

**SENATE  
STATE OF MINNESOTA  
NINETY-SECOND SESSION**

**S.F. No. 972**

(SENATE AUTHORS: DAHMS)

DATE	D-PG	OFFICIAL STATUS
02/11/2021	342	Introduction and first reading
		Referred to Commerce and Consumer Protection Finance and Policy
04/06/2021		Comm report: To pass as amended and re-refer to Finance

1.1 A bill for an act

1.2 relating to commerce; appropriating money for the Department of Commerce;

1.3 modifying the evaluation process for mandated health benefit proposals; requiring

1.4 the commissioner of commerce to apply for continuation of the state innovation

1.5 waiver; requiring reports; amending Minnesota Statutes 2020, sections 62J.03,

1.6 subdivision 4; 62J.26, subdivisions 1, 2, 3, 4, 5; Laws 2017, chapter 13, article 1,

1.7 section 15, as amended.

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

1.9 **ARTICLE 1**

1.10 **COMMERCE AND CONSUMER PROTECTION FINANCE**

1.11 Section 1. **APPROPRIATIONS.**

1.12 (a) The sums shown in the columns marked "Appropriations" are appropriated to the

1.13 agencies and for the purposes specified in this article. The appropriations are from the

1.14 general fund, or another named fund, and are available for the fiscal years indicated for

1.15 each purpose. The figures "2022" and "2023" used in this article mean that the appropriations

1.16 listed under them are available for the fiscal year ending June 30, 2022, or June 30, 2023,

1.17 respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The

1.18 biennium" is fiscal years 2022 and 2023.

1.19 (b) If an appropriation in this article is enacted more than once in the 2021 regular or

1.20 special legislative sessions, the appropriation must be given effect only once.

1.21	<b><u>APPROPRIATIONS</u></b>	
1.22	<b><u>Available for the Year</u></b>	
1.23	<b><u>Ending June 30</u></b>	
1.24	<b><u>2022</u></b>	<b><u>2023</u></b>

1.25 Sec. 2. **DEPARTMENT OF COMMERCE**

2.1	<u>Subdivision 1. <b>Total Appropriation</b></u>		<u>\$ 22,464,000</u>	<u>\$ 21,354,000</u>
2.2	<u>Appropriations by Fund</u>			
2.3		<u>2022</u>	<u>2023</u>	
2.4	<u>General</u>	<u>21,703,000</u>	<u>20,593,000</u>	
2.5	<u>Workers'</u>			
2.6	<u>Compensation</u>	<u>761,000</u>	<u>761,000</u>	
2.7	<u>The amounts that may be spent for each</u>			
2.8	<u>purpose are specified in the following</u>			
2.9	<u>subdivisions.</u>			
2.10	<u>Subd. 2. <b>Financial Institutions</b></u>		<u>1,390,000</u>	<u>1,390,000</u>
2.11	<u>\$400,000 each year is for a grant to Prepare</u>			
2.12	<u>and Prosper to develop, market, evaluate, and</u>			
2.13	<u>distribute a financial services inclusion</u>			
2.14	<u>program that (1) assists low-income and</u>			
2.15	<u>financially underserved populations to build</u>			
2.16	<u>savings and strengthen credit, and (2) provides</u>			
2.17	<u>services to assist low-income and financially</u>			
2.18	<u>underserved populations to become more</u>			
2.19	<u>financially stable and secure. Money</u>			
2.20	<u>remaining after the first year is available for</u>			
2.21	<u>the second year.</u>			
2.22	<u>Subd. 3. <b>Administrative Services</b></u>		<u>9,122,000</u>	<u>8,498,000</u>
2.23	<u>(a) \$384,000 each year is for additional</u>			
2.24	<u>compliance efforts with unclaimed property.</u>			
2.25	<u>The commissioner may issue contracts for</u>			
2.26	<u>these services.</u>			
2.27	<u>(b) \$5,000 each year is for Real Estate</u>			
2.28	<u>Appraisal Advisory Board compensation</u>			
2.29	<u>pursuant to Minnesota Statutes, section</u>			
2.30	<u>82B.073, subdivision 2a.</u>			
2.31	<u>(c) \$350,000 each year is for system</u>			
2.32	<u>modernization and cybersecurity upgrades for</u>			
2.33	<u>the unclaimed property program.</u>			

3.1 (d) \$564,000 each year is for additional  
 3.2 operations of the unclaimed property program.

