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March 07—Minnesota health care is about to go through its biggest change in half a century.

The Senate will vote Thursday on the new Health Insurance Exchange, an online marketplace that soon could serve as many as one out of every five Minnesotans, once health insurance becomes mandatory next year. That's 1.3 million Minnesotans, including 300,000 who currently are uninsured.

The Star Tribune will livestream the discussion, starting at 11 a.m.

The exchange will cost \$60 million a year to operate and the state has already spent millions preparing to create a technology they hope will be as user-friendly as those online sites that search out the best hotel rates.

With that much at stake, the insurance exchange bills have been in the cross hairs of dozens of interest groups whose fate is tied to the shape of medical care.

“We’ve worked very, very hard to come up with a bill that can work for industry — and I believe that it can — but also can work for consumers,” said state Sen. Tony Lourey, DFL-Kerrick, author of the Senate version of the exchange bill.

The insurance exchange is supposed to make it cheaper and easier for individuals and small businesses to shop for policies. If Minnesota does not draft a plan for a state-based exchange, it will have to use one designed by, and run out of, Washington, D.C. The federal government is mandating creation of such exchanges as part of national health care reform and will pay most of the cost in coming years.

That is not sitting well with some Republicans, who still are opposing efforts to

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and more than 70 hours of testimony during the past two months at the Legislature.

“I value the legislative process and the input we get from stakeholders, consumers, insurance industry, health care industry,” Lourey said. “Everybody comes to the table and helps craft this.”

In the House alone, more than 60 people testified for or against the exchange, from private citizens and small-business owners to lobbyists for high-octane interest groups like the Minnesota Chamber of Commerce, the Minnesota Insurance Federation, the Minnesota Council of Health Plans, Blue Cross Blue Shield and the AARP.

Lobbyists are spending more money than ever to influence public policy at the state level, according to a recent report from the Minnesota Campaign Finance and Public Disclosure Board. Lobbyists spent more than \$65 million in Minnesota in 2011, the latest figures available. More than a third of that came from the business and health interests that have lobbied fiercely on this year's insurance exchange bills.

Fledgling interest groups like Small Business Minnesota have been learning firsthand just how hard it is to lobby the Legislature on your own time.

“It takes four hours out of a business owner's day to go to the Capitol and testify for two minutes,” said Audrey Britton, spokeswoman for the group, which lobbied in favor of the exchange. Its members flocked to early hearings, sharing stories about how hard it can be for small businesses to offer health care, even for their own families, and the difficulties of attracting and keeping talented employees when there is no health plan to offer.

“It's been a little disappointing to see how the process is so much easier for the professional lobbyists, the people who are paid to be there,” Britton said.

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marketplace, it's a huge government agency."

All that lobbying has tweaked the bills in places. In the final hearing in the House, exchange sponsor Rep. Joe Atkins, DFL-South St. Paul, amended his bill to limit the authority of the exchange's seven-member board to say which insurance policies will and will not be offered through the online marketplace.

Rep. Joe Atkins, DFL-Inver Grove Heights, said the reform "is the biggest change we've talked about since Medicare and Medicaid" in 1965.

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