

This Document can be made available
in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **1576**

March 1, 2007

Authored by Fritz and Madore

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 human services; requiring a quality of care impact statement prior to
1.3 contracting for basic health care services to persons with disabilities; amending
1.4 Minnesota Statutes 2006, section 256B.69, subdivision 28.

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

1.6 Section 1. Minnesota Statutes 2006, section 256B.69, subdivision 28, is amended to
1.7 read:

1.8 Subd. 28. **Medicare special needs plans; medical assistance basic health care.**

1.9 (a) The commissioner may contract with qualified Medicare-approved special needs
1.10 plans to provide medical assistance basic health care services to persons with disabilities,
1.11 including those with developmental disabilities. Basic health care services include:

1.12 (1) those services covered by the medical assistance state plan except for ICF/MR
1.13 services, home and community-based waiver services, case management for persons with
1.14 developmental disabilities under section 256B.0625, subdivision 20a, and personal care
1.15 and certain home care services defined by the commissioner in consultation with the
1.16 stakeholder group established under paragraph (d); and

1.17 (2) basic health care services may also include risk for up to 100 days of nursing
1.18 facility services for persons who reside in a noninstitutional setting and home health
1.19 services related to rehabilitation as defined by the commissioner after consultation with
1.20 the stakeholder group.

1.21 The commissioner may exclude other medical assistance services from the basic
1.22 health care benefit set. Enrollees in these plans can access any excluded services on the
1.23 same basis as other medical assistance recipients who have not enrolled.

2.1 Unless a person is otherwise required to enroll in managed care, enrollment in these
2.2 plans for Medicaid services must be voluntary. For purposes of this subdivision, automatic
2.3 enrollment with an option to opt out is not voluntary enrollment.

2.4 (b) Before entering into any contract under this subdivision for services now
2.5 performed by county employees, the commissioner must first develop and issue a quality
2.6 of care impact statement to include: any resulting reduction in the quality and quantity
2.7 of county safety net services for disabled persons, any resulting county employee job
2.8 losses, a comparison of the qualifications and experience of existing county case managers
2.9 versus contracted vendors, a cost-benefit analysis showing the costs and projected actual
2.10 savings of a prepaid medical plan in comparison to fee-paid services and any reported
2.11 conflicts of interest.

2.12 ~~(b)~~ (c) Beginning January 1, 2007, the commissioner may contract with qualified
2.13 Medicare special needs plans to provide basic health care services under medical
2.14 assistance to persons who are dually eligible for both Medicare and Medicaid and those
2.15 Social Security beneficiaries eligible for Medicaid but in the waiting period for Medicare.
2.16 The commissioner shall consult with the stakeholder group under paragraph ~~(d)~~ (e) in
2.17 developing program specifications for these services. The commissioner shall report to
2.18 the chairs of the house and senate committees with jurisdiction over health and human
2.19 services policy and finance by February 1, 2007, on implementation of these programs and
2.20 the need for increased funding for the ombudsman for managed care and other consumer
2.21 assistance and protections needed due to enrollment in managed care of persons with
2.22 disabilities. Payment for Medicaid services provided under this subdivision for the months
2.23 of May and June will be made no earlier than July 1 of the same calendar year.

2.24 ~~(c) Beginning January 1, 2008, the commissioner may expand contracting under this~~
2.25 ~~subdivision to all persons with disabilities not otherwise required to enroll in managed~~
2.26 ~~care.~~ (d) By February 1, 2008, the commissioner shall report to the chairs of the house and
2.27 senate committees with jurisdiction over health and human services policy and finance on
2.28 the initial results of implementation of contracts with qualified Medicare special needs
2.29 plans to provide basic health care services under medical assistance to persons who are
2.30 dually eligible for both Medicare and Medicaid and those Social Security beneficiaries
2.31 eligible for Medicaid but in the waiting period for Medicare. This report shall include an
2.32 overall assessment of the impact on quality of care including the actual costs and benefits
2.33 of any prepaid medical plans versus fee-paid services, any resulting county employee job
2.34 losses, a comparison of the qualifications and experience of existing county case managers
2.35 versus contracted vendors, and any reported conflicts of interest.

3.1 ~~(d)~~ (e) The commissioner shall establish a state-level stakeholder group to provide
3.2 advice on managed care programs for persons with disabilities, including both MnDHO
3.3 and contracts with special needs plans that provide basic health care services as described
3.4 in paragraphs (a) and (b). The stakeholder group shall include representatives of the
3.5 counties covered by the plan and labor organizations representing county social service
3.6 workers, members, consumer advocates, and providers, and provide advice on program
3.7 expansions under this subdivision and subdivision 23, including:

3.8 (1) implementation efforts;

3.9 (2) consumer protections; and

3.10 (3) program specifications such as quality assurance measures, data collection and
3.11 reporting, and evaluation of costs, quality, and results.

3.12 ~~(e)~~ (f) Each plan under contract to provide medical assistance basic health care
3.13 services shall establish a local or regional stakeholder group, including representatives
3.14 of the counties covered by the plan and labor organizations representing county social
3.15 service workers, members, consumer advocates, and current providers, for advice on
3.16 issues that arise in the local or regional area.

3.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.