3.3 (e) \$832,000 in fiscal year 2022 and \$208,000  
 3.4 in fiscal year 2023 are for IT system  
 3.5 modernization. The base amount in fiscal year  
 3.6 2024 and beyond is \$0.

3.7 **Subd. 4. Enforcement** 5,268,000 5,268,000

	<u>Appropriations by Fund</u>	
3.8 <u>General</u>	<u>5,067,000</u>	<u>5,067,000</u>
3.9 <u>Workers'</u>		
3.10 <u>Compensation</u>	<u>201,000</u>	<u>201,000</u>

3.11 (a) \$279,000 each year is for health care  
 3.12 enforcement.

3.13 (b) \$201,000 each year is from the workers'  
 3.14 compensation fund.

3.15 **Subd. 5. Insurance** 6,424,000 6,093,000

	<u>Appropriations by Fund</u>	
3.16 <u>General</u>	<u>5,563,000</u>	<u>5,533,000</u>
3.17 <u>Workers'</u>		
3.18 <u>Compensation</u>	<u>560,000</u>	<u>560,000</u>

3.19 (a) \$642,000 each year is for health insurance  
 3.20 rate review staffing.

3.21 (b) \$412,000 each year is for actuarial work  
 3.22 to prepare for implementation of  
 3.23 principle-based reserves.

3.24 (c) \$30,000 in fiscal year 2022 is to pay for  
 3.25 two years of membership dues for Minnesota  
 3.26 to the National Conference of Insurance  
 3.27 Legislators.

3.28 (d) \$425,000 each year is for licensing  
 3.29 activities under Minnesota Statutes, chapter  
 3.30 62W. Of this amount, \$246,000 each year  
 3.31 must be used only for staff costs associated

4.1 with two enforcement investigators to enforce  
 4.2 Minnesota Statutes, chapter 62W.

4.3 (e) \$560,000 each year is from the workers'  
 4.4 compensation fund.

4.5 **Subd. 6. Mandated Health Benefit Proposals**  
 4.6 **Evaluation**

105,000

105,000

4.7 \$105,000 each year is to evaluate legislation  
 4.8 for new mandated health benefits under  
 4.9 Minnesota Statutes, section 62J.26, as  
 4.10 amended by article 2.

4.11 **Subd. 7. Continuation of State Innovation**  
 4.12 **Waiver**

155,000

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4.13 \$155,000 in fiscal year 2022 is to prepare and  
 4.14 submit an application for continuance of the  
 4.15 state innovation waiver pursuant to article 3,  
 4.16 section 2.

4.17 **Sec. 3. DEPARTMENT OF EDUCATION**

4.18 **Subdivision 1. Transfer**

4.19 \$300,000 in fiscal year 2022 is transferred  
 4.20 from the consumer education account in the  
 4.21 special revenue fund to the general fund.

4.22 **Subd. 2. Appropriation**

\$      150,000 \$

150,000

4.23 (a) \$150,000 in fiscal year 2022 and \$150,000  
 4.24 in fiscal year 2023 are for grants to the  
 4.25 Minnesota Council on Economic Education.  
 4.26 This is a onetime appropriation.

