



May 7, 2021

Representative Tina Liebling
Chair, House Health Finance
477 State Office Building
St. Paul, MN 55155

Senator Michelle Benson
Chair, Senate Health and Human Services Finance
95 University Avenue W.
Minnesota Senate Bldg., Room 3109

Re: Omnibus Health and Human Services budget bill

Chairs Liebling and Benson and Esteemed Conferees,

On behalf of the Medical Alley Association's more than 600 members, I'd like to thank you for the opportunity to provide input on House File 2128. Medical Alley Association acknowledges the difficult decisions facing this conference committee and appreciates the dedication and commitment it will take to come to an agreement on the Health and Human Services omnibus bill. Below are a few provisions Medical Alley Association is pleased to support from each bill, as well as some we have concerns with.

Support

Extension of MA Coverage for Pregnant Women

House: Article 1, Secs. 16, 17, 19; Senate: Article 1, Secs. 15, 16, 18

The Medical Alley Association strongly supports extending postpartum coverage for Medical Assistance patients. We are pleased to see this critical provision in both the House and Senate omnibus bills. While we appreciate the 6-month extension the Senate included and understand the cost implications, we support the House's 12-month coverage extension. The 12 months after birth are a critical time for the health of mothers and babies. Every woman, regardless of their background or location, should have access to equal maternal health and care services. This language takes a strong step toward improving access to maternal and infant healthcare.

Telehealth

House: Article 7, Senate: Article 8

We thank the chairs for including key provisions from the Minnesota Telehealth Act in the Health and Human Services omnibus bill. Amending Minnesota's telehealth statutes is key to allow for continued innovation and investment in the telehealth space and our association is pleased to see this language included in the omnibus bill.

Changing the definition of originating site to the location of the patient when they receive telehealth services is an important change to allow for more access to telehealth services when and where a patient needs it. Clarifying the coverage of telemonitoring is another important component of the telehealth legislation that we are pleased to see included in the omnibus bill.

In the telehealth article, we would appreciate seeing the following changes:

- Amending the definition of telehealth to something a bit less prescriptive, like the definition of telehealth in H.F. 1411/S.F. 780

- Adding language that clarifies that value-based payment arrangements are not subject to payment parity under this legislation
- Removing the language in the House bill that prevents a health carrier from providing incentives for utilizing telehealth services

Prescription Drug Price Transparency

Senate: Article 2, Sec. 8

Medical Alley Association supports this provision; having worked with the bill author and other stakeholders on transparency language scheduled to take effect in 2022, we appreciate the author's continued work to make prescription drugs more affordable to the Minnesotans who need them the most.

Medical Alley Association supports policies that promote innovation and help ensure patients have access to needed medication. As the cross-sector health care association in Minnesota representing several industry sectors including biopharmaceuticals, we know that it is one of the most heavily regulated industries in the United States. Companies already report extensive information on costs, sales, clinical trials, and total research and development (R&D) expenses. This legislation allows the commissioner to utilize information made public by another state which in turn allows companies to avoid duplicative reporting.

Concerns

Excessive Drug Price Increases

House: Article 5, Sec. 2

Medical Alley Association has concerns with the language that specifically targets generic manufacturers. The association understands the overall intent of the bill author but thinks it is important to focus on bad actors without stifling overall production of generic pharmaceuticals.

Generic manufacturers already experience negative growth in a competitive market. This type of legislation will have a chilling effect on the growth of companies headquartered in Minnesota. These companies provide high paying jobs to hundreds of Minnesotans throughout the state and further strengthen our state's innovation and economic development. This legislation will have unintended consequences on the generic market and have a negative impact on the future cost of prescription drugs as we see more high-priced brand drugs come into the generic market. Ultimately, though well intentioned, we do not believe this provision will improve patient access or outcomes.

Drug Importation

Senate: Article 4, Sec. 2

Medical Alley Association supports the Senate's intent to make prescription drugs more affordable for patients but have concerns with this section of the legislation. As the association in Minnesota that represents several companies researching and developing the next generation of life saving cures, we are committed to improving patient outcomes and support policies aimed at improving access to those groundbreaking therapies and treatments. Importing these therapies and medications from other countries puts patients at risk because we cannot guarantee the same safety and efficacy standards the United States has would apply to imported drugs. These safety standards should be addressed at a Federal Level by the Food and Drug Administration (FDA).

Thank you again for the opportunity to share our input on the omnibus Health and Human Services budget bill. Please let me know if Medical Alley Association can provide any additional information or be a resource for this conference committee.

Sincerely,

A handwritten signature in blue ink that reads "Lilly Melander". The signature is written in a cursive, flowing style.

Lilly Melander
State Policy and Advocacy Director
Medical Alley Association