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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH  
SESSION

HOUSE FILE No. **914**

February 12, 2007

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The bill was read for the first time and referred to the Committee on Health and Human Services

1.1 A bill for an act  
1.2 relating to health; eliminating the MinnesotaCare four-month uninsured  
1.3 requirement for children; amending Minnesota Statutes 2006, section 256L.07,  
1.4 subdivisions 1, 3.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2006, section 256L.07, subdivision 1, is amended to read:

1.7 Subdivision 1. **General requirements.** (a) Children enrolled in the original  
1.8 children's health plan as of September 30, 1992, children who enrolled in the  
1.9 MinnesotaCare program after September 30, 1992, pursuant to Laws 1992, chapter 549,  
1.10 article 4, section 17, and children who have family gross incomes that are equal to or  
1.11 less than 150 percent of the federal poverty guidelines are eligible without meeting  
1.12 the requirements of subdivision 2 ~~and the four-month requirement in subdivision 3~~, as  
1.13 long as they maintain continuous coverage in the MinnesotaCare program or medical  
1.14 assistance. Children who apply for MinnesotaCare on or after the implementation date  
1.15 of the employer-subsidized health coverage program as described in Laws 1998, chapter  
1.16 407, article 5, section 45, who have family gross incomes that are equal to or less than 150  
1.17 percent of the federal poverty guidelines, must meet the requirements of subdivision 2 to  
1.18 be eligible for MinnesotaCare.

1.19 (b) Families enrolled in MinnesotaCare under section 256L.04, subdivision 1, whose  
1.20 income increases above 275 percent of the federal poverty guidelines, are no longer  
1.21 eligible for the program and shall be disenrolled by the commissioner. Individuals enrolled  
1.22 in MinnesotaCare under section 256L.04, subdivision 7, whose income increases above  
1.23 175 percent of the federal poverty guidelines are no longer eligible for the program and  
1.24 shall be disenrolled by the commissioner. For persons disenrolled under this subdivision,

2.1 MinnesotaCare coverage terminates the last day of the calendar month following the  
 2.2 month in which the commissioner determines that the income of a family or individual  
 2.3 exceeds program income limits.

2.4 (c) Notwithstanding paragraph (b), children may remain enrolled in MinnesotaCare  
 2.5 if ten percent of their gross individual or gross family income as defined in section  
 2.6 256L.01, subdivision 4, is less than the premium for a six-month policy with a \$500  
 2.7 deductible available through the Minnesota Comprehensive Health Association. Children  
 2.8 who are no longer eligible for MinnesotaCare under this clause shall be given a 12-month  
 2.9 notice period from the date that ineligibility is determined before disenrollment. The  
 2.10 premium for children remaining eligible under this clause shall be the maximum premium  
 2.11 determined under section 256L.15, subdivision 2, paragraph (b).

2.12 (d) Notwithstanding paragraphs (b) and (c), parents are not eligible for  
 2.13 MinnesotaCare if gross household income exceeds \$25,000 for the six-month period  
 2.14 of eligibility.

2.15 Sec. 2. Minnesota Statutes 2006, section 256L.07, subdivision 3, is amended to read:

2.16 Subd. 3. **Other health coverage.** (a) Families and individuals enrolled in the  
 2.17 MinnesotaCare program must have no health coverage while enrolled ~~or~~ and adults must  
 2.18 have no health coverage for at least four months prior to application and renewal. Children  
 2.19 enrolled in the original children's health plan and children in families with income equal  
 2.20 to or less than 150 percent of the federal poverty guidelines, who have other health  
 2.21 insurance, are eligible if the coverage:

2.22 (1) lacks two or more of the following:

2.23 (i) basic hospital insurance;

2.24 (ii) medical-surgical insurance;

2.25 (iii) prescription drug coverage;

2.26 (iv) dental coverage; or

2.27 (v) vision coverage;

2.28 (2) requires a deductible of \$100 or more per person per year; or

2.29 (3) lacks coverage because the child has exceeded the maximum coverage for a  
 2.30 particular diagnosis or the policy excludes a particular diagnosis.

2.31 The commissioner may change this eligibility criterion for sliding scale premiums  
 2.32 in order to remain within the limits of available appropriations. The requirement of no  
 2.33 health coverage does not apply to newborns.

2.34 (b) Medical assistance, general assistance medical care, and the Civilian Health and  
 2.35 Medical Program of the Uniformed Service, CHAMPUS, or other coverage provided under

3.1 United States Code, title 10, subtitle A, part II, chapter 55, are not considered insurance or  
3.2 health coverage for purposes of the four-month requirement described in this subdivision.

3.3 (c) For purposes of this subdivision, an applicant or enrollee who is entitled to  
3.4 Medicare Part A or enrolled in Medicare Part B coverage under title XVIII of the Social  
3.5 Security Act, United States Code, title 42, sections 1395c to 1395w-152, is considered to  
3.6 have health coverage. An applicant or enrollee who is entitled to premium-free Medicare  
3.7 Part A may not refuse to apply for or enroll in Medicare coverage to establish eligibility  
3.8 for MinnesotaCare.

3.9 (d) Applicants who were recipients of medical assistance or general assistance  
3.10 medical care within one month of application must meet the provisions of this subdivision  
3.11 and subdivision 2.

3.12 (e) Cost-effective health insurance that was paid for by medical assistance is not  
3.13 considered health coverage for purposes of the four-month requirement under this  
3.14 section, except if the insurance continued after medical assistance no longer considered it  
3.15 cost-effective or after medical assistance closed.