



February 21, 2022

Senator Paul Utke
Chair, Senate Health and Human Services Finance and Policy Committee
95 University Avenue W.
Minnesota Senate Bldg., Room 3403
St. Paul, MN 55155

Re: S.F. 2302 – Nurse Licensure Compact establishment and appropriation

Chair Utke and Members of the Health and Human Services Finance and Policy Committee,

On behalf of the Medical Alley Association's close to 700 members, I would like to thank you for the opportunity to provide input on Senate File 2302. Medical Alley Association is pleased to support S.F. 2302, enacting the Nurse Licensure Compact in Minnesota.

Founded in 1984, the Medical Alley Association (MAA) is the connector for the most diverse and influential healthcare community in the world. Our mission is to elevate the Medical Alley region as The Global Epicenter of Health Innovation and Care[®]. With representation from every sector of healthcare, and a Board of Directors comprised of leaders from across the healthcare ecosystem, the Medical Alley Association represents the leaders and companies who are committed to envisioning the new patient experience, building economic models for value-based care, and redefining the medical supply chain, ultimately transforming the future of healthcare.

One of our Association's main policy pillars focuses on the importance of talent attraction and retention. Minnesota must continue to prioritize attracting talent and better preparing its existing workforce to impact the future of healthcare. Minnesota needs a consistent supply of top tier talent to uphold its healthcare leadership position. Our association supports policies that enhance workforce attraction, retention, and preparedness – like the Nurse Licensure Compact.

Passing the Nurse Licensure Compact will help attract qualified, skilled nurses to Minnesota to fill current vacancies in clinics and hospitals across the state. This will increase access to care for patients and provide stable career opportunities immediately and into the future. This is an important, timely piece of legislation and we urge the committee's support and passage of S.F. 2302.

Thank you again for the opportunity to share our position on this legislation. Please let me know if Medical Alley Association can provide any additional information or be a resource for this committee.

Sincerely,

Jessica Young

Jessica Young
Manager, State Government Relations and Policy
Medical Alley Association



March 2, 2022

Senator Julie Rosen
Chair, Senate Finance Committee
95 University Avenue W.
Minnesota Senate Bldg., Room 2113
St. Paul, MN 55155

Re: S.F. 2302 – Nurse Licensure Compact establishment and appropriation

Chair Rosen and Members of the Senate Finance Committee,

On behalf of the Medical Alley Association's close to 700 members, I would like to thank you for the opportunity to provide input on Senate File 2302. Medical Alley Association is pleased to support S.F. 2302, enacting the Nurse Licensure Compact in Minnesota.

Founded in 1984, the Medical Alley Association (MAA) is the connector for the most diverse and influential healthcare community in the world. Our mission is to elevate the Medical Alley region as The Global Epicenter of Health Innovation and Care. With representation from every sector of healthcare, and a Board of Directors comprised of leaders from across the healthcare ecosystem, the Medical Alley Association represents the leaders and companies who are committed to envisioning the new patient experience, building economic models for value-based care, and redefining the medical supply chain, ultimately transforming the future of healthcare.

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Passing the Nurse Licensure Compact will help attract qualified, skilled nurses to Minnesota to fill current vacancies in clinics and hospitals across the state. This will increase access to care for patients and provide stable career opportunities immediately and into the future. This is an important, timely piece of legislation and we urge the committee's support and passage of S.F. 2302.

Thank you again for the opportunity to share our position on this legislation. Please let me know if Medical Alley Association can provide any additional information or be a resource for this committee.

Sincerely,

Jessica Young

Jessica Young
Manager, State Government Relations and Policy
Medical Alley Association



March 28, 2022

Senator Eric Pratt
Chair, Senate Jobs and Economic Growth Finance and Policy Committee
95 University Avenue W.
Minnesota Senate Bldg., Room 3219
St. Paul, MN 55155

Re: S.F. 4091 - Supplemental appropriations for the Department of Employment and Economic Development, Workers' Compensation Court of Appeals and Bureau of Mediation Services

Chair Pratt and Members of the Senate Jobs and Economic Growth Finance and Policy Committee,

On behalf of the Medical Alley Association's close to 700 members, I would like to thank you for the opportunity to provide comments on S.F. 4091. Medical Alley Association is pleased to support a number of provisions in this bill and thanks the committee for hearing it today.

Founded in 1984, the Medical Alley Association (MAA) is the connector for the most diverse and influential healthcare community in the world. Our mission is to elevate the Medical Alley region as The Global Epicenter of Health Innovation and Care. With representation from every sector of healthcare, and a Board of Directors comprised of leaders from across the healthcare ecosystem, the Medical Alley Association represents the leaders and companies who are committed to envisioning the new patient experience, building economic models for value-based care, and redefining the medical supply chain, ultimately transforming the future of healthcare.

