

■ 2011 Legislative Preview

## Events

### January 8, 2011: MMA Medical Student Section Meeting

Lunch will be provided as part of the meeting; Saturday, noon to 3 p.m., at the MMA offices, 1300 Godward Street NE, Suite 2500, Minneapolis.

### January 26, 2011: MMA Day at the Capitol

MMA members can register at [www.mnmed.org/DAC2011](http://www.mnmed.org/DAC2011) to attend the annual Day at the Capitol, Wednesday, Jan. 26, at 2 p.m.



## MMA Sets 2011 Legislative Priorities

The 2011 legislative session is shaping up to be another budget battle that will affect physicians and their patients.

Lawmakers return to the Capitol January 4 to face a \$6.2 billion budget deficit for the 2012-2013 biennium. As they look for ways to close the gap, it's clear that cutting health care spending will once again be front and center. The Republicans, who are now in control of the Legislature, have said they plan to balance the budget with cuts alone. Gov. Mark Dayton has vowed to protect the health care safety net in part by raising income taxes.

The MMA will urge both lawmakers and the governor to take a balanced approach to eliminating the shortfall in order to preserve health care for the state's most vulnerable residents.

The MMA's top priorities this session include protecting access to health care for Minnesota's most vulnerable residents, preventing reimbursement cuts to providers, stopping lawmakers from using money from the health care access fund to balance the budget or increasing the provider tax, and securing federal dollars to implement early Medicaid enrollment. The following is a run-down of the MMA's legislative goals and other health care issues that might be addressed during the upcoming session.

### COVERING THE MOST VULNERABLE

The MMA will work to prevent further cuts to programs that serve the state's most vulnerable residents. Health and human services account for about one-third of the state budget but have been hit with about two-thirds of spending reductions, or \$3.3 billion in cuts in recent years. These cuts have frayed Minnesota's health safety net and made it more difficult for providers to care for people enrolled in state-funded health insurance programs.

In addition, the MMA will work to stop further cuts to provider payments. Health care providers have not seen an increase in reimbursements from the state since the 3 percent across-the-board hike they received in 2000. Since then, the cost of maintaining a practice has gone up by more than 30 percent. Yet, during the last two legislative sessions, lawmakers have cut payments to non-primary care physicians by 12 percent. Low reimbursement rates threaten the financial viability of Minnesota's hospitals and clinics, especially those in rural areas that are often major employers in their communities. "As physicians, we need to help lawmakers understand that providing care without adequate payment is not sustainable. It leads to less access to

## Republican Takeover

In 2011, the MMA's legislative team will confront a new reality with Republican majorities in the House and Senate for the first time since 1974.

Because of their landslide victory during the November election, Republicans now control the Senate by a 37 to 30 margin and the House by 72 to 62.

A Republican-controlled Legislature creates new challenges and opportunities for physicians. For instance, it is less likely to increase the provider tax; however, it may be more likely to cut state-funded health care programs.

Dave Renner, the MMA's director of state and federal legislation, says that although the political landscape in Minnesota has changed, the state's budget problem has not. The governor and legislators have to figure out

care, cost-shifting, and higher health insurance premiums in the private market," says MMA President Patricia Lindholm, M.D.

### THE HEALTH CARE ACCESS FUND AND PROVIDER TAX

The MMA will oppose any attempts to increase the provider tax or use money from the Health Care Access Funds (HCAF) for general fund expenditures. In previous years, lawmakers used HCAF money to help close budget gaps. In 2009 and 2010, provider tax increases were considered as an option for raising revenue. The anti-tax Republican Legislature is unlikely to approve a provider tax hike. In fact, the MMA sees their takeover of both the House and Senate as an opportunity to lay the groundwork for phasing out the provider tax. Starting in 2014, many of the adults currently enrolled in MinnesotaCare will be eligible for new federal subsidies to purchase private health insurance.

how to resolve a \$6.2 billion budget deficit for the 2012-2013 biennium. The MMA will continue to call for a balanced approach to closing the gap. "We're hoping that they can find common ground in areas such as reforming our health care system, increasing the tobacco fee, and maximizing federal dollars," Renner says.

Ideas that may have new life because of the Republican majorities include repealing or reducing the sick tax, utilizing more private insurance with MinnesotaCare, offering tax deductions to individuals to help them purchase health insurance, allowing the sale of insurance across state lines, reducing the number of state insurance mandates, and providing consumers with information about the cost and quality of health care.

### EARLY MEDICAID ENROLLMENT

The MMA supports the state participating in the Medicaid early expansion option, a component of the federal health care reform act. Enacting the option would result in an infusion of more than \$1 billion of federal funds into Minnesota's health care economy over three years. It would also eliminate the current hospital-based GAMC program. The move could result in about 95,000 GAMC and low-income MinnesotaCare enrollees being shifted to Medical Assistance (MA). In December, Dayton confirmed he would accept the federal money before the January 15 deadline. Officials from the Department of Human Services estimated it would take until October to move people to MA. The MMA's position is that the change needs to happen sooner, because delays will result in thousands of Minnesotans going without coverage. In addition, Rep. Thomas Huntley, DFL-Duluth, estimated during a hearing that Minnesota's hospitals and clinics would lose payments of about \$880,000 for

each day the shift is delayed.

### ALCOHOL AND TOBACCO TAXES

The MMA supports increasing alcohol and tobacco taxes in order to discourage the use of these products and to raise money that can be used to support prevention and treatment programs. The MMA has been working with the Raise It for Health Coalition, which includes providers, insurers, and others, to introduce legislation to increase the tobacco tax by \$1 or \$1.50 per pack of cigarettes.

