



CELEBRATING 40 YEARS

1984 - 2024

2024

Legislative Impact

An in-depth analysis of Medical Alley's influence on policy and innovation in Minnesota, as well as a summary of major legislation passed this session.

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Introduction

The 2024 Minnesota Legislative Session ended amid high tensions between Republican and DFL lawmakers, racing to close business by 11:59 p.m. on May 19.

For the second year of the biennium, DFL elected officials held a ‘trifecta’ — control of Minnesota’s House, Senate, and the Governor’s office. After a record two-year \$72 billion budget passed in 2023, legislative leaders anticipated passing a capital investment bill and a host of policy priorities in 2024.

However, as the gavel fell on this year’s session, the state’s bonding bill — which required Republican support — and a number of other policy initiatives did not pass.

Throughout the 2024 Legislative Session, Medical Alley helped deliver on several initiatives with the guiding principles of advancing innovation, improving access, reducing costs, and increasing the quality of care.

With many new laws passed this session taking effect July 1, Medical Alley’s 2024 Legislative Review provides a summary on key policy priorities and major legislation signed into law.

Our Efforts Included

Supporting **healthcare workforce** initiatives that make it easier to work in healthcare in Minnesota, retain existing healthcare professionals, and recruit new employees into the healthcare workforce.

Advocating for balance in **environmental regulations** that protect consumers while ensuring patient access to healthcare is not jeopardized.

Opposing the implementation of a **public option**, which would destabilize providers' ability to deliver care for patients, thereby threatening access and leading to higher costs for consumers.

Opposing burdensome **mandates on providers** that would limit access to care and increase costs to consumers.

Supporting the establishment of a **"BioTech Innovation District"** in the City of Brooklyn Park, making the northwest metro an international destination for biotech manufacturing — attracting and growing new businesses, cultivating the next generation of Minnesota workforce talent, incentivizing innovation, and reducing disparities throughout the region.

Connecting Legislators and the Medical Alley Network

On February 27th, Medical Alley showcased our partners and the power of this ecosystem at the 2024 Medical Alley Day at the Capitol.

This ‘expo-style’ event was an opportunity for our Network to connect with policymakers, share innovations, and discuss issues that support the growth and success of the healthcare and technology sectors. Six Medical Alley Partners participating as exhibitors, including:

- Care Counseling
- Coloplast
- Genentech
- Medtronic
- TUV SUD
- VOCxi Health

Several state legislators and staff members attended the event, engaging with partners to learn about the cutting-edge advancements and services each company offers. This interactive environment facilitated meaningful dialogues between legislators and industry leaders, elevating the patient impact of our practice to policymakers.

The 2024 Medical Alley Day at the Capitol was a testament to our belief that when industry and government work together, we’re able realize our common goals — to advance innovation while making healthcare more accessible and affordable for all.



Medical Alley

Policy Priorities

Balanced Environmental Regulations



Medical Alley believes environmental regulations that protect consumers are important. However, balance is needed to ensure patient access to healthcare is not jeopardized.

The [House File 3911 Conference Report](#), the Environment and Natural Resources Supplemental Budget bill, contains the Packaging Waste and Cost Reduction Act. This legislation, an Extended Producer Responsibility (EPR) initiative, requires all packaging in the state to be reusable, recyclable, or compostable by 2032.



To ensure that the integrity of packaging for life-saving medical devices, drugs, and other health products regulated by the FDA was not compromised by state-level mandates, Medical Alley successfully secured exemptions for:

- Packaging for infant formula, as defined in United States Code, title 21, section 107.15 321(z)
- Packaging for medical food, as defined in United States Code, title 21, section 360ee(b)(3)
- Packaging for a fortified oral nutritional supplement used by persons who require supplemental or sole source nutrition to meet nutritional needs due to special dietary needs directly related to cancer, chronic kidney disease, diabetes, malnutrition, or failure to thrive, as those terms are defined by the International Classification of Diseases, Tenth Revision
- Packaging for a product regulated as a drug or medical device by the United States Food and Drug Administration, including associated components and consumable medical equipment
- Packaging for a medical equipment or product used in medical settings that is regulated by the United States Food and Drug Administration, including associated components and consumable medical equipment

The House File 3911 Conference Report passed the House by a vote of 70 to 56 and the Senate by a vote of 37 to 30 on May 17.

Healthcare Workforce



Along with many of our partners, Medical Alley participated in a workforce support policy coalition with the goal of developing healthcare workforce initiatives that make it easier to work in healthcare in Minnesota, retain existing workers, and recruit new workers into the healthcare workforce.

Working with Representative Robert Bierman (DFL-Apple Valley), the vice chair of the House Health Finance and Policy Committee, and Senator Alice Mann (DFL-Edina), the vice chair of the Senate Health and Human Services Committee, the coalition put forward a bipartisan legislative package ([House File 3986](#)/[Senate File 4013](#)) that included:

- Increased funding for training programs
- Extend temporary permits for nurses and respiratory therapists
- Further investment to bolster the mental health, wellness, and resiliency resources for healthcare workers

These initiatives serve as a first step in a larger effort to address and provide solutions to the state's healthcare workforce crisis. Unfortunately, this particular package did not advance this session.