One of our Association's main policy pillars focuses on the importance of talent attraction and retention. Minnesota must continue to prioritize attracting talent and better preparing its existing workforce to impact the future of healthcare. Minnesota needs a consistent supply of top tier talent to uphold its healthcare leadership position. Another one of our key policy pillars is maintaining an innovative ecosystem. Minnesota must continue to foster a business-friendly environment for innovators. This requires a continued commitment to supporting entrepreneurs and incubators and ensuring that the state has the resources necessary to capture and retain the growth of organizations that drive our innovation economy.

This bill contains important provisions that will prepare our existing and future workforce as well as keep Minnesota competitive. We support the funding for LaunchMN, an important program that helps startups here thrive. We also support the inclusion of business acceleration grants. These provisions will help bolster Minnesota's already strong startup ecosystem and will hopefully attract additional investment to our state.

Thank you for the opportunity to provide comments on this important legislation.

Sincerely,
Jessica Young
Manager, State Government Relations and Policy
Medical Alley Association



April 21, 2022

Representative Tina Liebling, House Health Finance and Policy Chair

Representative Jennifer Schultz, House and Human Services Finance and Policy Committee Chair

Dear Representatives Tina Liebling and Jennifer Shultz,

Medical Alley Association Concerns with HF4706

Founded in 1984, the Medical Alley Association is the connector for the most diverse and influential healthcare community in the world. Our mission is to elevate the Medical Alley region as The Global Epicenter of Health Innovation and Care®. With representation from every sector of healthcare, the Medical Alley Association represents companies which are committed to envisioning a new patient experience, building economic models for value-based healthcare, and redefining the medical supply chain, ultimately transforming the future of healthcare. The Medical Alley Association is concerned that elements of HF4706 would be counterproductive to these goals, and burdensome to the pharmaceutical industry in Minnesota, while ultimately decreasing access to life saving medications. The elements of particular concern are listed below:

Prescription Drug Transparency

- Additional reporting requirements to existing transparency law
 - Number of units of the prescription drug during the previous 12-month period
 - Total rebate amount accrued for the prescription drug during the previous 12-month period
 - Prescription drugs of substantial public interest, including drug product families
 - Every drug with a WAC of \$100 or more for a 30-day supply for a course of treatment less than 30 days
 - Does not include confidentiality/trade secret protections for these provisions

Advance Price Notification

- Requires 90 days written notice to increase the WAC of a prescription drug

Prescription Drug Affordability Board (PDAB)

- Allows for the establishment of an upper payment limit

Thank you for your consideration of our concerns. If I can provide any further information, please contact me.

Sincerely,

Michael C. Morton

Senior Leader, Advocacy and Policy

Medical Alley Association Concerns with HF 999

The Medical Alley Association is composed of companies and organizations representing the entire healthcare continuum in the state of Minnesota, and beyond. Two of the strategic pillars for Medical Alley include fostering an innovative healthcare ecosystem, and attracting and retaining talent for our workforce. Medical Alley is concerned that HF 999 would be counterproductive to these goals.

Non-compete agreements are commonly included in employment agreements in the healthcare sector. The non-compete agreements help to encourage a stable workforce, and they help to protect an employer's customer relationships, and proprietary information or trade secrets. Typically, employers paying higher wages will include non-compete agreements in their employment contracts.

The Medical Alley Association seeks to encourage stable, innovative, employers, and talented, motivated, employees to locate in Minnesota. The Association is concerned that HF 999 would be a disincentive for the types of employers that it seeks to attract and retain.

Committee Testimony

Good afternoon Mr. Chair and members of the committee. My name is Jessica Young and I am with the Medical Alley Association. Thank you for giving me the opportunity to testify this afternoon in support of H.F. 3316.

I want to thank Chair Marquart for hearing this bill. And I also want to thank Representative Robbins for carrying this important legislation.

Medical Alley Association is the cross-sector healthcare association in Minnesota that supports and advances Medical Alley's global leadership in health innovation and care. We are proud to represent the entire continuum of care. Our members touch virtually every sector of the healthcare industry – medical device, biotech, payor, provider, digital health, and everything in-between.

One of Medical Alley Association's core policy pillars is to prioritize our 'innovative ecosystem.' To sustain its leadership position, Minnesota must continue to foster a business-friendly environment for innovators. This requires a continued commitment to supporting entrepreneurs and incubators and ensuring that the state has the resources necessary to capture and retain the growth of organizations that drive our innovation economy.

Minnesota's Research and Development tax credit is one of those critical resources. H.F. 3316 provides important updates to Minnesota's existing Research and Development tax credit statute. This bill will make Minnesota's R&D tax credit more accessible to companies of all sizes, but especially small and mid-sized companies. This language will save companies time and resources by allowing them to use this simplified, alternative calculation. Minnesota has been a leader on research and development and by making this credit more accessible, it will hopefully encourage more companies to invest in research and development into the future.

