

1.1 moves to amend H.F. No. 1705 as follows:

1.2 Page 3, delete lines 24 to 31 and insert:

1.3 "(k) If the Centers for Medicare and Medicaid Services reduces the federal match for
1.4 medical supplies and durable medical equipment according to United States Code, title 42,
1.5 section 1396b(i)(27), then effective for services provided on or after January 1, 2018, medical
1.6 assistance base payment rates for medical supplies and durable medical equipment shall be
1.7 made according to the Medicare fee schedule. The commissioner shall supplement medical
1.8 assistance base payment rates for medical supplies and durable medical equipment where
1.9 the Medicare fee schedule is lower than the 2017 medical assistance total payment rate. The
1.10 supplement shall be paid through state funds and calculated as a rateable increase added to
1.11 the medical assistance base payment rate. If rateable increases cannot be assigned by
1.12 individual healthcare common procedure code, the commissioner shall create rateable bands
1.13 according to the following schedule:

1.14 (1) payment rates for medical supplies and durable medical equipment shall be increased
1.15 by six percent where the Medicare fee schedule is one to ten percent lower than the 2017
1.16 medical assistance total payment rate;

1.17 (2) payment rates for medical supplies and durable medical equipment shall be increased
1.18 by 16 percent where the Medicare fee schedule is 11 to 19 percent lower than the 2017
1.19 medical assistance total payment rate;

1.20 (3) payment rates for medical supplies and durable medical equipment shall be increased
1.21 by 24 percent where the Medicare fee schedule is 20 to 29 percent lower than the 2017
1.22 medical assistance total payment rate;

1.23 (4) payment rates for medical supplies and durable medical equipment shall be increased
1.24 by 34 percent where the Medicare fee schedule is 30 to 39 percent lower than the 2017
1.25 medical assistance total payment rate;

2.1 (5) payment rates for medical supplies and durable medical equipment shall be increased
2.2 by 48 percent where the Medicare fee schedule is 40 to 59 percent lower than the 2017
2.3 medical assistance total payment rate;

2.4 (6) payment rates for medical supplies and durable medical equipment shall be increased
2.5 by 68 percent where the Medicare fee schedule is 60 to 79 percent lower than the 2017
2.6 medical assistance total payment rate;

2.7 (7) payment rates for medical supplies and durable medical equipment shall be increased
2.8 by 88 percent where the Medicare fee schedule is 80 to 99 percent lower than the 2017
2.9 medical assistance total payment rate; and

2.10 (8) where the Medicare base rate is lower than the 2017 medical assistance payment rate
2.11 by more than 100 percent, the commissioner shall set a payment rate for the item according
2.12 to payment methodologies permitted under Minnesota Rules.

2.13 This paragraph does not apply to medical supplies and durable medical equipment subject
2.14 to a volume purchase contract, products subject to the preferred diabetic testing supply
2.15 program, items provided to dually eligible recipients when Medicare is the primary payer
2.16 for the item, and individually priced items under paragraph (i). The commissioner is
2.17 instructed to maximize the federal match while maintaining the individual pricing developed
2.18 under Minnesota Rules. Payments made to managed care plans and county-based purchasing
2.19 plans shall not be adjusted to reflect the rate increases in this paragraph."