

Kurt Daudt
Speaker of the House



Minnesota House of Representatives

October 26, 2016

The Honorable Mark B. Dayton
116 Veterans Service Building
20 West 12th Street
Saint Paul, Minnesota 55155

via electronic delivery

Dear Governor Dayton:

Thank you for your letter regarding the unaffordable premiums facing over 250,000 Minnesotans. This is the worst healthcare crisis many Minnesotans have ever faced. While affordability must be addressed, any solution must include relief for those who will be without coverage on January 1, 2017. I have instructed House Committee Chairs to discuss a path forward with DFL counterparts in the Senate.

Our caucus stands ready to find a solution, not only to skyrocketing premium prices but to the immediate and dire problem of Minnesotans losing their family doctors, the security of personal financial and health information on MNsure, and the uncertain customer service experience that awaits consumers next week.

Access to Doctors and Specialists. The pain of double-digit premium hikes will be compounded by drastically fewer choices. Minnesotans will be cut off from their family doctors, face extremely narrow clinic networks, and still be forced to pay thousands more every year. The loss of provider choice and access to familiar clinics are negative consequences of Obamacare and MNsure that must be addressed.

Since the announcement of next year's plan offerings, legislators have heard from constituents all over the state fearful of losing their long-time, trusted physicians. At a recent listening session, legislators heard from a 61 year old man who will be forced to leave his doctor of over 20 years. This disruption is a result of failed state and federal policies, and enrollment caps approved by your Department of Commerce.

Due to the caps, Minnesotans in over fifty counties are forced to choose between a capped insurer and an insurer with an average increase of 67 percent. Once enrollment caps are reached, fifty-three counties will have just one choice. In an additional five counties, the only options are insurers with enrollment caps. Once caps are reached, people in those five counties will have no choices.

This is unacceptable and contrary to every promise you and legislative Democrats made when MNsure was launched three years ago. Once enrollment caps are reached, what options will exist for the approximately 20,000 Minnesotans who purchase coverage on their own in those counties?

As discussions move ahead for a Special Session, preserving Minnesotans' access to their current doctor and maintaining multiple options in every county must be a priority.

MNsured Operations. Despite claims that MNsure's operational and technological problems are a thing of the past, recent performance and federal reports indicate otherwise.

Customers faced huge wait times and unhelpful advice just last December.¹ Further, my understanding is that the MNsure site is capable of handling fewer than 700 customers at a time. Given that limitation, the call center could

¹ Snowbeck, Christopher, "MNsure says storm-related call-center shortage was a factor in Monday waits," *Star Tribune*, 12/29/2015

experience volume that far exceeds last December's surge which caused massive delays. Details of how MNsure has improved to meet the demands of open enrollment are appreciated.

Last month, the U.S. Health & Human Services' Inspector General reported serious flaws in MNsure's security and made recommendations for improvement. The problems were so sensitive they are not completely detailed. While MNsure claims there is no longer an issue, the report notes that MNsure only partially complied with one finding, and disagreed with two findings and related recommendations. The Inspector General maintained that all of its "findings and recommendations are valid."

I will not ask MNsure to reveal sensitive information. However, I request any additional information on the unresolved findings that MNsure can provide without further compromising the integrity of its website.

We remain hopeful that your administration will put a good faith effort into the Republican-led 2015 law directing you to seek federal waivers helping more Minnesotans access federal premium tax credits and allowing consumers to shop wherever is most convenient for them. After \$400,000,000 spent, MNsure remains in technological and operational disrepair, and it is both arbitrary and unfair to force Minnesotans to shop there.

Enrollment Caps. I am concerned that the state is ill-prepared to administer enrollment caps approved by the Commerce Department. The department says it will monitor and enforce by collecting "biweekly enrollment data from insurers" and meet with insurers and MNsure "weekly on enrollment data."

This is woefully insufficient given MNsure's technological failings. MNsure's inability to manage enrollment applications and cleanly transmit them to insurance carriers has caused significant frustration for consumers and is an ominous sign for the state's ability to manage caps.

There are approximately 25,000 capped carrier spots for the 112,000 that are in need of new insurance and thousands more that want better options. If enrollment is only checked twice per week, it is likely that thousands of consumers will end up in limbo.

The Commerce Department stated it will take up to two days before a plan that meets its cap is removed from MNsure's website. When the difference between a capped carrier plan and an uncapped carrier plan is as much as 20 percent, it is cruel to lead people to believe they have enrolled in a plan that is actually closed.

If caps are exceeded prior to a plan's removal or the posting of a notice of no new enrollment, what will happen to those customers? Similarly, if a customer's odds of securing a capped carrier plan are better by enrolling directly with a carrier, or if the MNsure website is unable to handle the capacity, will those enrollments be honored by MNsure so the person can receive a federal tax credit?

Given red flags raised and ignored prior to the October 2013 launch² – which resulted in needless frustration and headache – we hope history will not repeat itself three years later. If security flaws remain or MNsure is still incapable of accurately processing applications, it should not go live until those problems are resolved.

I appreciate responses to these issues and questions at your earliest convenience. We will continue to keep you apprised of progress made by our caucus and all legislative caucuses as discussions continue. House Republicans are prepared to work on solutions that provide relief and assistance for Minnesotans

Sincerely,



Speaker of the House
Minnesota House of Representatives

² Meitrodt, Jeffrey, "MNsure defects were no surprise," *Star Tribune*, 2/17/2015