However, a different healthcare workforce package did end up passing. The [House File 4247 Conference Report](#), the Health-Related Occupational Licensing bill, contained a package of healthcare workforce interstate compact provisions including:

- The physician assistant interstate licensure compact
- The occupational therapy licensure compact
- The physical therapy licensure compact
- The licensed professional counselor compact
- The audiology and speech-language pathology compact
- The dentist and dental hygienist compact
- The social work services licensure compact

Medical Alley had previously provided [public testimony](#) in support these initiatives. These proposals are a step in the right direction toward reducing red tape and improving our healthcare workforce in Minnesota. These compacts will help keep our state competitive, attract the best talent, and make it easier for people who want to work here – while ensuring safety and oversight standards remain strong.

The House File 4247 Conference Report was incorporated into the [House File 5247 Conference Report](#), the 2024 Tax bill. The House File 5247 Conference Report passed the House by a vote 70 to 50 and passed the Senate by a vote of 34 to 12 on May 19.

Public Option



Throughout the legislative session, Medical Alley was part of coalition of stakeholders working to educate legislators about the negative impact of a public option, which would destabilize providers' ability to deliver care, thereby threatening access to healthcare and leading to higher costs for consumers.

Weeks prior to the legislative session commencing, the Minnesota Department of Commerce released a **study** on the implementation of a public health insurance option in the state and a **recommendation report** to the legislature.

The study was a product of a law passed during the 2023 Legislative Session directing the Minnesota Department of Human Services to contract for actuarial and economic analyses of different public option models, including a MinnesotaCare public option.

The recommendation report advised the legislature to continue its analysis of a public option and address several outstanding issues beyond the scope of the report, including:

- Conducting an equity analysis to understand how the public option would address existing health disparities.
- Recognizing the impact of operational and administrative costs including potential changes to federal funding, MNsure funding, IT builds, additional cost projects, and state agency staffing needs.
- Providing direction and evaluate the cost implications of 2026 market changes, provider reimbursement, and enrollment specifications.

The letter also cautioned the legislature by saying, "The report does not capture the full fiscal impact to the state or the health care system more broadly."

As the legislature convened for the 2024 Legislative Session, MinnesotaCare public option proposals were put forward by House Majority Leader Jamie Long (DFL-Minneapolis) and Senate Health and Human Services Committee Chair Melissa Wiklund (DFL-Bloomington) this session.

Working alongside our providers and other partners, Medical Alley made the case that this proposal would financially stress hospitals, leading to reduced capacity to serve patients. Medical Alley's **public testimony** on the proposal's negative impact on hospitals was **cited** multiple times during a May 3 House Ways and Means Committee hearing.

Ultimately, no bill passed during the 2024 Legislative Session to begin enactment of a MinnesotaCare public option, including seeking a federal 1332 waiver.

Provider Mandates



Throughout the legislative session, committees heard different proposals that would impose burdensome mandates on providers, which would limit access to care and increase cost to consumers.

In March, Medical Alley submitted [public testimony](#) in opposition to two hospital mandates bills heard in both the House and Senate:

- **Senate File 4444/House File 4200:** Removing the ability of hospital administration to engage in an accountability process should hospital staff decline a patient care assignment.
- **Senate File 4382/House File 3700:** Requiring hospitals to give 300 days of notice of any inpatient service change or closure.

While the language Senate File 4444/House File 4200 proposal did not become law, a version of Senate File 4382/House File 3700 was included in the [Senate File 4699 Conference Report](#), the Omnibus Health and Human Services Supplemental Appropriations and Policy bill. This provision requires a hospital to notify the Department of Health and the public with 182 days of notice – instead of the established 120 days – if the hospital is:

- Ceasing operations
- Curtailing operations to the extent that patients must be relocated
- Relocating the provision of health services to another hospital or another hospital campus; or ceasing to offer maternity care and newborn care services, intensive care unit services, inpatient mental health services, or inpatient substantive use disorder treatment services

This requirement applies to all hospitals or hospital campuses unless hospital administration can demonstrate to the Department of Health that meeting the advance notice requirement is not feasible and the Department of Health approves a shorter notice.

The Senate File 4699 Conference Report did not pass either chamber as a standalone bill. However, the Senate File 4699 Conference Report was incorporated into the [House File 5247 Conference Report](#), the 2024 Tax bill. The House File 5247 Conference Report passed the House by a vote 70 to 50 and passed the Senate by a vote of 34 to 12 on May 19.

