

April 19, 2018

Rep. Matt Dean Chair, House Health & Human Services Finance Committee 501 State Office Building 100 Rev. Dr. Martin Luther King, Jr. Blvd Saint Paul, MN 55155

Chair Dean and Esteemed Members of the House Health & Human Service Finance Committee:

The Medical Alley Association thanks the House HHS Finance Chair Matt Dean, and members of the House HHS Finance Committee, for their leadership in reinforcing Minnesota's unique position as the global epicenter of health innovation and care.

Minnesota is "The Great State of Health" and "Medical Alley" is enshrined in the Smithsonian as one of America's "Great Places of Invention." Medical Alley is home to the most densely concentrated health technology cluster in the world, ranks as the #1 region in the world for health technology and is leading the digital health revolution. Medical Alley Association represents over 650 members in the medical device, digital health, diagnostics, biopharmaceutical, health provider, and health insurance sectors. Our members employ more than 500,000 people with an economic impact of greater than \$60 billion.

Medical Alley Association thanks the Chair, and committee, for including the following provisions in the DE Amendment to HF3138:

Article 1, Section 11: Advisory Council on Rare Diseases

Minnesota is a global leader in health research. From the University of Minnesota – a world-class research institution – to the world-renowned Mayo Clinic, we are on the forefront of developing treatments and cures for the toughest diseases. Connecting the benefits of this research to people impacted by it is very important.

The Rare Diseases Advisory Council will be a resource for families who have a member with a rare disease. This Council will provide information about treatment, coverages and general material about the disease. While one-in-ten Minnesotans have a rare disease, nearly two million are impacted by rare diseases through family and friends. This Council will give a voice to those impacted by rare diseases and help give them hope — by connecting them with others impacted and with information. Further, this council will serve as a catalyst for translational research resulting in better, more accessible treatments and cures for rare diseases.

Article 11, Section 3, Subdivision 2(b): Minnesota Biomedicine and Bioethics Innovation Grants

Last session's omnibus Health & Human Services Finance bill created the biomedical and bioethics grants program, with grants awarded by the steering committee of the University of Minnesota and Mayo foundation. This grant program has resulted in the funding – or funding proposals – of projects

using translational science to bring findings from the research stage to patient bedside. Medical Alley Association supports the additional funding for this program contained in this bill.

Medical Alley Association also supports the addition of the following amendment:

Amendment A19: Step Therapy Protocol override

Medical innovation saves and extends lives and improves patient outcomes. Medical Alley Association members are innovating every day to accomplish this in a variety of ways. From new medical devices, personalized medicine, and advances in digital health, our members are constantly working to cure disease and get patients better in less invasive ways.

Through this language the patient and their health care provider can override a step therapy protocol in certain circumstances. This allows the patient to take the drug originally prescribed by the health care provider who considers a host of factors when determining a course of treatment, including the patient's medical history and individual characteristics.

This can help achieve better outcomes for the patient by avoiding drugs the patient has already tried and failed or that could have serious adverse effects. It also aids in avoiding higher system costs, including expensive and avoidable physician visits, and multiple hospital readmissions. Furthermore, this provision will ensure a transparent and timely process for step therapy exception requests and appeals.

By keeping utilization management measures while still providing flexibility to adapt a course of treatment to a specific patient, outcomes can be improved without significantly increasing the cost of care.

Thank you for your consideration.

Bobby Patrick, VI

Director, Government Relations

Medical Alley Association