ONECare MN: Comprehensive and affordable consumer choices, lower prescription drug prices, better access to care

Every Minnesotan deserves access to affordable, comprehensive options for health care coverage, but too few have these options. Many have been priced out of health coverage and live just one injury or illness away from bankruptcy. People are faced with impossible choices between filling prescriptions, paying rent or putting food on the table. Far too many people go without dental care for years because they don’t have dental coverage, can’t get an appointment or have to travel too far to see a dentist.

About 349,000 Minnesotans have no health coverage. From 2015 to 2017, the uninsured rate rose from 4.3 percent to 6.3 percent, one of the largest one-time increases in the number of uninsured people ever. High out-of-pocket costs, unaffordable premiums, few options for comprehensive coverage and narrow provider networks leave health insurance out of reach for far too many. The state needs to address rising prescription drug prices and access to comprehensive coverage and care, while encouraging stability in the individual health insurance market.

ONECare MN offers a multipronged, measured approach to give more people access to comprehensive coverage, stabilize the individual market, address rising health care costs and improve access to care and the health care experience for Minnesotans. The proposal leverages the state’s purchasing power to negotiate better prices for prescription drugs, which are currently driving up health care spending. It also addresses oral health disparities across state, especially in Greater Minnesota.

Proposals:

Governor Tim Walz’s proposal will ensure Minnesotans’ access to comprehensive health care coverage, address rising health care costs and stabilize the individual market. The package focuses on the immediate challenges of affordability, prescription drugs and dental care. Later, it incorporates these efforts into a comprehensive buy-in option with contingencies for failures in the individual market.

- **ONECare MN buy-in**: Creates a comprehensive health coverage option for all Minnesotans statewide by offering a platinum-level buy-in product in the individual market. It ensures choices and low-cost options in health coverage by offering silver- and gold-level buy-in products in any region of the state where the individual market fails to provide options. The buy-in options will have a provider network and benefit set similar to the MinnesotaCare program, including dental and vision benefits and behavioral health services. After the state makes a startup investment, consumer premiums will fully fund the program.

- **ONECare MN prescription drugs**: Aligns prescription drug benefits for all state health care programs and buy-in products under a common administrative structure. The proposal will leverage the state’s purchasing power to bring down prescription drug costs, increase transparency and ensure access to comprehensive drug coverage statewide. Prescription drug payments will go directly to providers from
the Department of Human Services. People will have access to the medications they need with more consistent choices, less disruption, more transparent processes and less burden for providers.

- **ONECare MN dental care**: Increases efficiency and equity by establishing a common administrative structure for dental purchasing across all state health programs and buy-in products. Increases provider rates with more reasonable levels of patient cost-sharing. Streamlining dental benefits helps providers serve all patients in their communities while improving dental access and care for Minnesotans.

**Fiscal impact:**

- $56 million in FY 2020-2023 for pharmacy, dental and buy-in start-up costs
- Pays for itself starting in plan year 2023
- $112 million from the Health Care Access Fund to create a reserve account to support cash flow, coverage, claims and liabilities

**Related information:**


*DHS Communications: March 2019*