



May 5, 2021

Dear Members of the Conference Committee on HF 2128:

On behalf of the Minnesota Chamber of Commerce and the 6,300 employers and more than 500,000 employees we represent, we offer the following comments on proposals under consideration in the Health and Human Services Omnibus Finance Bill (HF 2128).

All Payer Claims Database – House Provision

These provisions would allow greater access to the state’s all payer claims database (APCD). While Minnesota has maintained an APCD for many years, its usefulness as a tool for driving greater transparency around health care costs and quality in the state has been limited by the fact that very few entities outside of the Minnesota Department of Health can meaningfully access the database for research or other uses. We support this effort to begin the process of making the APCD more accessible to entities outside of state government.

Public Option – House Provision

We have long shared our concerns about any move toward a public option. And we do so again today.

The design of a government-run public option centers on payments to health care providers that are significantly less than what’s paid by private, commercial insurance. This will lead to significant financial impacts on providers and hospitals and to increased costs for those with private coverage, because health care providers will be forced to shift even more costs to these Minnesotans. These changes will only lead to increased instability in the commercial health insurance market and would threaten the continued viability of the individual and small group markets in particular.

Frozen Formulary – House Provision

While the goal of frozen formulary proposals has merit, the real-world impact of these types of proposals is often increased costs associated with prescription drug benefits. Fiscal notes have provided varying cost estimates for different proposals over the years. It is important to note that the House provision included in this bill avoided a state cost because it sets a different standard for state public programs than what is required in the commercial market. Under this bill, four times a year, state public programs would still be able to make the kinds of formulary changes to limit program costs that would no longer be allowed in the commercial market.

Telehealth – House and Senate Provision

We have advocated for clear guardrails around care provided via telephone, clarity in statute to ensure that care delivered via remote patient monitoring isn't subject to the state's rules requiring payment parity for telehealth, and clear language to ensure that value-based payment arrangements that leverage telehealth as a means to ensure better health outcomes for patients are not negatively impacted by payment parity. We have also maintained that the bill should not unnecessarily limit the use of incentives, like lower out-of-pocket costs that encourage someone with health insurance to get care via telehealth when it makes sense to do so.

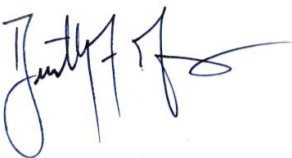
We appreciate the fact that the language from both the House and Senate addresses our concerns related to telephone calls and remote patient monitoring. We support the Senate provisions that ensure continued flexibility in plan designs that encourage the use of telehealth when appropriate. The House provisions do not include this language.

We are also concerned that neither bill currently provides clarity around the intersection of telehealth and value-based payment arrangements. We believe this is an important element of the telehealth policy discussion that must be included in the final bill.

Finally, we note that while both the House and Senate apply sunsets to some of the expansions in telehealth coverage, the House bill applies its sunset equally to both public programs and the commercial market. The Senate bill applies the sunset only to public programs. For reasons of fairness and equity between the two market segments, we support uniform application of any sunset that may be included in the final bill.

Thank you for the opportunity to provide input as you work to reconcile the differences between the House and Senate bills.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Bentley Graves', with a stylized flourish at the end.

Bentley Graves

Director

Health Care & Transportation Policy