American Rescue Plan (ARP) State Fiscal Recovery Funds (SFRF) Request Form

Agency/Point of Contact: MNsure/Kari Koob

Title of Request: MNsure ARPA Affordable Care Act Expansion Implementation

Date: 9/16/2021 Request Amount: $1,969,000
Expenditure Time Period: 3/15/2021 to 6/30/2023

Brief Summary of Request: (Summary must be complete on this page with supporting information attached)

MNsure is requesting reimbursement of $1,968,000 for costs associated with implementing provisions of the American Rescue Plan (ARP). The ARPA was enacted in March 2021 and included significant expansions of the Affordable Care Act (ACA) that bolster the ACA and improve marketplace access and affordability. MNsure worked with IT vendors to implement system changes and make ARPA benefits available to consumers as soon after enactment of the legislation as possible.

The ARPA included a small amount of grant funding for states to implement the legislation. MNsure submitted to the Centers for Medicare and Medicaid Services (CMS) a funding request and plan for implementing ARPA provisions and performing other work to make ARPA enhanced benefits available to consumers, and was awarded $1,107,000. CMS stipulated that 40% of grant funds could be applied to work that occurred between 3/15/2021 and the grant submission deadline (7/20/2021). The remaining 60% of the award can be used to fund activities after the award date (9/10/2021). MNsure is requesting reimbursement for incurred costs and planned implementation costs that cannot be reimbursed using federal grant dollars, as follows:

<table>
<thead>
<tr>
<th></th>
<th>Incurred and Planned Costs</th>
<th>Allowable from Exchange Modernization Grant</th>
<th>Requested from State Fiscal Recovery Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-award costs</td>
<td>$1,639,000</td>
<td>$443,000</td>
<td>$(1,196,000)</td>
</tr>
<tr>
<td>Post-award costs</td>
<td>$1,436,000</td>
<td>$664,000</td>
<td>$(772,000)</td>
</tr>
<tr>
<td>Total</td>
<td>$3,075,000</td>
<td>$1,107,000</td>
<td>$(1,968,000)</td>
</tr>
</tbody>
</table>

Since March 15, 2021, through August 31, 2021, and as a result of MNsure investments to support provisions of ARPA:

* MNsure signed-up 146,440 Minnesotans into coverage, including 47,436 new consumers
* Average cost of monthly insurance premium decreased 22%, from $451 to $351
* 7,221 consumers with incomes above 400% FPL became newly-eligible to receive APTC
* 8,353 unemployment insurance recipients became eligible to receive enhanced APTC and CSR benefits
* Premium tax credits awarded consumers during 2021 will increase $1,125, from $2,500 to $3,625

Department Head Signature: [Signature]

Date: 10/4/2021

Form: 7266-01 (July 2021)