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State of Minnesota HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH SESSION

HOUSE FILE No. 2736

February 4, 2010

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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

February 8, 2010

Committee Recommendation and Adoption of Report:

To Pass and re-referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to human services; modifying MinnesotaCare coverage for certain single
1.3 adults and households without children; amending Minnesota Statutes 2008,
1.4 sections 256D.03, by adding a subdivision; 256L.05, subdivision 3; 256L.15,
1.5 subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 256L.

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

1.7 Section 1. Minnesota Statutes 2008, section 256D.03, is amended by adding a
1.8 subdivision to read:

1.9 Subd. 3c. Enrollee characteristics; eligibility criteria. The commissioner of
1.10 human services shall study the demographic characteristics, health care needs, and health
1.11 care service utilization of individuals enrolled in general assistance medical care for all or
1.12 part of the period January 1, 2006, through December 31, 2009. The commissioner, by
1.13 September 1, 2010, shall identify the characteristics of enrollees who can be effectively
1.14 served under the standard MinnesotaCare program and the characteristics of enrollees who
1.15 cannot be effectively served under the standard MinnesotaCare program but can be served
1.16 effectively under modified MinnesotaCare coverage for single adults and households
1.17 without children. Based upon this analysis, the commissioner shall establish eligibility
1.18 criteria under which individuals would qualify for modified MinnesotaCare coverage for
1.19 single adults and households without children.

1.20 EFFECTIVE DATE. This section is effective March 1, 2010.

1.21 Sec. 2. Minnesota Statutes 2008, section 256L.05, subdivision 3, is amended to read:

1.22 Subd. 3. Effective date of coverage. (a) The effective date of coverage is the
1.23 first day of the month following the month in which eligibility is approved and the first

2.1 premium payment has been received. As provided in section 256B.057, coverage for  
2.2 newborns is automatic from the date of birth and must be coordinated with other health  
2.3 coverage. The effective date of coverage for eligible newly adoptive children added to a  
2.4 family receiving covered health services is the month of placement. The effective date  
2.5 of coverage for other new members added to the family is the first day of the month  
2.6 following the month in which the change is reported. All eligibility criteria must be met  
2.7 by the family at the time the new family member is added. The income of the new family  
2.8 member is included with the family's gross income and the adjusted premium begins in  
2.9 the month the new family member is added.

2.10 (b) The initial premium must be received by the last working day of the month for  
2.11 coverage to begin the first day of the following month.

2.12 (c) Benefits are not available until the day following discharge if an enrollee is  
2.13 hospitalized on the first day of coverage.

2.14 (d) Notwithstanding any other law to the contrary, benefits under sections 256L.01 to  
2.15 256L.18 are secondary to a plan of insurance or benefit program under which an eligible  
2.16 person may have coverage and the commissioner shall use cost avoidance techniques to  
2.17 ensure coordination of any other health coverage for eligible persons. The commissioner  
2.18 shall identify eligible persons who may have coverage or benefits under other plans of  
2.19 insurance or who become eligible for medical assistance.

2.20 (e) The effective date of coverage for single adults and households with no children  
2.21 formerly enrolled in general assistance medical care and enrolled in MinnesotaCare  
2.22 according to section 256D.03, subdivision 3, is the first day of the month following the  
2.23 last day of general assistance medical care coverage.

2.24 (f) Effective for applications submitted March 1, 2010, through June 30, 2011, the  
2.25 effective date of coverage for persons formerly enrolled in general assistance medical  
2.26 care and enrolled in MinnesotaCare according to section 256D.03, subdivision 3, shall  
2.27 be no earlier than the date of application for general assistance medical care. Effective  
2.28 for applications submitted on or after July 1, 2011, the effective date of coverage  
2.29 provisions in this paragraph apply only if the person also meets the criteria established by  
2.30 the commissioner under section 256D.03, subdivision 3c, for modified MinnesotaCare  
2.31 coverage for single adults and households without children. The effective date of coverage  
2.32 for persons who do not meet these criteria shall be the first day of the month following  
2.33 approval of eligibility.

2.34 (g) Effective for applications submitted March 1, 2010, through June 30, 2011, the  
2.35 effective date of coverage for applicants who are single adults and households without  
2.36 children under section 256L.04, subdivision 7, with gross family incomes that do not

3.1 exceed 100 percent of the federal poverty guidelines, shall be no earlier than the date  
3.2 of application for MinnesotaCare. Effective for applications submitted on or after July  
3.3 1, 2011, the effective date of coverage provisions in this paragraph apply only if the  
3.4 person also meets the criteria established by the commissioner under section 256D.03,  
3.5 subdivision 3c, for modified MinnesotaCare coverage for single adults and households  
3.6 without children. The effective date of coverage for persons who do not meet these criteria  
3.7 shall be the first day of the month following approval of eligibility.