4.27 (b) The funds under paragraph (a) must be  
 4.28 used by the council to:

4.29 (1) provide professional development to  
 4.30 Minnesota's kindergarten through grade 12  
 4.31 teachers implementing state graduation  
 4.32 standards in learning areas related to economic  
 4.33 education;

5.1 (2) support the direct-to-student ancillary  
5.2 economic and personal finance programs that  
5.3 Minnesota teachers supervise and coach; and  
5.4 (3) provide support to geographically diverse  
5.5 affiliated higher education-based centers for  
5.6 economic education, including those based at  
5.7 Minnesota State University Mankato,  
5.8 Minnesota State University Moorhead, St.  
5.9 Cloud State University, St. Catherine  
5.10 University, and the University of St. Thomas,  
5.11 as their work relates to activities in clauses (1)  
5.12 and (2).

5.13 (c) By February 15 of each year following the  
5.14 receipt of a grant, the Minnesota Council on  
5.15 Economic Education must report to the  
5.16 commissioner of education on the number and  
5.17 type of in-person and online teacher  
5.18 professional development opportunities  
5.19 provided by the Minnesota Council on  
5.20 Economic Education or its affiliated state  
5.21 centers. The report must include a description  
5.22 of the content, length, and location of the  
5.23 programs; the number of preservice and  
5.24 licensed teachers receiving professional  
5.25 development through each of these  
5.26 opportunities; and a summary of evaluations  
5.27 of professional opportunities for teachers.

5.28 (d) On August 15, 2021, the Department of  
5.29 Education must pay the full amount of the  
5.30 grant for fiscal year 2022 to the Minnesota  
5.31 Council on Economic Education. On August  
5.32 15, 2022, the Department of Education must  
5.33 pay the full amount of the grant for fiscal year  
5.34 2023 to the Minnesota Council on Economic  
5.35 Education. The Minnesota Council on

6.1 Economic Education must submit its fiscal  
 6.2 reporting in the form and manner specified by  
 6.3 the commissioner. The commissioner may  
 6.4 request additional information as necessary.

6.5 **Sec. 4. MINNESOTA MANAGEMENT AND**  
 6.6 **BUDGET**

**\$            **49,000** **\$**            **49,000****

6.7 \$49,000 each year is for consultation with the  
 6.8 commissioner of commerce to evaluate  
 6.9 legislation for new mandated health benefits  
 6.10 under Minnesota Statutes, section 62J.26, as  
 6.11 amended by article 2.

6.12 **Sec. 5. DEPARTMENT OF HEALTH**

**\$            **37,000** **\$**            **37,000****

6.13 \$37,000 each year is for consultation with the  
 6.14 commissioner of commerce to evaluate  
 6.15 legislation for new mandated health benefits  
 6.16 under Minnesota Statutes, section 62J.26, as  
 6.17 amended by article 2.

6.18 **Sec. 6. TRANSFER.**

6.19 The commissioner of management and budget shall transfer \$150,000,000 in fiscal year  
 6.20 2024 from the general fund to the premium security plan account in Minnesota Statutes,  
 6.21 section 62E.25, subdivision 1.

6.22 **Sec. 7. CANCELLATION; FISCAL YEAR 2021.**

6.23 \$1,220,000 of the fiscal year 2021 general fund appropriation under Laws 2019, First  
 6.24 Special Session chapter 7, article 1, section 6, subdivision 3, is canceled.

6.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

6.26 **ARTICLE 2**

6.27 **MANDATED HEALTH BENEFIT PROPOSALS EVALUATION**

6.28 Section 1. Minnesota Statutes 2020, section 62J.03, subdivision 4, is amended to read:

6.29 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of health, unless  
 6.30 another commissioner is specified.

