



Essentia Health

May 10, 2022

Senator Jim Abeler
Senator Paul Utke
Senator Michelle Benson
Senator Mark Koran
Senator John Hoffman

Representative Tina Liebling
Representative Jennifer Schultz
Representative David Pinto
Representative Aisha Gomez
Representative Tony Albright

Dear members of the Health and Human Services Conference Committee:

On behalf of Essentia Health, I respectfully submit the following comments on the Omnibus Health & Human Services finance and policy bills, SF 4410/HF 4706 (“Omnibus bills”). Essentia Health is an integrated health system headquartered in Duluth, Minnesota, that combines the strengths and talents of 14,700 employees to serve our 14 hospitals, 72 clinics, six long-term care facilities, three assisted living facilities, three independent living facilities, six ambulance services and one research institute. Essentia is an accountable care organization that provides affordable, high-quality care throughout Minnesota, North Dakota, and Wisconsin.

There are many provisions in the Omnibus bills that are of interest to Essentia Health, but we want to direct your attention to the provisions we believe will be the most impactful to our ability to ensure access to high-quality, affordable health care services in the rural communities we are privileged to serve. These provisions:

- 1. Lower the price of prescription drugs through competition and increased use of biosimilar medications** – Biologic medications account for 40% of the county’s prescription drug spending. Biosimilars are lower priced or “generic” versions of brand name biological drugs, such as insulin and medications for cancer, inflammatory conditions, and immunological diseases, which have no meaningful difference in safety or potency. Increasing the use of biosimilars is perhaps the most powerful tool available to immediately reduce the cost of prescription drugs.

Unfortunately, the current rebate-based incentive system restricts competition and prevents providers from prescribing the most effective and affordable medications. Instead, insurance plans force physicians to prescribe plan-preferred biological or biosimilar medications, which often result in higher out-of-pocket costs for patients. In the end, patients are unable to access the most effective and most affordable drugs prescribed by their health care provider and are instead required to use the prescription drugs that are picked by insurance plans and that are often more expensive for the patient.

To ensure patients have access to the most effective and affordable medications, we ask you to support article 6, section 44 of HF 4706, which requires insurance plans and pharmacy benefit managers to cover all version of biological and biosimilar medications at parity.

- 2. Ensure local access to safe, affordable clinician-administered medications** – Insurance companies are increasingly dictating which pharmacies patients can use to fill prescriptions. Under a practice referred to as “white bagging,” insurance companies force patients to fill prescriptions at specialty pharmacies that are often owned by or affiliated with the insurance plan’s pharmacy benefit manager (PBM). These specialty pharmacies mail the patient’s prescriptions to the patient’s physician’s office. While insurance companies claim they save money by forcing patients to use PBM-designated pharmacies, white bagging causes unnecessary delays and interruptions in patient care, risks to patient safety, and increased out-of-pocket costs for patients.

Forcing patients to receive prescriptions from PBM-preferred specialty pharmacies, unnecessarily disrupts and delays patient care and shifts more cost-sharing and out-of-pocket expenses onto patients. There are countless examples from our infusion centers throughout rural Minnesota in which patients are unable to receive their scheduled medication treatment because the medications that were required to be white bagged were delayed numerous times, sent to the wrong address, or compromised or otherwise damaged.

To help ensure that patients’ access to timely, affordable, and safe medications is not restricted or impaired by unnecessarily burdensome and harmful white bagging policies, we ask you to support article 6, section 45 of HF 4706.

- 3. Invest in recruiting and retaining the workforce needed to deliver affordable, high-quality health care services in our underserved and rural communities** – Now more than ever, Minnesota must make substantial investments in bolstering the healthcare workforce that is necessary to meet the ever-increasing demand for affordable, high quality health care services throughout the state. This includes not only recruiting workers to fill the thousands of job openings but retaining and revitalizing the existing workforce that is experiencing historic resignations, retirement, and overall burnout.

To this end, Essentia Health supports the numerous provisions in HF 4706 that expand the existing state loan forgiveness program to include mental health professionals and allocate additional loan relief for nursing education.¹ We also appreciate the new grant program to support primary care rural residency training and clinical rotations for other health care professionals in rural and underserved areas.²

- 4. Streamline the licensure process for qualified health care professionals** – As Minnesota’s hospitals and health systems continue to navigate the current workforce shortage, the Legislature must ensure it is doing everything to streamline the health care licensure process to help hospitals onboard and deploy new health care professionals without delay. This includes simplifying the current Department of Human Service (DHS) fingerprinting and background check process and reducing the overwhelming number of DHS background checks that must be

¹ See HF 4706, art. 1, sec. 13,20,21, 90; art. 9, sec. 3, 21, 29.

² See HF 4706, art. 1, sec. 18, 19, 22

completed to recruit and retain health care professional in Minnesota.³ It also includes extending the current background check waiver to January 1, 2023.⁴

Essentia Health also supports streamlining the entire licensure process by adopting the Nurse Licensure Compact⁵ and creating a temporary permit for physicians, physician assistants, and respiratory therapists that extends the current 60-day period to 90 days for individuals who are duly licensure and in good standing in another state.⁶ This will decrease the administrative costs and burden of obtaining or maintaining multiple licensures and support the flexible care models that will be continue to be required post-pandemic.

While Essentia Health is supportive of the list above and many other provisions supported by the Minnesota Hospital Association and its members, we remain strongly opposed to the creation of mandatory nurse staffing committees that set patient-to-nurse ratios. Simply put, this staffing mandate will stifle the staffing flexibility hospitals need to respond to ensure patients have access to high-quality health care services when they need them most. A one-size-fits-all approach does not work when it comes to patient-centric staffing. When determining staffing, we must consider many factors, such as the number of patients, the type and severity of their illness, and all the supportive care team members participating in each patient's care. Mandated staffing ratios are not the way to resolve the current workforce shortages in health care. For these reasons, we ask you to oppose the inclusion of article 1, sections 26-30, 95, and 102.

Thank you for your consideration of our comments. We look forward to continuing to work with you.

Sincerely,



Andrew Askew
Vice President, Public Policy
Essentia Health

³ SF 4410, art. 13, sec. 5.

⁴ HF 4706, art. 19, sec. 26.

⁵ SF 4410, art. 14, sec. 13-14.

⁶ SF 4410, art. 14, sec. 4-12.