Major health care bill kicks off 2017 session

Given the number of new legislators coming to the Capitol, seasoned observers expected a slow start to this year’s session. They miscalculated. The first legislation in the House and the Senate was a large health care bill that Gov. Mark Dayton quickly passed and signed.

In the last week of January, lawmakers approved $326 million in premium relief to Minnesotans who buy coverage on the individual market.

“This is an example of the Legislature working together to get needed relief quickly to Minnesotans who are hurting,” says MMA President David Agerter, MD. “Republicans and Democrats put their differences aside to get this done.”

Along with premium relief, the law included the following:

• For care provided at an in-network facility, patients will not have to pay out-of-network rates when they receive care from a non-network physician or other provider without the patient’s advance understanding or ability to choose.

This is expected to affect specialists like anesthesiologists, pathologists and radiologists who are not part of a patient’s insurance network but practice in an in-network hospital or surgery center.

• A disclosure provision applies to specimens collected by a physician and referred to an external lab, pathologist or other testing facility. The MMA, concerned that this would hurt physicians’ ability to get fairly compensated for their work, lobbied lawmakers to revise the original language. The law, as passed, directs physicians and health plans to negotiate the out-of-network rate. If they can’t reach an agreement, either side can seek review by an independent arbitrator. Arbitrators will reference a number of sources, including a national database gathered by an independent nonprofit that tracks all payers or other testing facility. The MMA, referred to an external lab, pathologist or other testing facility. The MMA, concerned that this would hurt physicians’ ability to get fairly compensated for their work, lobbied lawmakers to revise the original language. The law, as passed, directs physicians and health plans to negotiate the out-of-network rate. If they can’t reach an agreement, either side can seek review by an independent arbitrator. Arbitrators will reference a number of sources, including a national database gathered by an independent nonprofit that tracks all payers to determine a usual, customary and reasonable payment for physicians.

• Minnesota will now allow for-profit HMOs to operate in the state. During floor debate, Senate Democrats tried to get this issue removed but didn’t have enough votes.

• Language permitting the creation of an agricultural cooperative program was included. This allows farmers and others in the agriculture industry to pool together and purchase health insurance as a group in an effort to lower their costs.

To address increasing concerns about narrow networks, the law allows physicians and other providers the ability to appeal a waiver of network adequacy requirements granted to a health plan by the health department. Under current law, the health department may grant waivers of network requirements, including access within 30 minutes/30 miles to primary care physicians, general hospital, and mental health services, if the health plan demonstrates with specific data that the network requirements are not feasible in a particular area. For 2017, appeals must be filed within 60 days of enactment of the law (by approximately March 26). Appeals

### News Briefs

**Governor proposes extending provider tax**

As part of his budget for 2018-2019, Gov. Mark Dayton proposed continuing the provider tax beyond its scheduled 2019 repeal. He also proposed creating a “public option” for Minnesotans who buy their insurance through MNsure.

The MMA has fought against the provider tax for more than 20 years. It remains a top priority for this legislative session. The MMA sent out an Action Alert to physicians two days after Dayton’s State of the State speech, encouraging them to contact their state representative and senator to oppose Dayton’s provider tax recommendation.

Dayton also proposed shifting more than $700 million in Medical Assistance costs onto the provider tax, which is deposited in the Health Care Access Fund. The General Fund has historically financed Medical Assistance. Currently, it has a surplus of $1.4 billion.

Dayton’s other ambitious health care proposal suggested a “public option” for those who buy their health coverage on the individual market. This new option would be “modeled on the current MinnesotaCare program, which would continue to provide high-quality coverage to low-income Minnesotans.”

As proposed, MinnesotaCare would continue in its current form for people with incomes below 200 percent of the federal poverty level. For those purchasing coverage on MNsure, MinnesotaCare would be available as an option they could purchase. For those with incomes between 200 and 400 percent of the federal poverty level, federal tax credits would be available to subsidize the cost of MinnesotaCare—assuming Congress retains the tax credits, which are part of the Affordable Care Act. If the Legisla-
The law also provides some limited continuity-of-care coverage to individuals who purchase coverage on their own on the individual market, if their health plan pulled out of the market in 2017. Physicians and other providers who had been treating a patient but are no longer in the patient’s new health plan network can provide—at in-network rates—up to 120 days of care if the patient was being treated for:

- An acute condition
- A life-threatening mental or physical illness
- Pregnancy beyond the first trimester of pregnancy
- A physical or mental disability defined as an inability to engage in one or more major life activities—provided the disability has lasted or can be expected to last for at least one year or can be expected to result in death. (Enrollees also can be covered for the rest of their life if a physician certifies that the patient has an expected lifetime of 180 days or fewer.)

During debate on the bill, the MMA worked to remove a House amendment that would have allowed insurers to sell bare-bones coverage in Minnesota. This proposal would have allowed insurers to sell policies that would not have to cover, for example, preventive care, immunizations, mental health care and maternity care.

Also, a proposal to reinstate a high-risk pool, similar to the former Minnesota Comprehensive Health Association, was removed from the legislation. The issue of risk pooling and reinsurance may come up in a separate bill.

According to a new AMA survey, physicians and their staff process an average of 37 PA requests per week. It takes an average of 16 hours—the equivalent of two business days—to process the weekly load of PA requests.

The survey also found:

- 75 percent of surveyed physicians described PA burdens as high or extremely high.
- More than one-third of surveyed physicians reported having staff who work exclusively on PA.
- 25 percent of physicians said they wait three business days or longer for PA decisions.