BioTech Innovation District



A key initiative for Medical Alley this session was supporting the establishment of a BioTech Innovation District in the city of Brooklyn Park. This initiative would make the northwest metro a national destination for biotech manufacturing – attracting and growing new businesses, cultivating next-generation Minnesota workforce talent, incentivizing innovation, and reducing disparities throughout the region.



The **legislative package** had two components – an economic development proposal (**House File 5143/Senate File 5220**) and a tax increment financing (TIF) proposal (**House File 5194/Senate File 5254**).

The **Senate File 5289 Conference Report**, the Omnibus Jobs, Economic Development, Supplemental Budget bill, provides special authority to the city of Brooklyn Park to establish a biotech innovation district. This bill passed the Senate by a vote of 36 to 25 and the House by a vote of 83 to 47.

However, the second part of the BioTech Innovation District legislative package did not survive end-of-session negotiations.

While the House-passed version of **House File 5247** and the Senate-passed version of **House File 5247** both contained provisions authorizing special rules for the city of Brooklyn Park to create redevelopment districts using tax increment financing (TIF), the final **House File 5247 Conference Report** did not include any TIF provisions.



2024 Legislative Session: Summary of Bills Passed

340B Drug Pricing Program

The federal 340B Drug Pricing Program allows certain health care providers to obtain discounts on covered outpatient drugs. These discounts are typically applied to the drugs that a covered entity purchases from a drug manufacturer or wholesaler. Covered entities include several types of hospitals and certain nonhospital providers such as federally qualified health centers.

The [House File 4757 Conference Report](#), the Cannabis and Commerce Policy bill includes a provision that states that a drug manufacturer must not “directly or indirectly restrict, prohibit, or otherwise interfere with the delivery of a covered outpatient drug to a pharmacy that is under contract with a 340B covered entity to receive and dispense covered outpatient drugs on behalf of the covered entity, unless the delivery of the drug to the pharmacy is prohibited under the 340B Drug Pricing Program.”

The House File 4757 Conference Report passed the House by a vote of 68 to 60 and passed the Senate by a vote of 34 to 32.

Additionally, the [Senate File 4699 Conference Report](#), the Omnibus Health and Human Services Supplemental Appropriations and Policy bill, includes a provision updating the 340B Covered Entity Report language that passed in 2023 by adding definitions and optional reporting for administrative costs, clarifies that clinic administered drugs will be included in reporting, and includes a \$500 fine for each day the data are past due (exceptions allowed).

The Senate File 4699 Conference Report did not pass either chamber as a standalone bill. However, the Senate File 4699 Conference Report was incorporated into the [House File 5247 Conference Report](#), the 2024 Tax bill. The House File 5247 Conference Report passed the House by a vote 70 to 50 and passed the Senate by a vote of 34 to 12 in the last minutes of session.

Cannabis Regulation

Following the legislature's legalization of adult-use cannabis in 2023, lawmakers passed further modifications pertaining to the regulation of cannabis in the state.

The **House File 4757 Conference Report**, the Cannabis and Commerce Policy bill:

- Allows for preapproved retail licenses for social equity applicants, as defined as people harmed by over-prosecution of cannabis laws in the past
- Establishes a retail licenses preapproval process operated by the Office of Cannabis Management to issue licenses to potential retailers without first requiring they obtain a physical space to conduct business
- Allows medical cannabis patients to possess 16 plants and transfer half of their allotment to a registered designated caregiver approved to assist patients enrolled in the medical cannabis program
- Eliminates the requirement that seeking to be a registered caregiver undergo a background check
- Allows veterans receiving care at the Department of Veterans Affairs to be automatically eligible to enroll in the state's medical cannabis program

The House File 4757 Conference Report passed the House by a vote of 68 to 60 and passed the Senate by a vote of 34 to 32.

Department of Children, Youth, and Families

During the 2023 Legislative Session, the legislature passed a law creating the Department of Children, Youth, and Families.

House File 3646 codifies the Department of Children, Youth, and Families into statute. This will direct programs currently run by the Minnesota Department of Human Services, Education, and Public Safety to come together to improve the effectiveness of services for children and families.

This new department will assume powers, duties, and programs transferred from existing state agencies beginning July 1, 2024.

House File 3646 passed the House by a vote of 85 to 44 and passed the Senate by a vote of 40 to 25.

Department of Direct Care and Treatment

During the 2023 Legislative Session, the legislature passed a bill to create a new Department of Direct Care and Treatment, which takes effect January 1, 2025. The current Direct Care and Treatment division within the Department of Human Services operates a highly-specialized behavioral health care system that serves people with mental illness, substance abuse disorders, and development and intellectual disabilities.

House File 3987 transfers duties from Department of Human Services to Department of Direct Care and Treatment in an effort to improve the agency's ability to oversee and manage health care sites across the state.

House File 3987 passed the House by a vote of 83 to 46 and passed the Senate by a vote of 37 to 28.

