

Minnesota Council of Health Plans

REINSURANCE

Reinsurance shares expensive medical bills so everyone who wants to buy health insurance on their own can get care in 2018. Minnesota needs to enact a reinsurance proposal because it is:

- **Quick.** Minnesotans will see the help in their 2018 premiums.
- **Proven.** It spreads high medical bills like Minnesota did before.
- **Practical.** It is action Minnesota can take to help address uncertainty and rising premiums.

Quick

Quick is important—40 percent fewer people get health insurance on their own than just two years ago, and that means there is less money to pay their medical bills. Reinsurance can be implemented because it is what the federal government did until this year. By passing the law March reinsurance helps with the premiums people will pay in 2018.

Proven

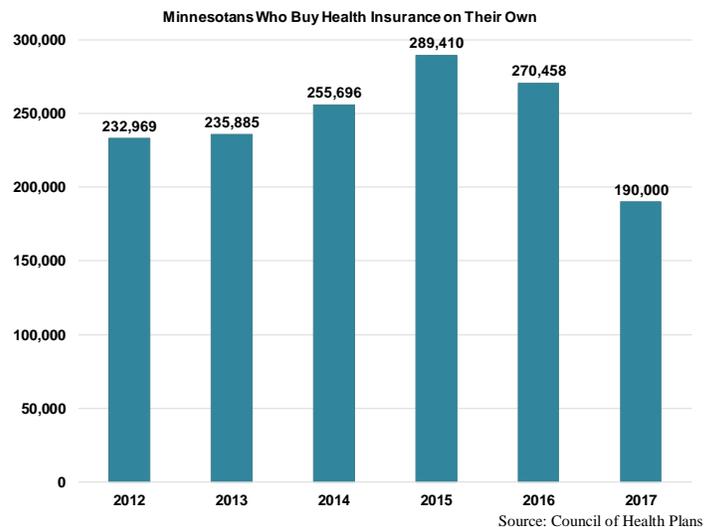
We all need to help pay for very expensive care so that Minnesotans across the state can get health insurance, even where medical expenses are high or residents need a lot of care. That's what MCHA offered and that's what reinsurance will do. And like MCHA, the Department of Commerce would oversee reinsurance with the help of health insurance technical experts.

Practical

Change is coming at the federal level but we don't know what or when. Reinsurance is something the state can do to help stabilize health insurance options for Minnesotans. And, reinsurance makes insurers keep working to hold down medical expenses by keeping them on the hook for most of medical care needed by these Minnesotans.

Act now so people get the care they need

In 2015 Minnesotans buying health insurance on their own needed medical care totaling \$1.4 billion. To help hold down premium increases and make it more likely these Minnesotans can get insurance next year, broad-based funding is needed. **It cannot be funded by individuals and smaller employers alone. Reinsurance helps people across the state and all Minnesotans need to share the bill so everyone gets the care they need.**



5,300 MINNESOTANS NEEDED MEDICAL CARE TOTALING \$630 MILLION IN 2015.

THAT'S 1.6 PERCENT OF THOSE WHO BUY HEALTH INSURANCE ON THEIR OWN WITH NEARLY 40 PERCENT OF TOTAL MEDICAL EXPENSES.

PREMIUMS WOULD NEED TO BE MORE THAN \$9,000 A MONTH TO COME CLOSE TO PAYING FOR THIS CARE. NOBODY CAN PAY THAT BILL ON THEIR OWN.

