

MINNESOTA

I. Political Environment¹

A. GOVERNOR: Tim Pawlenty (**R**); 2nd Term/47% - Re-election year: 2010

Leadership/interest in health care reform: No health expansions were proposed by the Governor in the FY08 budget. However, the Governor is supporting a commission process to work towards universal coverage in Minnesota by 2011.

B. LEGISLATURE

House/Assembly: 85D/49R

Speaker: Margaret Anderson Kelliher (**D**)

Senate: 44D/23R

President of the Senate: James P. Metzen (**D**)

II. State Health Insurance Coverage²

A. State Health Insurance Coverage of the Non-elderly, 2005-2006

	MN		US
	#	%	%
ESI	3,140,761	70%	61%
Medicaid	496,723	11%	13%
Individual Insurance	352,308	8%	5%
Other Public	66,447	1%	2%
Uninsured	437,612	10%	18%
Uninsured < 200% FPL	274,879	63%	65%

B. Federal Matching Rate (FMAP) FY2008: 50%

C. Medicaid Eligibility by FPL

Children	275%
Non-Working Parents	275%

III. History of state health reform

Minnesota has a long history of covering the uninsured with comprehensive benefit packages, and has some of the highest Medicaid eligibility standards in the country.

Minnesota's Legislative Commission on Health Care Access was created in 1992. In 2007, the Commission was charged with devising proposals to work toward universal coverage in Minnesota.

On May 25, 2007, Governor Pawlenty signed a law that would extend health coverage to 30,000 children and 20,000 uninsured adults in Minnesota. The state has also created commissions to explore ways to reduce health care spending, improve quality, reduce disparities, and ensure that all Minnesotans have health coverage by 2011. Additionally, there are plans to streamline eligibility requirements, to give children easier access to MinnesotaCare.

¹ State Yellow Book: A Leadership Directory, Winter 2008

² State Medicaid Fact Sheet – The Kaiser Commission on Medicaid and the Uninsured. Link: <http://www.statehealthfacts.org/mfs.jsp?rgn=25&rgn=1&x=6&y=14>

The Legislature also provided for a one-time allocation of \$170,000 to fund a health care transformation task force to advise the governor on activities to transform the health care system, to develop a statewide action plan, and to study the creation of a voluntary statewide health plan purchasing pool. (RSG, FUSA, SCI)

IV. Current fiscal conditions

State and Local Tax Revenue as a Percentage of Personal Income, 2005³: 10.96%
US Average, 2005: 10.73%

State tobacco tax per pack⁴: \$1.23 National tobacco tax ranking: 17th

In 2009, Minnesota is projected to face a total budget shortfall of \$373 million (2.2% of FY 2008 general fund)⁵.

³ Tax policy Center (June, 2007), "State and Local Tax Revenue as a Percentage of Personal Income, Selected Years 1997-2005". Link: <http://www.taxpolicycenter.org/taxfacts/displayafact.cfm?Docid=511>

⁴ Tax policy Center (April, 2007), "State Cigarette Taxes, 2007"; Link: http://www.taxpolicycenter.org/taxfacts/Content/PDF/cigarette_rates.pdf

⁵ Center on Budget and Policy Priorities (January 2008), "17 States Faces Total Budget Shortfall of At Least \$31 Billion in 2009; 11 Others Expect Budget Problems." Link: <http://www.cbpp.org/1-15-08sfp.htm>