Emergency Medical Services

Following a report 2022 report from the Office of the Legislative Auditor that raised concerns about the viability of Emergency Medical Services (EMS) providers, the legislature established a bipartisan EMS Task Force to investigate how the state can improve the services provided by EMS personnel. The report also relayed concerns pertaining to the EMS Regulatory Board’s oversight capabilities and authority to set certain standards.

The task force recommendations included:

- Elevating the EMS Regulatory Board to a commission or board that reports to the governor
- Increase Medicare/Medicaid reimbursement rates for ambulance services
- Streamline the process for Emergency Medical Response Emergency Medical Technician, and paramedic license renewal
- Fund a “Sprint Medic Model” pilot programs

In response, the legislature passed [House File 4738](#). This legislation creates a new Office of Emergency Medical Services in Minnesota charged with addressing insufficient oversight, outdated service areas, and persistent sustainability challenges for EMS providers. The bill incorporates \$30 million of emergency aid for the departments. Of the \$30 million package, \$24 million will be dedicated to emergency aid for EMS providers while \$6 million will go toward a new Sprint Medic Pilot Program which will operate on the Iron Range.

House File 4738 passed the House by a vote of 119 to 11 and passed the Senate by a vote of 66 to 0.

Fee Disclosure

Also known as the “Junk Fees” bill, the legislature passed the [House File 3438 Conference Report](#), which requires that businesses disclose the full price of a product or service, including all mandatory fees, at the beginning of the transaction. It also prohibits misleading “convenience” or “service” fees that do not align with an additional product or service.

The House File 3438 Conference Report passed the House by a vote of 76 to 57 and passed the Senate by a vote of 36 to 31.

Firearm Regulation

This session, Senator Heather Gustafson (DFL-Vadnais Heights) and Representative Kaela Berg (DFL-Burnsville) introduced legislation making changes to the definition of straw purchases, related penalties, and the definition of trigger activations. This bill, [House File 2609](#):

- Expands the definition of straw purchase to include all firearms. Current law bans straw purchases for only pistols and semiautomatic weapons.
- Amends the mental status required to prove this crime to include cases where the person making the transfer “should have known” that the person receiving the firearm was ineligible to receive the firearm.
- Increases the penalty for a transfer to an ineligible person from a gross misdemeanor to a felony and increases the maximum fine for an aggravated violation.
- Expands the definition of trigger activator to include binary triggers. Binary triggers allow a firearm to shoot one shot on the pull of the trigger and a second shot on its release without requiring a subsequent pull.
- Establishing an affirmative defense for individuals who were forced or coerced into a straw purchase for fear of their or loved ones’ lives or safety.

House File 2609 passed the House by a vote of 71 to 59 and passed the Senate by a vote of 34 to 33. However, the [House File 2609 Conference Report](#) was incorporated into the [House File 5247 Conference Report](#), the 2024 Tax bill. The House File 5247 Conference Report passed the House by a vote 70 to 50 and passed the Senate by a vote of 34 to 12 in the last minutes of session.

Gene Therapy

The **Senate File 4699 Conference Report**, the Omnibus Health and Human Services Supplemental Appropriations and Policy bill, includes a provision requiring the Department of Human Services to provide reimbursement to hospital for biological products provided in an in-patient setting as a part of cell or gene therapy to treat rare diseases.

The Senate File 4699 Conference Report did not pass either chamber as a standalone bill. However, the Senate File 4699 Conference Report was incorporated into the **House File 5247 Conference Report**, the 2024 Tax bill. The House File 5247 Conference Report passed the House by a vote 70 to 50 and passed the Senate by a vote of 34 to 12 in the last minutes of session.

Graduate Medical Education

The **Senate File 4699 Conference Report**, the Omnibus Health and Human Services Supplemental Appropriations and Policy bill, includes a provision directing the Department of Human Services and contracted managed care organizations to annually pay an inpatient supplemental payment to all eligible hospitals for graduate medical education. An eligible hospital is one that is located in Minnesota, participates in the Minnesota medical assistance program, has received fee-for-service medical assistance in the payment year, and is either eligible to receive graduate medical education payments from the Medicare program or is a hospital in Minnesota designated as a children's hospital under Medicare.

The bill also establishes a surcharge on teaching hospitals, with surcharge revenues to be used to pay the non-federal share of the supplemental payments. During the design and prior to submission of the request for federal approval, the Department of Human Services must consult with eligible hospitals.

The Senate File 4699 Conference Report did not pass either chamber as a standalone bill. However, the Senate File 4699 Conference Report was incorporated into the **House File 5247 Conference Report**, the 2024 Tax bill. The House File 5247 Conference Report passed the House by a vote 70 to 50 and passed the Senate by a vote of 34 to 12 in the last minutes of session.

Health Maintenance Organizations

While legislation to explicitly prohibit for-profit health maintenance organizations from operating in Minnesota did not become law, two provisions restricting for-profit HMO operations did pass this session.