7.1 Sec. 2. Minnesota Statutes 2020, section 62J.26, subdivision 1, is amended to read:

7.2 Subdivision 1. **Definitions.** For purposes of this section, the following terms have the  
7.3 meanings given unless the context otherwise requires:

7.4 (1) "commissioner" means the commissioner of commerce;

7.5 (2) "enrollee" has the meaning given in section 62Q.01, subdivision 2b;

7.6 ~~(2)~~ (3) "health plan" means a health plan as defined in section 62A.011, subdivision 3,  
7.7 but includes coverage listed in clauses (7) and (10) of that definition;

7.8 ~~(3)~~ (4) "mandated health benefit proposal" or "proposal" means a proposal that would  
7.9 statutorily require a health plan company to do the following:

7.10 (i) provide coverage or increase the amount of coverage for the treatment of a particular  
7.11 disease, condition, or other health care need;

7.12 (ii) provide coverage or increase the amount of coverage of a particular type of health  
7.13 care treatment or service or of equipment, supplies, or drugs used in connection with a health  
7.14 care treatment or service; ~~or~~

7.15 (iii) provide coverage for care delivered by a specific type of provider;

7.16 (iv) require a particular benefit design or impose conditions on cost-sharing for:

7.17 (A) the treatment of a particular disease, condition, or other health care need;

7.18 (B) a particular type of health care treatment or service; or

7.19 (C) the provision of medical equipment, supplies, or a prescription drug used in  
7.20 connection with treating a particular disease, condition, or other health care need; or

7.21 (v) impose limits or conditions on a contract between a health plan company and a health  
7.22 care provider.

7.23 "Mandated health benefit proposal" does not include health benefit proposals amending  
7.24 the scope of practice of a licensed health care professional.

7.25 Sec. 3. Minnesota Statutes 2020, section 62J.26, subdivision 2, is amended to read:

7.26 Subd. 2. **Evaluation process and content.** (a) The commissioner, in consultation with  
7.27 the commissioners of health and management and budget, must evaluate all mandated health  
7.28 benefit proposals as provided under subdivision 3.

8.1 (b) The purpose of the evaluation is to provide the legislature with a complete and timely  
 8.2 analysis of all ramifications of any mandated health benefit proposal. The evaluation must  
 8.3 include, in addition to other relevant information, the following to the extent applicable:

8.4 (1) scientific and medical information on the ~~proposed health benefit~~ mandated health  
 8.5 benefit proposal, on the potential for harm or benefit to the patient, and on the comparative  
 8.6 benefit or harm from alternative forms of treatment, and must include the results of at least  
 8.7 one professionally accepted and controlled trial comparing the medical consequences of  
 8.8 the proposed therapy, alternative therapy, and no therapy;

8.9 (2) public health, economic, and fiscal impacts of the ~~proposed mandate~~ mandated health  
 8.10 benefit proposal on persons receiving health services in Minnesota, on the relative  
 8.11 cost-effectiveness of the ~~benefit proposal~~, and on the health care system in general;

8.12 (3) the extent to which the treatment, service, equipment, or drug is generally utilized  
 8.13 by a significant portion of the population;

8.14 (4) the extent to which insurance coverage for the ~~proposed mandated benefit~~ mandated  
 8.15 health benefit proposal is already generally available;

8.16 (5) the extent to which the mandated health benefit proposal, by payer category, would  
 8.17 apply to the benefits offered to the payer's enrollees;

8.18 ~~(5)~~ (6) the extent to which the ~~mandated coverage~~ mandated health benefit proposal will  
 8.19 increase or decrease the cost of the treatment, service, equipment, or drug; and

8.20 (7) the extent to which the mandated health benefit proposal may increase enrollee  
 8.21 premiums; and

8.22 (8) if the proposal applies to a qualified health plan as defined in section 62A.011,  
 8.23 subdivision 7, the cost to the state to defray the cost of the mandated health benefit proposal  
 8.24 using commercial market reimbursement rates in accordance with Code of Federal  
 8.25 Regulations, title 45, section 155.70.

8.26 ~~(6)~~ (c) The commissioner ~~may~~ shall consider actuarial analysis done by health ~~insurers~~  
 8.27 plan companies and any other proponent or opponent of the mandated health benefit proposal  
 8.28 in determining the cost of the ~~proposed mandated benefit~~ proposal.

