



September 20, 2017

The Honorable Thomas E. Price, M.D.
Secretary, U.S. Department of Health & Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

The Honorable Steven Mnuchin
Secretary, U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

via electronic and postal delivery

Secretary Price, Secretary Mnuchin,

Minnesotans today are on edge. After years of double digit premium increases in the individual market, we appeared to be on the verge of holding premiums flat through a state-based reinsurance program. This was not an end point, but a way to preserve the market for the more than 200,000 individuals and families that do not receive insurance through their employer or the government. Preserving the individual market is jeopardized by the revelation that Minnesota may net a loss in total federal healthcare funding.

As you may know, the Minnesota Legislature does not meet year round. Our state's constitution permits regular sessions between January and May. Action outside of a regular session requires the governor to call a special session. As a result, state legislators must act with information available to them while they are in session. We must anticipate the needs of the entire year in that five month window, which is what we believed we did earlier this year.

Earlier this year, Governor Dayton's office worked closely with staff from the Centers for Medicare and Medicaid Services (CMS) and the Legislature on crafting the language for a state reinsurance program ("the reinsurance law"). *2017 Minn. Laws Chapter 13*. According to Governor Dayton, CMS's guidance was memorialized in e-mails from March 2017 and completely contradicts what his office was told in the past week. That is, Minnesota was only now informed that other state-federal partnership healthcare programs would be adversely impacted by the institution of a state-based reinsurance program.

We appreciate the administration's willingness to approve the portion of Minnesota's Section 1332 waiver requesting pass-through funding for the reinsurance program. Without that funding, preserving the

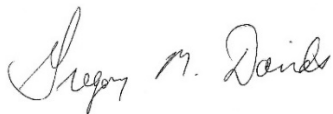
insurance market for individuals and families, access to doctors for rural areas of our state, and Minnesota's relatively low uninsured rate may not be possible. We have requested and continue to encourage speedy approval of that waiver request.

Minnesotans did not ask for the turbulence and expense of Obamacare. Our state had a system that worked before: we provided access to good coverage for those with pre-existing conditions and working-class families. Our goal is to move Minnesota away from the constraints and financial pain of Obamacare toward a system that works again, with affordable premiums and access to local doctors.

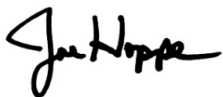
In many ways, Obamacare made Minnesota dependent on the federal government for a solution to a federal problem. We are at the mercy of a Congress at impasse and the willingness of the Trump Administration to minimize the destruction caused to Minnesota families under the current law. People's livelihoods – their families, small businesses, homes – are at stake.

Respectfully, we ask you to keep the word provided by CMS to the state earlier this year and secure approval for the waiver request as quickly as possible. Further, we hope HHS and other federal agencies will involve the Minnesota Legislature in future communications regarding the status of the 1332 waiver.

Sincerely,



Representative Greg Davids
Chair, Taxes Committee
Minnesota House of Representatives
District 28B – Preston



Representative Joe Hoppe
Chair, Commerce & Regulatory Reform Committee
Minnesota House of Representatives
District 47B – Chaska



Senator Michelle Benson
Chair, Health & Human Services Finance & Policy
Committee
Minnesota Senate
District 31 – Ham Lake



Senator Gary Dahms
Chair, Commerce & Consumer Protection Finance
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