The **Senate File 4699 Conference Report**, the Omnibus Health and Human Services Supplemental Appropriations and Policy bill, includes provisions:

- Directing Minnesota Management and Budget to ensure that state-paid hospital, medical, and dental benefits are not provided to eligible employees by a for-profit health maintenance organization
- Limiting contracts for participation in public programs, such as Medical Assistance and MinnesotaCare, to non-profit health maintenance organizations

The Senate File 4699 Conference Report did not pass either chamber as a standalone bill. However, the Senate File 4699 Conference Report was incorporated into the **House File 5247 Conference Report**, the 2024 Tax bill. The House File 5247 Conference Report passed the House by a vote 70 to 50 and passed the Senate by a vote of 34 to 12 in the last minutes of session.

Health Professions Workforce Advisory Council

The [Senate File 4699 Conference Report](#), the Omnibus Health and Human Services Supplemental Appropriations and Policy bill, includes a provision directing the Minnesota Department of Health – in consultation with the University of Minnesota and the Minnesota State HealthForce Center of Excellence – to provide recommendations to the legislature for the creation of a Health Professions Workforce Advisory Council.

The Health Professions Workforce Advisory Council would:

- Research and advise the legislature and the Minnesota Office of Higher Education on the status of the health workforce who are in training and on the need for additional or different training opportunities
- Provide information and analysis on health workforce needs and trends, upon request, to the legislature, any state department, or any other entity the advisory council deems appropriate
- Review and comment on legislation relevant to Minnesota’s health workforce
- Study and provide recommendations regarding the following:
 - Health workforce supply, including:
 - ◆ Employment trends and demand
 - ◆ Strategies that entities in Minnesota are using or may use to address health workforce shortages, recruitment, and retention
 - ◆ Future investments to increase the supply of health care professionals, with particular focus on critical areas of need within Minnesota
 - Options for training and educating the health workforce, including:
 - ◆ Increasing the diversity of health professions workers to reflect Minnesota’s communities
 - ◆ Addressing the maldistribution of primary, mental health, nursing, and dental providers in Greater Minnesota and in underserved communities in metropolitan areas
 - ◆ Increasing interprofessional training and clinical practice
 - ◆ Addressing the need for increased quality faculty to train an increased workforce
 - ◆ Developing advancement paths or career ladders for health care professionals

Health Professions Workforce Advisory Council (Continued)

The Health Professions Workforce Advisory Council would:

- Study and provide recommendations regarding the following:
 - Increasing funding for strategies to diversify and address gaps in the health workforce, including:
 - ◆ Increasing access to financing for graduate medical education
 - ◆ Expanding pathway programs to increase awareness of the health care professions among high school, undergraduate, and community college students and engaging the current health workforce in those programs
 - ◆ Reducing or eliminating tuition for entry-level health care positions that offer opportunities for future advancement in high-demand settings and expanding other existing financial support programs such as loan forgiveness and scholarship programs
 - ◆ Incentivizing recruitment from Greater Minnesota and recruitment and retention for providers practicing in Greater Minnesota and in underserved communities in metropolitan
 - ◆ Expanding existing programs, or investing in new programs, that provide wraparound support services to the existing health care workforce, especially people of color and professionals from other underrepresented identities, to acquire training and advance within the health care workforce; and
 - Other Minnesota health workforce priorities as determined by the advisory council

The Department of Health must submit a report to the legislature by February 1, 2025, with recommendations for the creation of a Health Professions Workforce Advisory Council including:

- Membership of the advisory council
- Funding sources and estimated costs for the advisory council
- Existing sources of workforce data for the advisory council to perform its duties
- Necessity for and options to obtain new data for the advisory council to perform its duties
- Additional duties of the advisory council
- Similar health workforce advisory councils in other states
- Advisory council reporting requirements

The Senate File 4699 Conference Report did not pass either chamber as a standalone bill. However, the Senate File 4699 Conference Report was incorporated into the [House File 5247 Conference Report](#), the 2024 Tax bill. The House File 5247 Conference Report passed the House by a vote 70 o 50 and passed the Senate by a vote of 34 to 12 in the last minutes of session.

Insulin

During the 2020 Legislative Session, the legislature established an urgent-need and a continuing insulin safety net program. The continuing insulin safety net program provides Minnesota residents with incomes less than or equal to 400% of the federal poverty guidelines, who meet other program requirements, with a 90-day supply of insulin and allows pharmacies to collect a \$50 copayment for each 90-day supply. The 2020 legislation sunset the continuing insulin safety net program on December 31, 2024, and directed the legislature to determine whether the program should continue beyond the sunset date.

A provision in the [Senate File 4699 Conference Report](#), the Omnibus Health and Human Services Supplemental Appropriations and Policy bill, repeals the sunset for the program. There is also a new \$100,000 fee on insulin manufacturers that will be used to reimburse manufacturers for that insulin that is distributed through the assistance program.