8.29 ~~(e)~~ (d) The commissioner must summarize the nature and quality of available information  
 8.30 on these issues, and, if possible, must provide preliminary information to the public. The  
 8.31 commissioner may conduct research on these issues or may determine that existing research  
 8.32 is sufficient to meet the informational needs of the legislature. The commissioner may seek



9.1 the assistance and advice of researchers, community leaders, or other persons or organizations  
9.2 with relevant expertise.

9.3 Sec. 4. Minnesota Statutes 2020, section 62J.26, subdivision 3, is amended to read:

9.4 Subd. 3. **Requests Requirements for evaluation.** (a) ~~Whenever a legislative measure~~  
9.5 ~~containing a mandated health benefit proposal is introduced as a bill or offered as an~~  
9.6 ~~amendment to a bill, or is likely to be introduced as a bill or offered as an amendment, a~~  
9.7 No later than August 1 of the year preceding the legislative session in which a legislator is  
9.8 planning on introducing a bill containing a mandated health benefit proposal, or is planning  
9.9 on offering an amendment to a bill that adds a mandated health benefit, the prospective  
9.10 author must notify the chair of one of the standing legislative committees that have  
9.11 jurisdiction over the subject matter of the proposal. Once notification is received, the chair  
9.12 ~~of any standing legislative committee that has jurisdiction over the subject matter of the~~  
9.13 ~~proposal may request that~~ must notify the commissioner complete that an evaluation of the  
9.14 a mandated health benefit proposal under this section, to is required to be completed in  
9.15 accordance with this section in order to inform any committee of floor the legislature before  
9.16 any action is taken on the proposal by either house of the legislature.

9.17 (b) The commissioner must conduct an evaluation described in subdivision 2 of each  
9.18 mandated health benefit proposal for which an evaluation is ~~requested~~ required under  
9.19 paragraph (a), ~~unless the commissioner determines under paragraph (c) or subdivision 4~~  
9.20 ~~that priorities and resources do not permit its evaluation.~~

9.21 (c) If ~~requests for the~~ evaluation of multiple proposals are ~~received~~ required, the  
9.22 commissioner must consult with the chairs of the standing legislative committees having  
9.23 jurisdiction over the subject matter of the mandated health benefit proposals to prioritize  
9.24 the ~~requests~~ evaluations and establish a reporting date for each proposal to be evaluated.  
9.25 ~~The commissioner is not required to direct an unreasonable quantity of the commissioner's~~  
9.26 ~~resources to these evaluations.~~

9.27 Sec. 5. Minnesota Statutes 2020, section 62J.26, subdivision 4, is amended to read:

9.28 Subd. 4. **Sources of funding.** (a) The commissioner ~~need~~ shall not use any funds for  
9.29 purposes of this section other than as provided in this subdivision or as specified in an  
9.30 appropriation.

9.31 (b) The commissioner may seek and accept funding from sources other than the state to  
9.32 pay for evaluations under this section to supplement or replace state appropriations. Any  
9.33 money received under this paragraph must be deposited in the state treasury, credited to a

10.1 separate account for this purpose in the special revenue fund, and is appropriated to the  
 10.2 commissioner for purposes of this section.

10.3 (c) If ~~a request for an evaluation is required~~ under this section ~~has been made~~, the  
 10.4 commissioner may use for purposes of the evaluation:

10.5 (1) any funds appropriated to the commissioner specifically for purposes of this section;  
 10.6 or

10.7 (2) funds available under paragraph (b), if use of the funds for evaluation of that mandated  
 10.8 health benefit proposal is consistent with any restrictions imposed by the source of the funds.

10.9 (d) The commissioner must ensure that the source of the funding has no influence on  
 10.10 the process or outcome of the evaluation.

