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State of Minnesota

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HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **3380**

February 25, 2008

Authored by Liebling, Norton, Welti, Tschumper, Poppe and others

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

March 11, 2008

Committee Recommendation and Adoption of Report:

To Pass as Amended and re-referred to the Committee on Finance

April 23, 2008

Committee Recommendation and Adoption of Report:

To Pass as Amended and Read Second Time

May 5, 2008

By motion, re-referred to the Committee on Ways and Means

May 7, 2008

Committee Recommendation and Adoption of Report:

To Pass as Amended

Read Second Time

1.1 A bill for an act
1.2 relating to human services; revising requirements for county-based purchasing
1.3 for state health care programs; appropriating money; amending Minnesota
1.4 Statutes 2007 Supplement, section 256B.69, subdivision 4.

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

1.6 Section 1. Minnesota Statutes 2007 Supplement, section 256B.69, subdivision 4, is
1.7 amended to read:

1.8 Subd. 4. **Limitation of choice.** (a) The commissioner shall develop criteria to
1.9 determine when limitation of choice may be implemented in the experimental counties.
1.10 The criteria shall ensure that all eligible individuals in the county have continuing access
1.11 to the full range of medical assistance services as specified in subdivision 6.

1.12 (b) The commissioner shall exempt the following persons from participation in the
1.13 project, in addition to those who do not meet the criteria for limitation of choice:

1.14 (1) persons eligible for medical assistance according to section 256B.055,
1.15 subdivision 1;

1.16 (2) persons eligible for medical assistance due to blindness or disability as
1.17 determined by the Social Security Administration or the state medical review team, unless:

1.18 (i) they are 65 years of age or older; or

1.19 (ii) they reside in Itasca County or they reside in a county in which the commissioner
1.20 conducts a pilot project under a waiver granted pursuant to section 1115 of the Social
1.21 Security Act;

1.22 (3) recipients who currently have private coverage through a health maintenance
1.23 organization;

2.1 (4) recipients who are eligible for medical assistance by spending down excess
2.2 income for medical expenses other than the nursing facility per diem expense;

2.3 (5) recipients who receive benefits under the Refugee Assistance Program,
2.4 established under United States Code, title 8, section 1522(e);

2.5 (6) children who are both determined to be severely emotionally disturbed and
2.6 receiving case management services according to section 256B.0625, subdivision 20,
2.7 except children who are eligible for and who decline enrollment in an approved preferred
2.8 integrated network under section 245.4682;

2.9 (7) adults who are both determined to be seriously and persistently mentally ill and
2.10 received case management services according to section 256B.0625, subdivision 20;

2.11 (8) persons eligible for medical assistance according to section 256B.057,
2.12 subdivision 10; and

2.13 (9) persons with access to cost-effective employer-sponsored private health
2.14 insurance or persons enrolled in a non-Medicare individual health plan determined to be
2.15 cost-effective according to section 256B.0625, subdivision 15.

2.16 Children under age 21 who are in foster placement may enroll in the project on an elective
2.17 basis. Individuals excluded under clauses (1), (6), and (7) may choose to enroll on an
2.18 elective basis. The commissioner may enroll recipients in the prepaid medical assistance
2.19 program for seniors who are (1) age 65 and over, and (2) eligible for medical assistance by
2.20 spending down excess income.

2.21 (c) The commissioner may allow persons with a one-month spenddown who are
2.22 otherwise eligible to enroll to voluntarily enroll or remain enrolled, if they elect to prepay
2.23 their monthly spenddown to the state.

2.24 (d) The commissioner may require those individuals to enroll in the prepaid medical
2.25 assistance program who otherwise would have been excluded under paragraph (b), clauses
2.26 (1), (3), and (8), and under Minnesota Rules, part 9500.1452, subpart 2, items H, K, and L.

2.27 (e) Before limitation of choice is implemented, eligible individuals shall be notified
2.28 and after notification, shall be allowed to choose only among demonstration providers.
2.29 The commissioner may assign an individual with private coverage through a health
2.30 maintenance organization, to the same health maintenance organization for medical
2.31 assistance coverage, if the health maintenance organization is under contract for medical
2.32 assistance in the individual's county of residence. After initially choosing a provider,
2.33 the recipient is allowed to change that choice only at specified times as allowed by the
2.34 commissioner. If a demonstration provider ends participation in the project for any reason,
2.35 a recipient enrolled with that provider must select a new provider but may change providers
2.36 without cause once more within the first 60 days after enrollment with the second provider.

3.1 (f) An infant born to a woman who is eligible for and receiving medical assistance
3.2 and who is enrolled in the prepaid medical assistance program shall be retroactively
3.3 enrolled to the month of birth in the same managed care plan as the mother once the
3.4 child is enrolled in medical assistance unless the child is determined to be excluded from
3.5 enrollment in a prepaid plan under this section.

3.6 (g) For an eligible individual under the age of 65, in the absence of a specific
3.7 managed care plan choice by the individual, the commissioner shall assign the individual
3.8 to the county-based purchasing health plan in Olmsted, Winona, Houston, Fillmore,
3.9 and Mower Counties, if the individual resides in one of these counties. For an eligible
3.10 individual over the age of 65, the commissioner shall make this default assignment upon
3.11 the county-based purchasing plan entering into a contract with the commissioner to serve
3.12 this population and receiving federal approval as a special needs plan.

3.13 **Sec. 2. STATEMENT OF COSTS; APPROPRIATION.**

3.14 By June 1, 2009, the commissioner of human services shall submit to Olmsted
3.15 County an itemized statement of costs incurred by the Department of Human Services
3.16 for necessary changes to the department's computer system to implement new Minnesota
3.17 Statutes, section 256B.69, subdivision 4, paragraph (g), along with a bill for the amount
3.18 of these costs, up to \$18,000. By June 30, 2009, Olmsted County must remit to the
3.19 commissioner the amount billed. The amount received by the commissioner must be
3.20 deposited in the state treasury and credited to a special account and is appropriated to the
3.21 commissioner as reimbursement for the costs billed.