3.8 (h) MinnesotaCare coverage for persons whose effective date of coverage is  
3.9 determined under paragraph (f) or (g) shall be provided on a fee-for-service basis for three  
3.10 months, or until the person is enrolled in a managed care plan, whichever is earlier. If  
3.11 a person has not enrolled in a managed care plan within three months, MinnesotaCare  
3.12 coverage ends and will resume only upon enrollment in a managed care plan.

3.13 **EFFECTIVE DATE.** This section is effective March 1, 2010.

3.14 Sec. 3. **[256L.121] HEALTH CARE HOME PROGRAM FOR CERTAIN**  
3.15 **SINGLE ADULTS AND HOUSEHOLDS WITHOUT CHILDREN.**

3.16 Subdivision 1. **Establishment; contract with commissioner.** (a) The commissioner  
3.17 shall develop and implement, by July 1, 2011, a county-based, health care home program  
3.18 for those individuals identified by the commissioner under section 256D.03, subdivision  
3.19 3c, as being more effectively served under modified MinnesotaCare coverage for single  
3.20 adults and households without children.

3.21 (b) Participation by counties in the program is voluntary and subject to approval by,  
3.22 and entering into a contract with, the commissioner. Contract requirements must include:

3.23 (1) criteria and procedures for county participation, and withdrawal from, the health  
3.24 care home program;

3.25 (2) care coordination, quality of care, and other requirements for participating health  
3.26 care homes, and county oversight requirements for health care homes;

3.27 (3) consumer protection, provider protection, and fiscal solvency standards; and

3.28 (4) procedures for addressing fiscal insolvency of county health care home programs  
3.29 and ensuring continuity of care.

3.30 Subd. 2. **County requirements related to health care homes.** Each county  
3.31 participating in the health care home program shall contract with providers certified  
3.32 as health care homes under section 256B.0751 to provide services to MinnesotaCare  
3.33 enrollees meeting the criteria developed by the commissioner under section 256D.03,  
3.34 subdivision 3c. Each participating county shall require enrollees residing in the county to

4.1 designate as a health care home a provider certified under section 256B.0751 and shall  
4.2 assign enrollees who do not make a designation to a health care home.

4.3 Subd. 3. **County payment.** The commissioner shall pay counties that are providing  
4.4 health care under this section a per capita payment for all MinnesotaCare enrollees  
4.5 that does not exceed the payment that would otherwise be paid to a managed care plan  
4.6 under section 256L.12. A county is not required to obtain a certificate of authority under  
4.7 chapter 62D, but must meet consumer protection, provider protection, and fiscal solvency  
4.8 standards established by the commissioner. The state and the commissioner shall not be  
4.9 liable for any costs incurred by a county that exceed the payments to the county made  
4.10 under this section.

4.11 Subd. 4. **Nonparticipating counties.** The commissioner shall continue to provide  
4.12 MinnesotaCare services using managed care and county-based purchasing plans under  
4.13 sections 256B.69 and 256B.692 in counties that chose not to participate in, or withdraw  
4.14 from, the health care program.

4.15 **EFFECTIVE DATE.** This section is effective March 1, 2010.

4.16 Sec. 4. Minnesota Statutes 2008, section 256L.15, subdivision 4, is amended to read:

4.17 Subd. 4. **Exception for ~~transitioned~~ certain adults.** (a) County agencies shall  
4.18 pay the enrollee share of premiums for: (1) single adults and households with no children  
4.19 formerly enrolled in general assistance medical care and enrolled in MinnesotaCare  
4.20 according to section 256D.03, subdivision 3, ~~until six-month renewal. The county agency~~  
4.21 ~~has the option of continuing to pay premiums for these enrollees;~~ and (2) single adults and  
4.22 households without children enrolled under section 256L.04, subdivision 7, with gross  
4.23 family incomes not exceeding 100 percent of the federal poverty guidelines.

4.24 (b) Counties that do not participate in the health care program established under  
4.25 section 256L.121 shall pay both the enrollee and state share of MinnesotaCare premiums  
4.26 for individuals meeting the criteria developed for modified MinnesotaCare coverage by  
4.27 the commissioner under section 256D.03, subdivision 3c.

4.28 **EFFECTIVE DATE.** This section is effective March 1, 2010.