The Senate File 4699 Conference Report did not pass either chamber as a standalone bill. However, the Senate File 4699 Conference Report was incorporated into the [House File 5247 Conference Report](#), the 2024 Tax bill. The House File 5247 Conference Report passed the House by a vote 70 to 50 and passed the Senate by a vote of 34 to 12 in the last minutes of session.

Insurance Coverage Mandates

The legislature passed new insurance coverage mandates including:

- Abortion ([Senate File 4699 Conference Report](#))
- Amino Acid-Based Formula ([Senate File 4699 Conference Report](#))
- Gender-Affirming Care ([Senate File 4097 Conference Report](#))
- Intermittent Catheters ([Senate File 4699 Conference Report](#))
- Maternity Care Medical Facility Transfer ([Senate File 4699 Conference Report](#))
- Orthotic/Prosthetic Devices ([Senate File 4699 Conference Report](#))
- Scalp Hair Prosthesis ([Senate File 4699 Conference Report](#))
- Rapid Whole Genome Sequencing ([Senate File 4699 Conference Report](#))

The Senate File 4097 Conference Report passed the Senate by a vote of 34 to 32 and passed the House by a vote of 70 to 58.

The Senate File 4699 Conference Report did not pass either chamber as a standalone bill. However, the Senate File 4699 Conference Report was incorporated into the [House File 5247 Conference Report](#), the 2024 Tax bill. The House File 5247 Conference Report passed the House by a vote 70 to 50 and passed the Senate by a vote of 34 to 12 in the last minutes of session.

Medical Record Fee Change

A provision in the [Senate File 4699 Conference Report](#), the Omnibus Health and Human Services Supplemental Appropriations and Policy bill, sets new caps on medical copying fees. Specifically, the provision sets maximum amounts for patient records charged by a provider when requested by a third party (e.g. insurance company, lawyer). The new maximums are:

- \$1 per page, with a maximum cap of \$30 for up to 25 pages; cap of \$50 for up to 100 pages; and cap of \$50 plus \$0.20 per page for over 100 pages
- \$10 for time spent retrieving paper records
- \$20 for time spent retrieving electronic records
- \$30 for x-rays
- Maximum of \$500 for any request
- Free copies for lawyers representing patients appealing a Social Security disability denial when the patient is represented by a volunteer lawyer or on public assistance.

The current law that says when a patient requests their own health records for medical purposes they may not be charged was not changed.

The Senate File 4699 Conference Report did not pass either chamber as a standalone bill. However, the Senate File 4699 Conference Report was incorporated into the [House File 5247 Conference Report](#), the 2024 Tax bill. The House File 5247 Conference Report passed the House by a vote 70 to 50 and passed the Senate by a vote of 34 to 12 in the last minutes of session.

Minnesota Consumer Data Privacy Act

The Minnesota Consumer Data Privacy Act ([House File 2309/Senate File 2915](#)), authored by Representative Steve Elkins (DFL-Bloomington) and Senator Bonnie Westlin (DFL-Plymouth), regulates businesses' use of personal data on individuals. It also gives Minnesotans various rights regarding their personal data.

Toward the end of session, the Minnesota Consumer Data Privacy Act was incorporated into [House File 4757 Conference Report](#), the Cannabis/Commerce Policy bill. The healthcare-related exclusions incorporated in this legislation can be found beginning on line 160.17 through line 162.4.

The House File 4757 Conference Report passed the House by a vote of 68 to 60 and passed the Senate by a vote of 34 to 32.

Minnesota Debt Fairness Act

Among the provisions in the [Senate File 4097 Conference Report](#), the Omnibus Commerce Policy bill, is the Minnesota Debt Fairness Act. This legislation:

- Establishes new medical debt collection rights, enforceable by the Attorney General and private right of action
- Bans medical debt from being reported to credit bureaus
- Prohibits providers from withholding of necessary medical services due to unpaid medical debt
- Eliminates automatic transfer of medical debt to a patient's spouse
- Prevents medical debt from being pursued while patients dispute coding or billing errors
- Requires providers to publish their medical debt collection practices
- Creates parameters for wage garnishments
- Institutes new protections for property from collection and in bankruptcy

The Senate File 4097 Conference Report passed the Senate by a vote of 34 to 32 and passed the House by a vote of 70 to 58.

Net Operating Loss

During the 2023 Legislative Session, the tax bill included changes to how businesses report net operating losses. However, a drafting error made that provision of the bill effective for tax year 2023, instead of tax year 2024.

In response, the legislature passed [House File 3769](#) to adjust the timeline of the provision of the 2023 tax bill that reduced the corporate net operating loss deduction limit, with changes effective for tax year 2024 instead of tax year 2023.

House File 3769 passed the House by a vote of 130 to 0 and passed the Senate by a vote of 64 to 0.

