schafer, HIAC Chair*

Matt Schafer, chair, called the meeting to order at 2:03 p.m.

### Review and Approval of Prior Meeting Minutes

**Motion:** Matt moved to approve the draft January 27 meeting minutes. Nancy Molenda seconded. All were in favor and the minutes were approved.

### Public Comment and Operational Feedback

No public comments.

No operational feedback.

### Legislative Update

*Matt Schafer, Chair*

Matt began by noting that although legislature had been back in session for about a month, there had not yet been a lot of movement. He said the legislative committees were participating in informal hearings about Governor Walz’s proposed budget. Matt reminded the committee that the state budget surplus was around \$8.7 billion, with revenue greater than outgoing spending, so legislators need to determine whether they want to pursue a supplemental budget in an election year where formal budgeting is not required. Matt continued that legislature has investigated possible tax relief policies as well as potential bonuses for frontline workers, specifically health care providers.

Matt clarified that in the committee's last meeting there was discussion about several legislators retiring or running for different offices in 2022 due to redrawn district maps. Senate Minority Leader Melisa Franzen of Edina had her district combined with that of Senator Ron Latz of Saint Louis Park, so Senator Franzen announced she intends to retire. Senator Julie Rosen of Fairmont, the Senate Finance Committee chair also announced that after 20 years she will retire. Her district was redrawn to combine with Senator Rich Draheim's district in Madison Lake. Matt estimated that upwards of 24 lawmakers will be running for different offices or retiring.

Moving onto federal updates, Matt noted that Congress passed a continuing resolution to keep working on the Build Back Better Act. He noted that Congress is at an impasse on certain aspects of the proposed act, but the committee has been following certain rules included in it. Continuation of the expanded American Rescue Plan Act (ARPA) advanced premium tax credit (APTC) subsidies and language that would reestablish a federal reinsurance program are not controversial items holding the bill up, but Matt was unsure whether the Senate could get 51 votes to pass these due to more hot-button items included in the bill.

Matt also noted that Governor Walz and the Minnesota House of Representatives have each expressed interest in a state reinsurance program but have different ideas on how to accomplish one. He stated the first hearing in the Senate would take place within a week.

## **Discussion of Future Topics**

### *HIAC members*

Matt asked Christina Wessel, MNsure staff, whether she had any technology updates that could impact the committee's focus on technology structure. Christina replied that she had no updates on the MNsure technology modernization proposal in Governor Walz's supplemental budget, but mentioned that MNsure's chief executive officer, Nate Clark, plans to attend an upcoming HIAC meeting and may have updates at that time. She elaborated that technology proposals will need to go through a bidding process before and changes would begin so it is too early to know with certainty what a new system could look like.

Nancy mentioned that she was recently in a meeting with MNsure's senior director of business operations, Morgan Winters, who gave an overview of operations as they pertained to health plans and expressed that she looked forward to hearing from Nate about other MNsure operational information. Matt agreed that he looked forward to hearing about changes from Nate that may add a level of constituent understanding.

La Sheen asked how expensive replacing METS would be. Christina replied that the modernization proposal would cost \$8 million in the current biennium and then \$11 million in the FY 2024-25 biennium. She further explained that when MNsure was established in 2013 there were limited technology options available for implementing the Affordable Care Act, but 9 years later there are multiple proven options to choose from. Michael Boho added that overall MNsure has improved since 2013. La Sheen expressed interest in hearing from Nate. Matt seconded, then mentioned that Brian Vamstad would be grateful to hear directly from Nate.

## MNsire Update

*Christina Wessel, Senior Director of Partner and Board Relations*

Christina noted that the next board meeting would be on March 9, and the board will begin preliminary planning for open enrollment 2023. She shared a slide that affirmed the growth in sign-ups by program for each open enrollment period. The 2022 open enrollment period brought in more than 134,000 qualified health plan (QHP) enrollments, which is more than 10,000 greater than the prior year. The slide also showed the new sign-ups for Medical Assistance and MinnesotaCare, which Christina noted does not include overall totals of sign-ups. Due to the continuing federal public health emergency (PHE), fewer people sought coverage through the open enrollment period as many have remained eligible for public programs. The current PHE expires in mid-April, but Christina said that the US Department of Health and Human Services has said they will give states 60 days' notice if they plan to end the PHE, so MNsire anticipates another extension, potentially into mid-July.

Matt asked for the total numbers for each public program's sign-ups. Christina had totals from December 2021: MinnesotaCare 105,000, and Medical Assistance, 1,085,000. She also shared totals from January 2020, before the COVID health crisis hit: 60,000-70,000 in MinnesotaCare, and just under 900,000 in Medical Assistance. La Sheen noted that the increase for MinnesotaCare was much greater.

Nancy asked whether MNsire has tracked a correlation across QHP enrollees coming through MNsire due to expanded ARPA subsidies. She explained that she was curious if there would be a way to predict people that would leave the marketplace if their subsidies end. Christina replied that most consumers will see a decrease in their subsidies as ARPA benefits end, but MNsire may not have numbers that specifically quantify the over-400% of the federal poverty level group. She deduced that 13,000 consumers enrolled mid-year in 2021 due to the COVID-19 special enrollment period, approximately 58% of whom were eligible for APTC, so around 7,000 people took advantage of subsidies to gain health coverage. Matt mentioned that the Minnesota Department of Commerce projected how many consumers may leave the market if they lose subsidies, and their number was roughly the same.

## Adjourn

Matt mentioned that he would touch base with the chair from the Consumer Small Employer Advisory Committee (CSEAC) to prepare for a joint meeting in the upcoming months.

**Motion:** Michael moved to adjourn. La Sheen seconded. All were in favor and the meeting adjourned at 2:34 p.m.