



January 30, 2025

Senate Commerce and Consumer Protection Committee  
Minnesota Senate Office Building  
Saint Paul Minnesota 55155

To Chair Dahms, Chair Klein, and members of the committee,

We are writing to express our concern over the upcoming expiration of funding for the state's reinsurance program, the Minnesota Premium Security Program, which helps over 160,000 Minnesotans afford their health care coverage. We respectfully urge you to expedite passing funding for the program early this session to avoid uncertainty and sticker shock for Minnesota families when shopping for insurance in 2026.

Minnesota has done extraordinary work to achieve and maintain one of the lowest uninsured rates in the country – even with the added challenges of the pandemic and the recent redeterminations effort. We are deeply concerned about the impact the loss of reinsurance would have on premiums, especially considering enhanced federal subsidies are set to expire at the same time. A [recent Star Tribune editorial](#) wrote about the sticker shock coming to those who buy insurance on their own if nothing is done to extend reinsurance. Those buying insurance on their own may see premiums increase as much as 50%, resulting in an estimated 93,000 Minnesotans becoming uninsured. For those becoming uninsured, this will mean Minnesotans will delay seeking care for ongoing chronic conditions and increasing

medical debt if all their care is paid out of pocket. Providers and hospital systems will see an increase in patients with untreated conditions and will provide more uncompensated care.

As the Star Tribune article points out – this loss of coverage in this market is avoidable – the legislature can and must act now to ensure that Minnesotans can continue to access the care they need. We urge your support for reinstating reinsurance funding to the Premium Security Account and continuing this vital program for plan years 2026 and 2027.

Sincerely,

Minnesota Council of Health Plans

Minnesota Chamber of Commerce

Minnesota Business Partnership

Minnesota Hospital Association

National Association of Benefits & Insurance Professionals Minnesota Chapter (NABIP MN)

Minnesota Society of Interventional Pain Physicians

Health Plan Partnership of Minnesota

National Federation of Independent Business (NFIB)

Twin Cities Orthopedics (TCO)