Paid Family and Medical Leave

During the 2023 Legislative Session, the legislature passed a Paid Family and Medical Leave program in Minnesota that takes effect in 2026. The law authorizes Minnesota workers to take up to 12 weeks of paid leave to bond with a newborn child, for the worker's own serious health condition, or the serious health condition of a family member. This program is modeled after Minnesota's unemployment insurance fund, including being funded from a 0.7% payroll tax on an employee's wages, at least half of which must be paid by the employer.

The House and Senate passed legislation this past session with technical fixes and adjustments to the 2023 law, including raising the 0.7% payroll tax to 0.88% in order to keep the program sufficiently funded to pay out future claims.

This legislation was incorporated into the [House File 5247 Conference Report](#), the 2024 Tax bill. The House File 5247 Conference Report passed the House by a vote 70 to 50 and passed the Senate by a vote of 34 to 12 in the last minutes of session.

PFAS Removal Report

In response to funding requests from local units of government to clean up PFAS in local waters, legislators included a provision in the [House File 3911 Conference Report](#), the Environment and Natural Resources Supplemental Budget bill, to attempt to address those costs.

The provision says:

a. By January 15, 2025, the commissioners of the Pollution Control Agency and health must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over health finance and policy, environment and natural resources finance and policy, and capital investment. The report must provide recommendations for:

1. Strategies or fee mechanisms the state may use to require companies that manufacture, use, or release perfluoroalkyl and polyfluoroalkyl substances (PFAS) to pay for the cost of providing safe drinking water to people that have had their private and public water sources contaminated by PFAS; and

2. Strategies or fee mechanisms the state may use to require companies that manufacture, use, or release PFAS to:

- i) Prevent or remove PFAS from influent waters entering municipal wastewater facilities so that treatment of effluent is not required; or

- ii) Pay the cost of treating and disposing of the PFAS from municipal wastewater facilities effluent.

b. The report must include recommendations for any legislation needed to implement the strategies or fee mechanisms. The report must consider options from the report submitted by the PFAS manufacturers fee work group required under Laws 2023, chapter 60, article 3, section 30, in developing the recommendations. The recommendations in the report must be specific and actionable and may not include recommendations for further reports or studies.

The House File 3911 Conference Report passed the House by a vote of 70 to 56 and the Senate by a vote of 37 to 30.

Prior Authorization

The **Senate File 4699 Conference Report**, the Omnibus Health and Human Services Supplemental Appropriations and Policy bill, includes several provisions modifying the prior authorization process including:

- Limiting prior authorization for chronic conditions to one-time only unless the standard of treatment changes.
- Applying current prior authorization laws to medical assistance (MA) and MinnesotaCare. Previous law excluded the state's public programs.
- Prohibiting prior authorization for preventive services, pediatric hospice care, and for pediatric neonatal abstinence programs.
- Prohibiting prior authorization for non-medication treatments for cancer, outpatient mental health, and substance-use disorder. The law now allows prior authorization for medications to treat these conditions but shortens the decision time from five days down to 48 hours.
- Directing health plans to submit a formalized annual report to the Department of Health on how often they use prior authorization, how often they approve and how often they deny.
- Requiring health plans to utilize an automated process that is consistent with the new federal requirements that identifies whether a prior authorization is required and what documentation is needed.
- Prohibiting a health plan from retrospectively denying coverage of a service for which a prior authorization was not required.
- Prohibiting a health plan from denying coverage solely on the basis of lack of a prior authorization if they would have otherwise covered the service.

The Senate File 4699 Conference Report did not pass either chamber as a standalone bill. However, the Senate File 4699 Conference Report was incorporated into the **House File 5247 Conference Report**, the 2024 Tax bill. The House File 5247 Conference Report passed the House by a vote 70 to 50 and passed the Senate by a vote of 34 to 12 in the last minutes of session.

Rare Disease Advisory Council

During the 2023 Legislative Session, the Rare Disease Advisory Council received \$640,000 for the biennium. During the 2024 Legislative Session, the Rare Disease Advisory Council received an additional \$342,000 in funding – providing the council \$982,000 for the biennium with a provision to allow the \$342,000 appropriated in the 2024 session to be carried into fiscal year 2026. The appropriation provides full funding of the council’s identified base operational budget.

The funding was included as a provision in the [Senate File 4699 Conference Report](#), the Omnibus Health and Human Services Supplemental Appropriations and Policy bill. The Senate File 4699 Conference Report did not pass either chamber as a standalone bill. However, the Senate File 4699 Conference Report was incorporated into the [House File 5247 Conference Report](#), the 2024 Tax bill. The House File 5247 Conference Report passed the House by a vote 70 to 50 and passed the Senate by a vote of 34 to 12 in the last minutes of session.

School Resource Officers

During the 2023 Legislative Session, the legislature passed a new K-12 Education Omnibus funding bill, which included policy language restricting certain types of physical holds that school personnel, including school resource officers, can use to restrain students in emergency situations.

