WEEKLY SESSION UPDATE

February 3, 2017

Committee Deadlines Announced

Last week, House and Senate Leadership released a memo announcing the 2017 committee deadlines:

- March 10 — committees must act favorably on bills in the house of origin;
- March 17 — committees must act favorably on bills, or companion bills, that met the first deadline in the other house; and,
- March 31 — committees must act favorably on major appropriation and finance bills.

Additional details can be found here.

Provider Tax Issue Heats Up

Governor Dayton and key Republicans have started this session's conversation about the continuation of the provider tax on different sides on the issue. In his 2018-2019 budget, Governor Dayton has proposed continuing the two percent provider tax beyond its scheduled 2019 sunset, explaining in his state of the state speech: "We are in a time of great national uncertainty about the future of our nation's health care under the new leadership in Washington. So, now more than ever, we must protect the elements of Minnesota's health care system that are working…I believe it would be a serious mistake to eliminate such an essential source of state funding for health care, just as our citizens' needs are increasing and continued federal support is uncertain."

This proposal (attached) would increase General Fund expenditures by $42 million and has a net impact to the Health Care Access Fund by $999 million in the FY2020-21 biennium. It would raise $243 million and $757 million of revenue in fiscal years 2020 and 2021, respectively.

Key House Republicans, including Tax Committee Chair Greg Davids and HHS Finance Committee Chair Matt Dean, however, have stated that they will not support continuing the provider tax beyond its current sunset date of 2017: "The provider tax will not be extended," said Davids, who is also a key Ways and Means Committee member.

Legislators who represent Rochester, where the Mayo Clinic is located, are split on the issue – Sen. Dave Senjem (R) opposes the extension, stating, "it is a moral travesty that we tax the sick. WE shouldn't do it. It's not right." Sen. Carla Nelson (R) also opposes the extension: "If you want to be a destination medical center, to have a 2 percent tax on people who come to the destination – those two things don't go together. I think it's a sick tax, and I'll be fighting against any reinstatement of that."

Rep. Tina Liebling (D), agrees with Governor Dayton that it would be dangerous to get rid of the revenue stream with the level of uncertainty at the federal level, but says she does want to see changes made to the tax. She supports no longer having the tax apply to revenues generated from out-of-state patients who are coming to Minnesota for health care.

Rep. Duane Quam (R), supports the sunset of the tax, but agrees with Liebling that it is time to rework the provider tax, and is open to replacing it with something else that doesn't hurt health care facilities.

Additional reading:

Politics in Minnesota: Republicans unimpressed by Dayton budget

Rochester Post Bulletin: Rochester lawmakers to fight extension of provider tax

Surprise Billing Articles

An article from Crain's looking back at the first year after enactment of the New York Surprise Billing Law, which is substantially similar to that in SF 1:
http://www.modernhealthcare.com/article/20160407/NEWS/304079996.

A writeup of Florida's bill, which appears to be similar to the NY law:
http://www.modernhealthcare.com/article/20160414/NEWS/160419946?template=print

The excerpt below is from an NYT article on Surprise Billing:

New research published in The New England Journal of Medicine on Wednesday found that more than one in five patients visiting the emergency room may face the same financial shock. The study looked at billing data from one large national insurer and found that 22 percent of the time, patients who went to a hospital covered by their plan still received a bill from a doctor who was not in the insurance company's network. The average such bill cost more than $900, though there was a wide range; the highest was for more than $19,000. This is not the first time researchers have examined surprise medical bills, but it's the broadest analysis to date of the problem nationwide.