



WEEKLY SESSION UPDATE

February 15, 2019

It was another busy week at the Capitol with both the House and Senate working through the growing lists of bills, including their respective Opioid Stewardship packages. Senator Jason Rarick was sworn into the Senate on Wednesday, giving the Republican caucus a 35-32 majority and much more breathing room than they had last session. This also triggered a special election in House District 11B, Pine and part of Kanabec counties in east-central Minnesota, which [Governor Walz announced](#) will take place on Tuesday, March 19th with the primary taking place on Tuesday, March 5th. In addition, some senate committees underwent a few changes to accommodate Senator Rarick (see below for details).

More Deadlines

In other news, Speaker Hortman, Majority Leader Gazelka, and Governor Walz met to announce additional major finance bill conference committee deadlines to add greater transparency during the end of session.

The three new deadlines are:

- the House and Senate will pass all major finance bills off their respective floors and leadership will appoint conference committees by May 1;
- the governor, Senate majority leader and House speaker will provide fiscal targets to the chairs of conference committees on major finance bills by May 6; and
- conference committee chairs shall provide completed conference committee reports to the house of origin by May 13.

With the map laid out for the end of session, the next steps will come with the Governor's budget announcement on February 19th, followed by the release of the February forecast which will shed light on the financial health of the state. We will keep you up to date on these budget developments and conversations taking place at the Capitol.

Senate GOP Budget Pillars

Senate Republicans released the four pillars that will guide their budget. Below are the pillars, as well as Q&A with Majority Leader Gazelka and Commerce Chair Dahms.

Pillars:

- 1.) caring for people (disabilities, seniors);
- 2.) protecting the taxpayer;
- 3.) control spending and hold government accountable (reforms, cost-savings, waste/fraud/abuse);
- 4.) transparency (increased deadlines)

Questions:

Are you looking at tapping into the rainy day fund?

Gazelka: We won't be touching the budget reserves.

Are you working with the House and the Governor on transparency?

Gazelka: We are trying to avoid have one massive omnibus bill, we are working on making bills as focused on one subject as we can.

Use of the surplus?

Gazelka: We are looking at difference one-time spending items, like infrastructure, broadband, and other things.

Should it be spent on one time money given the economic outlook?

Gazelka: We need to work with the Governor and the House and decide what we prioritize. I think school safety is a big issue that came up last session and could use this funding.

Reinsurance: Democrats on the House side seem to be going along with this, but Democrats in the Senate aren't all on board.

Dahms: We are working on a lot of reform bills, too, and I want to pass reinsurance separately so we can keep working on reforms for the next two years. We had a five year waiver from the federal government and my bill will extend the program for the next three years.

Senator Hayden brought up that when reinsurance was passed last time, the Senate was taking two years to decide what to reform. Now your extending reinsurance with essentially the same message. When are we going to see some actual changes?

Dahms: We have task forces working on reform issues for the last two years and stabilizing the market is a realized impact.

Healthcare is such a big chunk of the budget, how does the sunset of the provider tax play into that?

Gazelka: We need to reduce the growth in HHS to cover those costs. Governor Walz wants to raise that tax again, but we are on the opposite side of that. As the Governor noted, this will be an issue we spar over.

Tax conformity?

Gazelka: That will have to be part of the overall package. We are working on how tax conformity and tax relief work together. Take a look at last session's tax bill with a rate reduction for the lower and middle brackets.

For further reading, check out [this article](#) from the Star Tribune.

Senate Committee Changes

- Committee on Finance - remove Senator Pratt and add Senators Hayden and Kiffmeyer
- Committee on Taxes - remove Senator Gazelka and add Senator Pratt
- Committee on Health and Human Services Finance and Policy - add Senator Franzen
- Committee on Human Services Reform Finance and Policy - add Senator Bigham
- Committee on Jobs and Economic Growth Finance and Policy - add Senators Cohen and Rarick
- Committee on Energy and Utilities Finance and Policy - remove Senator Goggin and add Senator Rarick
- Committee on Transportation Finance and Policy - remove Senator Kiffmeyer and add Senator Rarick
- Committee on Local Government - add Senator Rarick

Opioids

The past few weeks have been filled with emotional testimony as the Opioid Stewardship legislation travelled through various committees. As a result, both the House and Senate versions have made suggested changes along the way. One of these changes included adding two members to the committee that suffer from rare and chronic diseases and use opioids to manage their pain. During the Senate State Government Finance committee hearing on the bill, Senator Rest noted a few issues she saw with the way the Council is structured, including the lack of background checks for public members and the geographical parameters for member selection. While these issues were not address prior to the bill leaving committee, they highlight the work in progress that both the House and Senate are moving forward.

Reinsurance

via **Brian Bakst** at [MPR](#)

Reinsurance is back on the table this session and health plans, among others, are pushing for an extension of the program. The conversation is time sensitive because health plans will submit their proposed 2020 rates to regulators by the end of March. At this point, the House and Senate Commerce committees have both had hearings on the state of reinsurance, so it is likely there will be continued movement on this issue.

More articles of interest

[A barrier to justice' — advocates push for change in state's definition of sexual harassment](#)

[1 in 4 doctors say prior authorization has led to a serious adverse event](#)

[What your state can do to fix prior authorization run amok](#)

Bill introductions of interest

[HF 1006](#) (Gruenhagen) – State transition from MNsure to a federally facilitated marketplace required, and money appropriated

[HF 1200](#) (Mann) – Health care guaranteed available and affordable for every Minnesotan; Minnesota Health Plan, Minnesota Health Board, Minnesota Health Fund, Office of Health Quality and Planning, ombudsman for patient advocacy, and auditor general for the Minnesota Health Plan established; 1332 waiver requested; rulemaking authorized; and money appropriated.

[HF 1246](#) (Morrison) – Prescription Drug Price Transparency Act established, and report required

[HF 1249](#) (Schomacker) – Nurse Licensure Compact created, and money appropriated

[HF 1257](#) (Cantrell) – Prescription drug benefit transparency and disclosure required

[HF 1261](#) (Fischer) – Record and data provisions modified for quality of care complaints

[SF 1070](#) (Hall) – Medical cannabis requirements modification and appropriation

[SF 1098](#) (Rosen) – Prescription Drug Pricing Transparency Act

[SF 1125](#) (Marty) – Minnesota health plan, health board, health fund, office of health quality and planning, ombudsman for patient advocacy, and auditor general for the Minnesota health plan establishment

[SF 1170](#) (Abeler) – Health maintenance organization record and data provisions for quality of care complaints modifications

[SF 1184](#) (Little) – Prescription drug reimportation program establishment

[SF 1232](#) (Hoffman) – Health plan contracting requirements modification; high deductible health plans costs task force establishment and appropriation

[SF 1235](#) (Nelson) – Health plan companies to count payments to out-of-network providers toward enrollee annual deductible

[SF 1314](#) (Newton) – Health-related licensing board complaining party to directly address board regarding complaint prior to the complaint being dismissed