The MMA also supports increasing the tax on beer, wine, and spirits by 10 cents a drink and indexing it to inflation to raise funds for prevention of, treatment of, and public safety services related to alcohol abuse.

### HEALTH REFORM AND THE HEALTH INSURANCE EXCHANGE

The MMA will push lawmakers to take advantage of federal health care reform opportunities and to continue Minnesota's reform efforts that became law in 2008 such as the health care home initiative, peer grouping, and public health projects. A key message will be that Minnesota's reform law received bipartisan support and that the continued focus of reform must be improving quality, while maintaining access to care and controlling costs.

The MMA will also encourage lawmakers to embrace those aspects of federal reform that are consistent with Minnesota's efforts to curtail rising costs and improve access to care. The MMA will urge lawmakers to design a health insurance exchange that will best fit Minnesota's health care market. If state lawmakers don't take the lead on this, Minnesota may end up with an exchange created by the federal government. The process of creating an exchange will raise questions about what insurers should offer in terms of minimum benefits and patient protections and whether the exchange should be opened up to for-profit and out-of-state insurers.

## MINNESOTACARE VOUCHERS

The new chair of the Minnesota House Health and Human Services Policy Committee, Rep. Steve Gottwalt, supports the idea of altering the MinnesotaCare program so that adults without children would be able to purchase high-deductible health insurance policies in the private market with the state providing a voucher for the cost of the deductible. The MMA will monitor this proposal, which, depending on how it is structured, could fit well with the health insurance exchange approach.

## PMAP

In 2011, for the first time ever, lawmakers will have more information about how health plans that participate in the Prepaid Medical Assistance Program (PMAP) have been spending the state's money. Under PMAP, participating health plans receive capitated payments from the state to cover enrollees. A portion of that money is supposed to go to physicians. In recent years, health plans have received higher payments; however, it is not clear that those increases have been passed along to physicians. About two-thirds of Medical Assistance recipients are enrolled in managed care plans through PMAP, and all of MinnesotaCare recipients are enrolled in a similar program. In 2009, the MMA successfully lobbied for a law requiring plans to report their provider payments to the Minnesota Department of Human Services. The first report, expected at the end of 2010, should shed light on whether the MMA needs to take legislative action to ensure that physicians are receiving their fair share of PMAP payments.

## NURSE-TO-PATIENT RATIOS

Nurses will be at the Capitol supporting legislation requiring set nurse-to-patient staffing ratios in hospitals. The MMA does not support legislating staffing ratios. Nurses also may try to increase the scope of practice

for nurse practitioners and other advanced practice nurses by eliminating the requirement that these nurses have a collaborative agreement with a physician in order to have full prescribing authority. The MMA opposes eliminating the collaborative agreements.

## CHIROPRACTIC EXPANSION

Chiropractors will likely try to rewrite the Chiropractic Practice Act to expand their scope of practice and allow them to use of the term "chiropractic physicians." The MMA will oppose any proposal that confuses patients or expands chiropractic authority into areas that clearly fall under the practice of medicine.

## SHIP FUNDING

The MMA supports funding the State Health Improvement Program, which was created in 2008. The program initially received \$47 million for local public health initiatives for 2010 and 2011. That money is scheduled to run out at the end of the year.

## CONCUSSIONS IN YOUTH SPORTS

The MMA supports proposed legislation that would require athletes who participate in youth or high school sports who have had a concussion to stop playing until they are examined and approved for return to play by a physician.

## INDOOR TANNING AND LASER SAFETY

The MMA and the state's dermatologists would like to see additional regulations on the use of indoor tanning for teenagers, including raising the age of consent from 16 to 18 years of age. The MMA also will join with the Minnesota Dermatology Association to support a measure to establish minimum training and supervision requirements for people who use lasers and intense pulse-light devices for skin treatments.

## Get Involved

The MMA offers you several ways to influence lawmakers and stay informed

### MMA ACTION ALERTS!

When important issues arise, the MMA arms physicians with the information they need to contact policymakers by email or phone. Visit [www.mnmed.org/grassroots](http://www.mnmed.org/grassroots) to sign up.

### DAY AT THE CAPITOL

The MMA's Day at the Capitol is a great opportunity to meet other physicians, get the inside scoop, and talk to your lawmakers about issues you care about. This year's event will be held January 26. Visit [www.mnmed.org](http://www.mnmed.org) to register.

### TWITTER AND FACEBOOK

Follow the MMA at [www.twitter.com/mnmed](http://www.twitter.com/mnmed). Are you on Facebook? Become a fan of our page.

### DISTRICT DIALOGUES

Schedule a meeting with your state representative or senator in their home district. Contact Dennis Gerhardstein or Mandy Rubenstein, managers of physician outreach, at 800/342-5662.

### MMA NEWS NOW

Stay informed with the MMA's weekly news bulletin, published every Thursday. Sign up at [www.mnmed.org](http://www.mnmed.org).

### CAPITOL ROUNDS

Schedule a casual meeting with your state representative or senator and take a tour of the Capitol. Contact Dennis Gerhardstein or Mandy Rubenstein, managers of physician outreach, at 800/342-5662.

# The Physician Advocate



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## Day at the Capitol 2011

Your legislator will see you now.

Wednesday, January 26

2 – 4:30 p.m. meet your legislators, reception to follow

Minnesota State Capitol, St. Paul

Register at [mnmed.org/DAC2011](http://mnmed.org/DAC2011)



For the latest Capitol updates, check your email for *MMA News Now* every Thursday.



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