10.11 Sec. 6. Minnesota Statutes 2020, section 62J.26, subdivision 5, is amended to read:

10.12 Subd. 5. **Report to legislature.** The commissioner must submit a written report on the  
 10.13 evaluation to the ~~legislature~~ author of the proposal and to the chairs and ranking minority  
 10.14 members of the legislative committees with jurisdiction over health insurance policy and  
 10.15 finance no later than 180 days after the request. ~~The report must be submitted in compliance~~  
 10.16 ~~with sections 3.195 and 3.197~~ commissioner receives notification from a chair as required  
 10.17 under subdivision 3.

### 10.18 ARTICLE 3

#### 10.19 MINNESOTA PREMIUM SECURITY PLAN

10.20 Section 1. Laws 2017, chapter 13, article 1, section 15, as amended by Laws 2017, First  
 10.21 Special Session chapter 6, article 5, section 10, and Laws 2019, First Special Session chapter  
 10.22 9, article 8, section 19, is amended to read:

10.23 Sec. 15. **MINNESOTA PREMIUM SECURITY PLAN FUNDING.**

10.24 (a) The Minnesota Comprehensive Health Association shall fund the operational and  
 10.25 administrative costs and reinsurance payments of the Minnesota security plan and association  
 10.26 using the following amounts deposited in the premium security plan account in Minnesota  
 10.27 Statutes, section 62E.25, subdivision 1, in the following order:

10.28 (1) any federal funding available;

10.29 (2) funds deposited under article 1, sections 12 and 13;

10.30 (3) any state funds from the health care access fund; and

11.1 (4) any state funds from the general fund.

11.2 (b) The association shall transfer from the premium security plan account any remaining  
 11.3 state funds not used for the Minnesota premium security plan by June 30, ~~2023~~ 2025, to the  
 11.4 commissioner of commerce. Any amount transferred to the commissioner of commerce  
 11.5 shall be deposited in the health care access fund in Minnesota Statutes, section 16A.724.

11.6 (c) The Minnesota Comprehensive Health Association may not spend more than  
 11.7 \$271,000,000 for benefit year 2018 and not more than \$271,000,000 for benefit year 2019  
 11.8 for the operational and administrative costs of, and reinsurance payments under, the  
 11.9 Minnesota premium security plan.

11.10 **Sec. 2. CONTINUATION OF STATE INNOVATION WAIVER.**

11.11 **Subdivision 1. Submission of waiver continuation application.** The commissioner of  
 11.12 commerce shall apply to the secretary of health and human services under United States  
 11.13 Code, title 42, section 18052, for a continuation of the state innovation waiver previously  
 11.14 granted to continue the Minnesota premium security plan for benefit years beginning January  
 11.15 1, 2023, and future years, to maximize federal funding. The waiver continuation application  
 11.16 must clearly state that operation of the Minnesota premium security plan after the 2022  
 11.17 benefit year is contingent on approval of the waiver continuation request.

11.18 **Subd. 2. Consultation.** In preparing the waiver continuation application, the  
 11.19 commissioner shall consult with the commissioner of human services, the commissioner of  
 11.20 health, and the MNsure board.

11.21 **Subd. 3. Application timelines; notification.** The commissioner shall submit the waiver  
 11.22 continuation application to the secretary of health and human services on or before June  
 11.23 15, 2021. The commissioner shall notify the chairs and ranking minority members of the  
 11.24 legislative committees with jurisdiction over health and human services and insurance, and  
 11.25 the board of directors of the Minnesota Comprehensive Health Association, of any federal  
 11.26 actions regarding the waiver continuation application.

11.27 **Subd. 4. Minnesota premium security plan administration.** (a) The Minnesota  
 11.28 Comprehensive Health Association must administer the Minnesota premium security plan  
 11.29 through the 2022 benefit year.

11.30 (b) The Minnesota Comprehensive Health Association must administer the Minnesota  
 11.31 premium security plan through the 2023 benefit year, provided that the waiver continuation  
 11.32 application described in this section is granted.

11.33 **EFFECTIVE DATE.** This section is effective the day following final enactment.