Medical Alley is home to a vibrant, innovative healthcare ecosystem. H.F. 3316 ensures there are tools available to attract and retain investment right here in Minnesota.

Thank you, Mr. Chair.

Here is the revised draft language and description. I made some smaller changes based on feedback from CPAs. One is to match the federal on how taxpayers can elect and revoke this provision. The other change was in In Sec. 1(c)(2) as it was suggested that we clarify that these should be the average Minnesota qualified research expenses. (This may help prevent future court cases like those we saw regarding Minnesota vs Federal gross receipts for base periods using the current method). FYI - I just added Minnesota in that section but will flag for revisor/legislative staff to see if that works.

Here is description for legislators but feel free to change the messaging as you see fit:

Proposal: Add a new simplified calculation for the R&D tax credit to help reduce problems with current law calculation that requires determining a base rate going back to records from 1984-1988 that is becoming increasingly difficult and costly for many companies. A similar was introduced last year but this proposal differs from previous bill as the credit is the same regardless of the method used to calculate the credit and the revocation period matches the federal law.

Background: Minnesota has been a leader on R&D as was the first state in nation to pass the R&D tax credit. The R&D tax credit has been important in encouraging innovation in our state by keeping R&D activity and those jobs in our state. We have heard from businesses especially from our small and mid-sized companies on the difficulties of the calculating the credit due to the current law calculation for many companies requiring them to have records from 1984 to 1988 to determine their base years. For example, if a 40-year-old company with R&D activities and sales revenue from 1984 – 1988 wants to claim R&D tax credits in 2021, the company would have to look back to books and records 33 plus years ago to properly calculate and claim the R&D tax credit. This task can be extremely difficult and problematic. By providing this alternative calculation this will help businesses that were limited in their ability to claim the credit due to a lack of the historical records necessary to document their base amount or a lack of research activity in the time periods that define their base period. This will be especially helpful to many small to midsize companies in manufacturing industries and in high growth industries such as pharmaceuticals and software.

Description of legislation:

- The bill allows another option to compute the research credit similar to the option available under federal law, called the alternative simplified credit (ASC). Under this option, current-year Minnesota R&D expenditures minus 50% of average Minnesota R&D expenditures during the past three years equals creditable dollars.
- The tax rate would be the same regardless of the method used to calculate the credit (so current law of 10% on first \$2 million and 4% over \$2 million). The other proposal had a combined rate of 6% that would not have been as beneficial to small and mid-sized companies.
- The election would match the federal election and is irrevocable for that tax year. The other proposal had a 5-year prohibition to revoke which would have been problematic to many companies and more complicated as did not match the federal law.

Committee Testimony

Good morning madame chair and members of the committee. My name is Jessica Young and I am with the Medical Alley Association. Thank you for giving me the opportunity to testify this morning in support of S.F. 2970.

I want to thank Chair Nelson for hearing this bill. And I also want to thank Senator Coleman for carrying this important legislation.

Medical Alley Association is the cross-sector healthcare association in Minnesota that supports and advances Medical Alley's global leadership in health innovation and care. We are proud to represent the entire continuum of care. Our members touch virtually every sector of the healthcare industry – medical device, biotech, payor, provider, digital health, and everything in-between.

One of Medical Alley Association's core policy pillars is to prioritize our 'innovative ecosystem.' To sustain its leadership position, Minnesota must continue to foster a business-friendly environment for innovators. This requires a continued commitment to supporting entrepreneurs and incubators and ensuring that the state has the resources necessary to capture and retain the growth of organizations that drive our innovation economy.

Minnesota's Research and Development tax credit is one of those critical resources. S.F. 2970 provides important updates to Minnesota's existing Research and Development tax credit statute. This bill will make Minnesota's R&D tax credit more accessible to companies of all sizes, but especially small and mid-sized companies. This language will save companies time and resources by allowing them to use this simplified, alternative calculation. Minnesota has been a leader on research and development and by making this credit more accessible, it will hopefully encourage more companies to invest in research and development into the future.

Medical Alley is home to a vibrant, innovative healthcare ecosystem. S.F. 2970 ensures there are tools available to attract and retain investment right here in Minnesota.

Thank you, madame chair.

Here is the revised draft language and description. I made some smaller changes based on feedback from CPAs. One is to match the federal on how taxpayers can elect and revoke this provision. The other change was in In Sec. 1(c)(2) as it was suggested that we clarify that these should be the average Minnesota qualified research expenses. (This may help prevent future court cases like those we saw regarding Minnesota vs Federal gross receipts for base periods using the current method). FYI - I just added Minnesota in that section but will flag for revisor/legislative staff to see if that works.

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