

OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

May 3, 2012

The Honorable Kurt Zellers  
Speaker of the House of Representatives  
The State of Minnesota

Dear Speaker Zellers:

I have vetoed and am returning H. F. No. 8, Chapter No. 276, a bill that would authorize the use of premium trust accounts for the purpose of paying health insurance premiums.

On the one hand, the goals of this bill are closely aligned with those of the federal Affordable Care Act. Both offer new ideas for how to aggregate public and private sector contributions for purchasing private health insurance coverage. Both allow the government to take a more active role in determining how consumers find affordable health insurance policies. Both would expand and maximize the use of government-funded tax subsidies and employer contributions for the purchase of health insurance.

However, H. F. No. 8 approaches those shared goals through a multi-layered and complex system which weakens protections for consumers. The private sector bureaucracy mandated by the bill would require a different account for each contributor to any trust fund. Indeed, the accounts established with employers' funds would each need to be separate and distinct from contributions by the employee or any other contributing entity. This would create a complex maze of interwoven funding streams, accounts and contracts. Consumers might have even less ability to know and predict their health care resources and liabilities, putting them at even greater risk of being ensnared by the health care industry's debt collection tactics.

There is a much simpler alternative, which I support. A health insurance exchange would offer a consumer-friendly, online marketplace where consumers can choose a private health insurance plan without the need for multiple accounts, contracts, and other unnecessary roadblocks.

Our Health Insurance Exchange Task Force has made consensus recommendations for Health-Insurance Exchange legislation, which I believe would be the optimal approach.

Sincerely,

MARK DAYTON  
Governor