SENATE
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DATE	D-PG	OFFICIAL STATUS
03/07/2019	698	Introduction and first reading Referred to Health and Human Services Finance and Policy
03/26/2019	1337	Author added Hawj

A bill for an act

relating to health; conducting an analysis of the benefits and costs of a universal health care system to assist the legislature in comparing it to the current health care financing system; requiring a report; appropriating money.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **BENEFIT AND COST ANALYSIS OF A UNIVERSAL HEALTH REFORM PROPOSAL.**

Subdivision 1. **Contract for analysis of proposal.** The commissioner of health shall contract with the University of Minnesota School of Public Health and the Carlson School of Management to conduct an analysis of the benefits and costs of a legislative proposal for a universal health care financing system and a similar analysis of the current health care financing system to assist the state in comparing the proposal to the current system.

Subd. 2. **Proposal.** The commissioner of health, with input from the commissioners of human services and commerce, shall submit to the University of Minnesota for analysis a legislative proposal known as the Minnesota Health Plan that would offer a universal health care plan designed to meet the following principles:

(1) ensure all Minnesotans are covered;

(2) cover all necessary care, including dental, vision and hearing, mental health, chemical dependency treatment, prescription drugs, medical equipment and supplies, long-term care, and home care; and

(3) allow patients to choose their doctors, hospitals, and other providers.

Subd. 3. **Proposal analysis.** (a) The analysis must measure the performance of both the Minnesota Health Plan and the current health care financing system over a ten-year period to contrast the impact on:

(1) the number of people covered versus the number of people who continue to lack access to health care because of financial or other barriers, if any;

(2) the completeness of the coverage and the number of people lacking coverage for dental, long-term care, medical equipment or supplies, vision and hearing, or other health services that are not covered, if any;

(3) the adequacy of the coverage, the level of underinsured in the state, and whether people with coverage can afford the care they need or whether cost prevents them from accessing care;

(4) the timeliness and appropriateness of the care received and whether people turn to inappropriate care such as emergency rooms because of a lack of proper care in accordance with clinical guidelines; and

(5) total public and private health care spending in Minnesota under the current system versus under the legislative proposal, including all spending by individuals, businesses, and government. "Total public and private health care spending" means spending on all medical care including but not limited to dental, vision and hearing, mental health, chemical dependency treatment, prescription drugs, medical equipment and supplies, long-term care, and home care, whether paid through premiums, co-pays and deductibles, other out-of-pocket payments, or other funding from government, employers, or other sources. Total public and private health care spending also includes the costs associated with administering, delivering, and paying for the care. The costs of administering, delivering, and paying for the care includes all expenses by insurers, providers, employers, individuals, and government to select, negotiate, purchase, and administer insurance and care including but not limited to coverage for health care, dental, long-term care, prescription drugs, medical expense portions of workers compensation and automobile insurance, and the cost of administering and paying for all health care products and services that are not covered by insurance. The analysis of total health care spending shall examine whether there are savings or additional costs under the legislative proposal compared to the existing system due to:

(i) reduced insurance, billing, underwriting, marketing, evaluation, and other administrative functions including savings from global budgeting for hospitals and institutional care instead of billing for individual services provided;

(ii) reduced prices on medical services and products including pharmaceuticals due to price negotiations, if applicable under the proposal;

(iii) the extent possible given available data and resources, shortages or excess capacity of medical facilities and equipment under either the current system or the proposal;

(iv) changes in utilization, better health outcomes, and reduced time away from work due to prevention, early intervention, and health-promoting activities; and

(v) the extent possible given available data and resources, the impact on state, local, and federal government non-health-care expenditures such as reduced crime and out-of-home placement costs due to mental health or chemical dependency coverage.

(b) To the extent possible given available data and resources, the analysis must also estimate for the proposal job losses or gains in health care delivery, health billing and insurance administration, and elsewhere in the economy due to implementation of the reforms and the resulting reduction of insurance and administrative burdens on businesses.

(c) The analysts may consult with authors of the legislative proposal to gain understanding or clarification of the specifics of the proposal. The analysis shall assume that the provisions in the proposal are not preempted by federal law or that the federal government gives a waiver to the preemptions.

(d) The commissioner shall issue a final report by January 15, 2021, and may provide interim reports and status updates to the governor and the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance.

Sec. 2. **APPROPRIATION.**

$500,000 in fiscal year 2020 is appropriated from the general fund to the commissioner of health to contract with the University of Minnesota to conduct an economic analysis of benefits and costs of the health care system proposal specified in section 1.

Sec. 3. **EFFECTIVE DATE.**

Sections 1 and 2 are effective the day following final enactment.