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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE No. 3810

March 4, 2008

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The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to health; creating a self-directed health care pilot option to
1.3 MinnesotaCare; appropriating money; proposing coding for new law in
1.4 Minnesota Statutes, chapter 256L.

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

1.6 Section 1. **[256L.30] SELF-DIRECTED HEALTH CARE ACCOUNTS PILOT**
1.7 **PROGRAM.**

1.8 Subdivision 1. **Creation of pilot program.** The commissioner shall create
1.9 a self-directed health care accounts pilot program for up to persons who have
1.10 satisfied the eligibility standards under section 256L.04, the application procedures
1.11 under section 256L.05, the residency requirements under section 256L.09, the premium
1.12 requirements under section 256L.15, and the asset requirement under section 256L.17.
1.13 The commissioner shall enroll persons on a voluntary basis in this pilot program.

1.14 Subd. 2. **Exemptions.** An enrollee in the self-directed health care accounts program
1.15 is not subject to the requirements of section 256L.11 or the requirements of section
1.16 256L.12.

1.17 Subd. 3. **Individual debit card accounts.** Each enrollee shall receive an individual
1.18 debit card account and a corresponding debit card. For each enrollee in the pilot program,
1.19 the commissioner shall direct funds monthly into each individual's debit card account
1.20 in an amount equal to the average monthly capitated payment per covered life in the
1.21 MinnesotaCare program. The commissioner may contract with a private entity to carry
1.22 out the banking requirements of this subdivision.

1.23 Subd. 4. **Covered services.** The commissioner shall authorize the use of funds in
1.24 the debit card accounts by an enrollee for any covered health service, as described by

2.1 section 256L.03. No transaction shall be permitted or authorized by the commissioner for
2.2 the purchase of goods or services that are not covered services. The commissioner may
2.3 contract with a private entity to carry out the third-party administration, accounting, and
2.4 fraud prevention requirements of this subdivision.

2.5 Subd. 5. **Provider payments.** An enrollee in the self-directed health care accounts
2.6 program may choose to use their individual debit card to pay for any covered service under
2.7 subdivision 4, when provided by a licensed provider. To participate in this program, a
2.8 provider must have electronic billing capabilities. The commissioner shall make available
2.9 to enrollees a list of providers with such capabilities.

2.10 Subd. 6. **Ombudsman.** The commissioner shall appoint an ombudsman for
2.11 the self-directed health care accounts pilot program. The ombudsman shall provide
2.12 assistance to enrollees in finding providers and with educational materials on the need
2.13 and effectiveness of preventive treatment.

2.14 Subd. 7. **Federal approval.** The commissioner shall seek all federal waivers and
2.15 approvals necessary to implement this section.

2.16 Subd. 8. **Sunset.** This pilot program is authorized for two years from the effective
2.17 date of this section. Upon discontinuation of the pilot program, all enrollees shall be
2.18 automatically enrolled in the MinnesotaCare program, subject to the requirements of
2.19 chapter 256L.

2.20 Sec. 2. **APPROPRIATION.**

2.21 \$..... is appropriated from the health care access fund to the Department of Human
2.22 Services for any administrative costs associated with the self-directed health care accounts
2.23 pilot program.