



WEEKLY SESSION UPDATE

February 22, 2019

The road map for session was finally laid out this week with the announcement of Governor Walz's budget recommendations on Tuesday. While the budget touted several items that the governor campaigned on such as a 20 cent gas tax and removing the sunset from the provider tax, there were also a wide array of priorities such as affordable housing and several changes to transportation funding. In addition, both the House and Senate worked through some non-controversial bills including election security funding, removing the marital exemption from the definition of sexual assault, and Sen. Draheim's facility fee disclosure bill in the Senate. The February forecast will be coming out soon, and with that the budget targets for both the House and Senate.

Governor's Budget

Quick Points:

- Focusing on Education, Healthcare, and Community Prosperity
 - This budget plan would spend \$49.5 billion over two years, an 8.6% boost from the current budget cycle, with significant new spending on statewide transportation projects.
- Removes the sunset from the provider tax and raises a 20 cent gas tax
 - Gas tax is estimated to generate \$11 billion over 10 years to pay for transit and road and bridge improvements
- Next week Walz is unveiling a \$1.27B bonding bill

Senate Push-Back:

The republican Senate has come out against both the gas tax and repealing the sunset of the provider tax. In addition, the large bonding amount Governor Walz is requesting falls outside of the norm for a non-bonding year (which usually takes place during odd years). Senate Majority Leader Gazelka commented that he will not support a bonding proposal of that size and noted that the Senate's version will be much smaller. The issues will definitely continue to be pieces in the larger conversation of the budget as a whole as the session progresses.

Health Care Spending

The governor's health care budget areas target systemic changes to the way the state provides insurance, increasing access to both comprehensive and mental health services, and implementing strategies for curbing the opioid crisis.

If you would like more in depth descriptions of these provisions, take a look at this [handout from the Governor's office](#).

The ONECare Minnesota Plan:

Via Briana Bierschbach at MPR

There has been a lot of buzz around the idea of a public buy-in option for Minnesotan's healthcare. Included in Governor Walz's budget proposal is the ONECare Minnesota Plan, which gives farmers and others who buy health insurance on the individual market a public option that competes with the coverage available through traditional health plans. It's designed to bring certainty to people who faced skyrocketing premiums or insurers unwilling to compete in the individual market. Walz's plan could face significant opposition in the Republican-controlled Senate.

For more information on the specifics of the plan, check out [this article by MPR](#).

Health Records

Commerce Chair Rep. Laurie Halverson brought her bill [HF831](#) – Health records released without patient consent circumstances modified in front of the HHS policy committee on Wednesday night. The bill, which would modify the Minnesota Health Records Act to align with HIPPA guidelines for record sharing, brought nearly an hour of debate from testifiers and the committee. Proponents of the bill argued that this will save providers time by allowing them to focus on new treatments instead of repeating tests done by other physicians, will increase health care outcomes for patients, and make it easier for continuity of care when patients are working with multiple providers. On the other hand, opponents argued that it takes away the rights of a patient to have ownership over their health data. The bill passed out of committee and is heading to Judiciary, Finance, and Civil Law.

Task force on prescription drug costs

Yesterday, Attorney General Keith Ellison held a press conference on the new task force his office is created which will focus on lowering prescription drug costs. He noted the drastic price increase in insulin over the last 10 years (1200%), that prices need to be transparent, and that we need to look at how PBMs are setting their rates and prices. The Attorney General's office often relies on litigation tools in situations like this, and they will continue to do so, but AG Ellison stated that with the taskforce they want to have a multifaceted approach and work through legislation, litigation, and community outreach. Applications to join the task force will be posted on the Secretary of State's website (link below) until March 17th. Members of the public are encouraged to send in feedback and ideas. A handful of Minnesotans shared their experiences with high drug prices, followed by remarks from legislators who are carrying legislation on this issue.

For more information, you can read the full [press release](#) or details on the [application process](#).

Prescription drug price gouging bill moves forward

[HF 4](#), Rep. John Lesch's proposal to prohibit price gouging on prescription drugs continued on its journey this week and was heard in the House Commerce committee. On Wednesday, the House Commerce committee heard the bill. After a technical amendment was adopted, testifiers including AARP, the attorney general's office, SEIU among others, shared their support for the bill. Member discussion followed, which included discussion around what constitutes as "unconscionable" prices, and some members sharing concerns about unintended consequences of the bill. The bill was passed as amended and re-referred to the Judiciary committee.

Temporary license suspension modifications

On Wednesday, the Senate Judiciary and Public Safety committee heard SF 583 (Johnson), which makes several changes regarding temporary license suspensions and background checks in health-related fields. The bill changes the time frame for action to be taken by the court when there is a temporary suspension of a license from 30 to 60 days. If no action is taken, the suspension would be lifted. It removes the 90-day timeframe for an applicant to submit their fingerprints for a background check, which would save the applicant money, as current law requires them to pay a fee to resubmit them if it is over 90 days. It also allows the licensing board to ask for an alternative method of handling background checks if the applicant has submitted two sets of fingerprints that are unreadable by the BCA. Current law requires three sets of unreadable fingerprints before an alternative method can be used. The bill was amended to provide the exception of chiropractors, the medical practice board, and the nursing board for the Criminal Rehabilitation Act. The bill as amended was laid over for possible inclusion in the omnibus bill.

Rare Disease Advisory Council

On Monday, Senate President Jeremy Miller held a press conference about his bipartisan bill, [SF 973](#), which establishes and advisory council on rare diseases. 1 in 10 Americans have a rare disease, equaling more than 30 million people are dealing with a serious lifelong condition. The goal of the bill is to gather experts from all medical fields and use their knowledge to provide advice, research, and guidance for those with these rare conditions. He noted that Minnesota is a good place for a rare disease council since we are already a hub of expert medical care. Stakeholders spoke in support of the bill, stating that the council would provide infrastructure to help address issues around individuals accessing advocacy, research, and treatment. They also noted the importance of having a unified approach to rare diseases, and that the council will help create opportunities for rare diseases to be understood.

Additional articles of interest

[Raise the standard deduction? Cut all income tax rates? Debate is on in House Taxes Committee](#)

[Vaping could be kicked outside under proposed change to Clean Indoor Air Act](#)

Bill introductions of interest

[HF 1352](#) (Gruenhagen) – Health carriers required to offer one health plan that is an any willing provider option

[HF 1400](#) (Morrison) – Health care interpreters spoken language registry system established, report required, and money appropriated

[HF 1407](#) (Robbins) – Outpatient surgical centers facility sharing permitted

[SF 1351](#) (Nelson) – Pharmacy licensure requirements modification

[SF 1371](#) (Marty) – Opiate drug manufacturers and wholesale drug distributors practitioner gifts prohibition

[SF 1461](#) (Benson) – MinnesotaCare eligible individuals purchase of a qualified health plan election option

[SF 1508](#) (Jensen) – Health care provider network changes prior notification requirement

[SF 1518](#) (Klein) - Wholesale drug distributor or manufacturer price gouging prohibition; board of pharmacy, commissioner of human services, and health plan companies attorney general notification of prescription drug price increases; attorney general authority to obtain drug pricing information and action authorization; penalties

[SF 1524](#) (Benson) – Minnesota health policy commission establishment and appropriation; health related professions temporary license suspensions and background checks modification

[SF 1575](#) (Pratt) – Health records release without patient consent circumstances modification

[SF 1596](#) (Eaton) – Minnesota prescription monitoring program restrictions identification on prescriber authority to prescribe controlled substances