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Fiscal Analysis Department/House Research Department

**The HHS Omnibus Bill and the Budget Process**

**Process and Timelines**

Generally, the process and timelines that Bill Marx laid out apply to the HHS Omnibus bill. However, some things specific to HHS do affect the process:

* The HHS bill(s) and spreadsheets tend to be very large and require more time to process.
* In some years there are multiple bills that are part of the overall HHS budget (there were 5 bills in the 2019 session).
* Currently, several subcommittees need to finish work related to HHS finance to assemble the final budget bill.
* Generally some parts of the HHS finance bill (or the omnibus bill itself) need to go to additional committees (i.e. provider tax).

**Importance of the Revenue Forecast in the HHS Omnibus Bill Process**

* The revenue forecast is a very important item for HHS budgeting because it changes the base for much of HHS spending.
* HHS has a large number of forecasted programs and a large General Fund base that is affected by the forecast (see attachment).
* HHS also has spending from multiple funds that are affected by the forecast.
* The forecast affects HHS base spending by tracking changes to the law (eligibility), projected utilization of services (how many people are served by the programs), and projected cost trend changes (medical cost trends).
* Forecast changes in HHS can be substantial amounts from one forecast to the next (see attachment).
* New forecast issues can involve large changes in base funding.

**Fiscal Notes**

* The fiscal note process is very important in HHS budgeting.
* Typically, each house of the legislature asks for more than 100 fiscal notes in the HHS area each session. Timeliness of fiscal notes can be an issue.
* Many HHS fiscal notes are complicated, involving multiple agencies, interaction between programs, federal requirements/approvals, multiple funds, and extensive IT impacts.
* Agencies are not able to complete every fiscal note request.

**Assembling the HHS Omnibus**

The process of assembling the HHS omnibus bill is similar to that used in other budget areas. Bills are heard and amended during the committee process, and may be laid over by the committee for possible inclusion in the HHS omnibus. During the deadline weeks, staff are told by the chair which laid over bills should be included in the omnibus, and staff may also include new proposals requested by the chair. Because the language in the bill is often complex and technical, House Research staff normally work closely with state agency staff on amendments to clarify or correct provisions in the bill.

**Bill Length**

One unique feature of the HHS bill, relative to other budget bills, is that it is often very long. There are several reasons for the length of the bill.

1. The HHS committee has jurisdiction over a wide range of policy areas, including but not limited to: health care, mental health and chemical dependency, income maintenance, social services, health related occupations, public health, HMO regulation, and nursing homes and long-term care.
2. The statutory language governing programs administered by the Department of Human Services can be quite detailed and lengthy. The provisions often specify criteria related to recipient eligibility, program services and benefits, provider reimbursement, federal compliance, and program administration. This means that a large number of provisions must be added to create a new program, or amended to modify an existing program. In contrast, statutory language for programs administered by the Minnesota Department of Health tends to be less detailed and shorter in length.
3. The HHS omnibus at times also contains policy provisions that are not directly tied to money. Sometimes these policy provisions are included because agencies are not able to have all their policy bills heard, or because there is little legislative interest in separate agency policy bills.

The large size of the bill means that it can take a considerable amount of time for House Research and Revisor staff to assemble the bill and process engrossments, and for paper copies of the bill and engrossments to be printed. This is something that is usually factored in when setting the schedule for committee and floor action on the HHS omnibus bill.