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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE No. 1647

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

1.1 A bill for an act
1.2 relating to human services; eliminating prescription drug coverage from prepaid
1.3 medical assistance program contracts; amending Minnesota Statutes 2008,
1.4 sections 256B.0625, subdivision 13; 256B.69, subdivision 6.

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

1.6 Section 1. Minnesota Statutes 2008, section 256B.0625, subdivision 13, is amended to
1.7 read:

1.8 Subd. 13. **Drugs.** (a) Medical assistance covers drugs, except for fertility drugs
1.9 when specifically used to enhance fertility, if prescribed by a licensed practitioner and
1.10 dispensed by a licensed pharmacist, by a physician enrolled in the medical assistance
1.11 program as a dispensing physician, or by a physician or a nurse practitioner employed
1.12 by or under contract with a community health board as defined in section 145A.02,
1.13 subdivision 5, for the purposes of communicable disease control.

1.14 (b) The dispensed quantity of a prescription drug must not exceed a 34-day supply,
1.15 unless authorized by the commissioner.

1.16 (c) Medical assistance covers the following over-the-counter drugs when prescribed
1.17 by a licensed practitioner or by a licensed pharmacist who meets standards established by
1.18 the commissioner, in consultation with the board of pharmacy: antacids, acetaminophen,
1.19 family planning products, aspirin, insulin, products for the treatment of lice, vitamins for
1.20 adults with documented vitamin deficiencies, vitamins for children under the age of seven
1.21 and pregnant or nursing women, and any other over-the-counter drug identified by the
1.22 commissioner, in consultation with the formulary committee, as necessary, appropriate,
1.23 and cost-effective for the treatment of certain specified chronic diseases, conditions,
1.24 or disorders, and this determination shall not be subject to the requirements of chapter

2.1 14. A pharmacist may prescribe over-the-counter medications as provided under this
2.2 paragraph for purposes of receiving reimbursement under Medicaid. When prescribing
2.3 over-the-counter drugs under this paragraph, licensed pharmacists must consult with the
2.4 recipient to determine necessity, provide drug counseling, review drug therapy for potential
2.5 adverse interactions, and make referrals as needed to other health care professionals.

2.6 (d) Effective January 1, 2006, medical assistance shall not cover drugs that
2.7 are coverable under Medicare Part D as defined in the Medicare Prescription Drug,
2.8 Improvement, and Modernization Act of 2003, Public Law 108-173, section 1860D-2(e),
2.9 for individuals eligible for drug coverage as defined in the Medicare Prescription
2.10 Drug, Improvement, and Modernization Act of 2003, Public Law 108-173, section
2.11 1860D-1(a)(3)(A). For these individuals, medical assistance may cover drugs from the
2.12 drug classes listed in United States Code, title 42, section 1396r-8(d)(2), subject to this
2.13 subdivision and subdivisions 13a to 13g, except that drugs listed in United States Code,
2.14 title 42, section 1396r-8(d)(2)(E), shall not be covered.

2.15 (e) Effective January 1, 2010, prescription drug coverage shall be covered on a
2.16 fee-for-service basis according to subdivisions 13 to 13h.

2.17 Sec. 2. Minnesota Statutes 2008, section 256B.69, subdivision 6, is amended to read:

2.18 Subd. 6. **Service delivery.** (a) Except as provided in paragraph (c), each
2.19 demonstration provider shall be responsible for the health care coordination for eligible
2.20 individuals. Demonstration providers:

2.21 (1) shall authorize and arrange for the provision of all needed health services
2.22 including but not limited to the full range of services listed in sections 256B.02,
2.23 subdivision 8, and 256B.0625 in order to ensure appropriate health care is delivered to
2.24 enrollees. Notwithstanding section 256B.0621, demonstration providers that provide
2.25 nursing home and community-based services under this section shall provide relocation
2.26 service coordination to enrolled persons age 65 and over;

2.27 (2) shall accept the prospective, per capita payment from the commissioner in return
2.28 for the provision of comprehensive and coordinated health care services for eligible
2.29 individuals enrolled in the program;

2.30 (3) may contract with other health care and social service practitioners to provide
2.31 services to enrollees; and

2.32 (4) shall institute recipient grievance procedures according to the method established
2.33 by the project, utilizing applicable requirements of chapter 62D. Disputes not resolved
2.34 through this process shall be appealable to the commissioner as provided in subdivision 11.

3.1 (b) Demonstration providers must comply with the standards for claims settlement
3.2 under section 72A.201, subdivisions 4, 5, 7, and 8, when contracting with other health
3.3 care and social service practitioners to provide services to enrollees. A demonstration
3.4 provider must pay a clean claim, as defined in Code of Federal Regulations, title 42,
3.5 section 447.45(b), within 30 business days of the date of acceptance of the claim.

3.6 (c) Effective January 1, 2010, a demonstration provider shall not authorize or arrange
3.7 prescription drug coverage described under section 256B.0625; 256D.03, subdivision
3.8 4; or 256L.03 as part of the comprehensive health care services that are required to be
3.9 provided by the demonstration provider under this section. Prescription drug coverage
3.10 shall be provided on a fee-for-service basis according to section 256B.0625.