

Minnesota-ACP Health Policy and Legislative Update

March 23, 2020

With the COVID-19 pandemic continuing to accelerate, the Legislature has effectively recessed until at least mid-April. Legislative leaders have indicated that they can return sooner should agreement on other measures to address the outbreak, a bonding bill, or other items with bicameral, bipartisan support. Prior to recessing, both bodies passed legislation appropriating \$150 million to hospitals, clinics, and long-term care facilities, as well as an additional \$50 million to help MDH respond to the pandemic. Most other legislation is unlikely to become law this session. Thank you to members for their advocacy efforts this week and to our legislative monitor Eric Dick for these updates.

MN Legislative Update in brief:

- Governor Walz used his executive authority to address the COVID-19 pandemic in recent days when he issued orders closing bars, restaurants, theaters, gyms, and many other public places where people gather in large groups. A separate executive order granted the Department of Human Services (DHS) wide latitude to waive requirements and regulations to ensure that MinnesotaCare and Medical Assistance programs can continue to provide coverage for low-income Minnesotans. The MN-ACP supported both actions by the Governor with proactive advocacy by members **Drs. David Hilden, Hannah Lichtsinn, Tyler Winkelman and Ryan Kelly**.
- \$50 million of the Minnesota COVID-19 funding approved by the legislature is available to health care organizations over the next two to eight weeks with **emergency funding grant applications due on March 25th at midnight**.
- Governor Walz also created a special enrollment period for MNCare running from Monday, March 23 through Tuesday, April 21 for eligible Minnesotans who do not have current health insurance. People who enroll after April 1 but by April 21 will have coverage retroactive to April 1.

1. Improve Public Health

COVID-19 Funding Bill Signed into Law; Legislature Recesses

With cases of COVID-19 surging, the Legislature quickly approved a spending package to address the growing pandemic. The bill was passed unanimously in both bodies and was quickly signed by Gov. Walz. The bill includes \$150 million in support for hospitals, health care clinics, and long-term care facilities to make grants to providers for “costs related to planning for, preparing for, or responding to an outbreak of COVID-19,” as well as to finance the “the establishment and operation of temporary sites to provide testing services, to provide treatment beds, or to isolate or quarantine affected individuals, to respond to an outbreak of COVID-19.”

\$50 million of these funds are available for Short Term Emergency Funding grants to provide cash flow relief to health care organizations to cover their highest priority needs over the next **two to eight weeks**. This process is fast-moving. The application form for Short Term Emergency Funding is on the COVID-19 Response Funding webpage <https://www.health.state.mn.us/facilities/ruralhealth/funding/grants/covidgrant.html> Applications will be due by **Wednesday March 25, midnight**. Grant applications will be reviewed beginning **Thursday, March 26**.

Additionally, the bill appropriates \$50 million to the Minnesota Department of Health (MDH) “to plan for, prepare for, or respond to an outbreak of SARS-CoV-2 virus and coronavirus disease 2019.” The Legislature had previously appropriated more than \$25 million to MDH for this fight. Should federal dollars become available to offset state expenses the state appropriation would revert to the General Fund.

Following passage of the bill, the Legislature recessed until mid-April. At least two staff persons at the House of Representatives were confirmed to have COVID-19, and several state legislators had self-quarantined, complicating a return to the Capitol.

Governor Invokes Executive Authority

In order to slow the spread of the coronavirus, Gov. Tim Walz invoked his executive authority to close bars and restaurants, as well as theaters, concert halls, amusement parks, and other places where people gather. A separate executive order instructed health care providers to reschedule or cancel all non-emergent, elective procedures in an effort to preserve maximum flexibility to adapt to a possible surge in COVID-19 cases at hospitals.

Other measures in the executive orders include expansion of unemployment insurance, paid leave for state employees, a waiver of regulations that limit the weight of vehicles involved in the response to the pandemic, and restrictions on visitors to some health care facilities.

As of this writing, there was discussion among the majority Senate Republican Caucus that some of the Governor's actions may have exceeded his authority. The Senate Majority Leader Paul Gazelka (R – Nisswa) called for a return to the Capitol to provide oversight and consider the Governor's action in a committee setting.

2. Improve Affordability and Health/Behavioral Health Access for Patients

In an executive order issued on March 20, the Governor gave the Department of Human Services (DHS) broad latitude to waive licensure requirements for personal care attendants (PCAs), as well as *offering DHS wide latitude to continue to provide health care coverage under MinnesotaCare and Medical Assistance*. A committee in the Minnesota Senate had previously passed these same provisions, though the Legislature recessed before they could act upon the legislation.

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3. Support Minnesota Physicians' Ability to Practice

Prior Authorization Bill Clears First Committee

The House HHS Policy Committee passed legislation to reform the laws governing prior authorization. The bill, authored by Rep. Kelly Morrison, MD (DFL – Deephaven) and joined by a strong group of bipartisan coauthors, passed the House HHS Policy Committee on March 11. It was referred to the House Commerce Committee.

The bill has several components. Notably, it shrinks from 10 days to four days the time a health plan or utilization review organization has to respond to a prior authorization, while also accelerating the appeals process. The bill further requires health plans to post the written, clinical criteria to be used to deny or authorize a PA, as well as requiring that physicians who are reviewing PA requests be licensed in Minnesota and practice in a same or similar specialty as the case they are reviewing. The bill's chief advocates include the MMA, the Minnesota Hospital Association (MHA), the Minnesota Association of Ambulatory Surgery Centers, MN-ACP, and numerous patient advocacy groups, medical specialties, and individual clinics. The bill's proponents and opponents had reached some agreement prior to the hearing, and it was hoped a compromise package could be found. Given the COVID-19 pandemic and the Legislature's extended recess, passage of the bill in 2020 appears remote. The Senate companion is carried by Sen. Julie Rosen (R – Vernon Center).