When the law took effect in the summer of 2023, some law enforcement agencies announced they were withdrawing their school resource officers from local schools due to their concerns over the vagueness of the law and the potential for individual officer liability. In early fall, Republican legislators called on the governor to call a special session to address the issue given the recent start to the school year.

After weeks of debate, the attorney general's office issued a revised opinion on September 20 clarifying the applicability of the new law. In response, a leading law enforcement organization announced that their concerns had been temporarily addressed and were no longer advocating for a special legislative session.

During the 2024 Legislative Session, legislators sought clarifications to the 2023 law. By mid-March, the legislature passed [House File 3489](#). This legislation provides comprehensive guidance for school resource officers. The bill directs funding for school resource officer training, establishes clear duties for school resource officers, and requires the POST Board to develop a model policy. The legislation's provisions:

- Direct funding for the Minnesota Department of Public Safety School Safety Center to conduct free training for school resource officers
- Specify duties for school resource officers focused on fostering a positive school climate
- Require the POST Board to develop a new SRO model policy
- Provide statutory clarity for law enforcement

House File 3489 passed the House by a vote of 119 to 9 and passed the Senate by a vote of 61 to 3.

Standard Deduction Fix

During the 2023 Legislative Session, the legislature passed a \$3 billion tax package. As the Minnesota Department of Revenue began to implement the law after session adjourned, officials caught a drafting error that would potentially cost taxpayers \$352 million over two years. While legislators were drafting the tax bill, they inadvertently reduced the standard deduction for tax year 2024 by undoing inflation adjustments since tax year 2019. If not fixed, most taxpayers' standard deduction would have been \$1,600 less than it otherwise would be for tax year 2023.

Minnesota Department of Revenue Commissioner Paul Marquart, Senate Taxes Committee Chair Ann Rest (DFL-New Hope), and House Taxes Committee Chair Aisha Gomez (DFL-Minneapolis) pledged publicly during the summer of 2023 to fix the error early in the 2024 Legislative Session. Accordingly, the issue was addressed through passage of [House File 2757](#) in the first days of session. Under this bill, the standard deduction amount for 2023 was adjusted to \$27,650 for married joint or surviving spouse filers, \$20,800 for head of household filers, and \$13,825 for all other filers.

House File 2757 passed the House by a vote of 128 to 2 and passed the Senate by a vote of 66 to 0.

Ticket Sales

In response to consumer frustration over purchasing concert tickets, the House and Senate passed [House File 1989](#). This legislation reforms the processes related to the sale, advertisement, and resale of tickets for concerts, sports, and cultural events. The bill:

- Requires operators, ticket resellers, and online ticket marketplaces to disclose the total cost of a ticket, including fees and charges.
- Prohibits resellers from selling more than one copy of a ticket.
- Prohibits resellers from hiring people to stand in line to purchase tickets for resale.
- Allows a purchaser harmed by seller or reseller violations to sue.

House File 1989 passed the House by a vote of 112 to 18 and passed the Senate by a vote of 35 to 29.

Transportation Network Companies

Following the end of the 2023 Legislative Session, Governor Walz issued his gubernatorial first veto on legislation that would have set a statewide minimum rate of driver pay for transportation network company drivers – such as Uber and Lyft – and created a process for de-activating drivers.

Citing concerns about the bill's impact on Greater Minnesota and county disability transportation services, the governor issued an executive order convening a working group of drivers, riders, and transportation network companies to make recommendations to the legislature for 2024.

Although the task force came to an agreement on regulations around price transparency, insurance coverage, and driver terminations, no consensus was reached on a minimum wage rate for drivers due to disagreement between stakeholders on employment classification and preemption.

Heading into the 2024 Legislative Session, Senator Omar Fateh (DFL-Minneapolis) had signaled he would re-introduce the original legislation he authored.

In March, the Minneapolis City Council passed an ordinance requiring rideshare companies to pay drivers at least \$1.40 per mile and 51 cents per minute on ride to, from, and through city limits. The ordinance was to take effect May 1.

Immediately thereafter, Uber said it would cease service in the metro area while Lyft said it would no longer operate in Minneapolis beginning May 1. Subsequently, the Minneapolis City Council delayed the effective date of the ordinance until July 1, with both Uber and Lyft indicating they would continue to operate until that date.

On May 6, state lawmakers had announced an agreement between the drivers, the state, and the city of Minneapolis that would pay drivers \$1.27 per mile and 49 cents per minute. However, Uber and Lyft indicated they would leave the state if those rates became law.

During the last days of session, an agreement between all parties was reached. Under the agreement, drivers would be paid \$1.28 per mile and 31 cents per minute. This proposal was incorporated into the [House File 5242 Conference Report](#), the Transportation Supplemental Budget bill. However, the House File 5242 Conference Report was incorporated into the [House File 5247 Conference Report](#), the 2024 Tax bill. The House File 5247 Conference Report passed the House by a vote 70 to 50 and passed the Senate by a vote of 34 to 12 in the last minutes of session.