The MMA continues to make reforming medication prior authorization in Minnesota a top legislative priority. The MMA is part of a Minnesota-based coalition of 45 entities called Fix PA Now (FixPANow.com) that has similar goals.
MMA petitions Congressional delegation to stand up for patients

The MMA sent a letter to Minnesota’s Congressional delegation in January urging them to take a strong leadership role in ensuring that Minnesota patients remain at the center of all discussions regarding the future of health care reform.

“The current effort to repeal the Affordable Care Act (ACA), without clear guidance as to what a replacement plan will encompass, is reckless,” says the letter signed by MMA President David Agerter, MD.

“The ACA warrants scrutiny so that it can be improved,” the letter continues. “But a wholesale repeal of the ACA—without a defined and understandable path forward—will cause significant uncertainty, and potentially real harm. Patients with serious illnesses and chronic disease will likely experience stress and confusion about their insurance coverage and its effect on treatment plans. Physician practices will face uncertainty with respect to uncompensated care, which could limit investment in care delivery and practice redesign, and will certainly distract from the day-to-day needs of patients.”

The letter, which also suggests that any future proposals must ensure that patients covered today are able to maintain coverage, was emailed to: Sens. Amy Klobuchar and Al Franken and Reps. Timothy Walz (MN - District 1), Jason Lewis (MN - District 2), Erik Paulsen (MN - District 3), Betty McCollum (MN - District 4), Keith Ellison (MN - District 5), Tom Emmer (MN - District 6), Collin Peterson (MN - District 7) and Rick Nolan (MN - District 8).

MMA leads collaboration on advanced serious illness

Chief medical officers from several large health systems gathered at the MMA office in mid-January to review progress on the Advanced Serious Illness Collaborative (previously the End-of-Life Collaborative).

Last year, representatives from 10 systems gathered to discuss end-of-life care. The group’s emphasis soon evolved to advanced serious illness.

Participating systems include: Allina Health, CentraCare Health, Children’s Hospitals and Clinics of Minnesota, Essentia Health, Fairview Health Services, Hennepin County Medical Center, M Health, Mayo Clinic, North Memorial Health Care and Sanford Health.

The group’s goals are:
- Identifying all people with “serious” illness
- Growth of primary palliative care capacity (toolkit, how-to conversations, expectations, etc.)
- Early education and training for physicians and other clinicians.

On the calendar

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<thead>
<tr>
<th>Event</th>
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<tr>
<td>St. Paul Physicians’ Social</td>
<td>May 23</td>
<td>Lake Monster Brewing Company</td>
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<tr>
<td>Rochester Physicians’ Social</td>
<td>May 24</td>
<td>Bleu Duck Kitchen</td>
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<tr>
<td>St. Cloud Physicians’ Social</td>
<td>June 1</td>
<td>Beaver Island Brewing Company</td>
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<td>Duluth Physicians’ Social</td>
<td>June 1</td>
<td>Fitger’s</td>
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<tr>
<td>Annual Conference</td>
<td>Sept. 22</td>
<td>Rochester – Mayo Civic Center</td>
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Check the MMA’s website (www.mnmed.org/events) for more information and to register.

Report confirms health inequities in state

Gaps in health coverage between white Minnesotans and other populations continue to exist, says a report released in early February by MN Community Measurement (MNCM).

The 2016 Health Equity of Care Report shows that some racial, ethnic, language and country-of-origin groups have consistently poorer measures of health than other groups. The report also shows, for the first time, how charged rates on those measures vary by medical group across the state, and it gives examples of
what groups are doing to improve outcomes for their patients.

“Minnesota is one of the healthiest states in the nation,” says Jim Chase, MNCM president. “At the same time, we have some clear and persistent inequities in health status. Patients from specific geographic regions and populations—including those in Greater Minnesota, people of color, people who identify as Hispanic, immigrants, and people who do not speak proficient English—are less likely to receive preventive screenings and more likely to suffer from negative health outcomes.”

“Race is an independent factor contributing to health inequities,” says Fatima Jiwa, MBChB, who served as chair of the MMA’s Health Disparities Work Group. “Access to health care, socioeconomic status, education level, etc., are often cited as the reasons for these disparities. Structural racism in all institutions, in particular, is pervasive and particularly challenging to discover and call out.”

The measures of health reflected in the report are adolescent mental health and/or depression screening, adolescent overweight counseling, colorectal cancer screening, optimal asthma control for adults, optimal asthma control for children, optimal diabetes care, and optimal vascular care.

MMA in Action
MMA Board Chair Douglas Wood, MD, CEO Robert Meiches, MD, Janet Silversmith, director of health policy, and Dan Hauser, director of communications, education and events, met with the Minneapolis Star Tribune’s editorial board in February to discuss a variety of issues regarding health care reform.

Eric Dick, manager of state legislative affairs, joined the Minnesota Academy of Otolaryngology’s annual Winter Conference in late January. In addition to providing an overview of the legislative session, Dick addressed several legislative issues of specific concern to many otolaryngologists, including scope of practice for allied health professionals, tobacco control, the provider tax and prior authorization reform.

SAVE THE DATE
FOR SPRING 2017
Physicians’ Socials

FOURSOCIALS
TWINCITIES Tuesday, May 23
Lake Monster Brewing Company

ROCHESTER Wednesday, May 24
Bleu Duck Kitchen

ST. CLOUD Thursday, June 1
Beaver Island Brewing Company

DULUTH Wednesday, June 7
Fitger’s Brewhouse

Watch for details in MMA News Now.