..... moves to amend H.F. No. 237 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2016, section 256B.0758, is amended to read:

256B.0758 HEALTH CARE DELIVERY PILOT PROGRAM.

Subdivision 1. **Pilot projects.** (a) The commissioner ~~may~~ shall establish a health care delivery pilot program to test alternative and innovative integrated health care delivery networks, including accountable care organizations ~~or a~~. Pilot projects may be established by community-based collaborative care networks including but not limited to a care network created by or including North Memorial Health Care. If required, the commissioner shall seek federal approval of a new waiver request or amend an existing demonstration pilot project waiver. The pilot program shall target groups with a higher incidence of poor overall health relative to the general population, due to a combination of medical, economic, behavioral health, cultural, and geographic risk factors.

(b) ~~Individuals eligible for~~ The pilot program shall ~~be~~ serve individuals who:

(1) are eligible for medical assistance under section 256B.055 or MinnesotaCare under chapter 256L;

(2) reside in the service area of the care network;

(3) have a combination of multiple risk factors identified by the care network and approved by the commissioner; and

(4) have agreed to participate in the pilot project. The commissioner may identify individuals who are potentially eligible to be enrolled in the pilot program based on zip code or other geographic designation, diagnosis, utilization history, or other factors indicating whether the individuals would benefit from an integrated health care delivery network.

(c) In developing a payment system for the pilot programs, the commissioner shall establish a total cost of care for the individuals enrolled in the pilot program that equals the cost of care that would otherwise be spent for these enrollees in the prepaid medical assistance program.

(d) Participation in the pilot program is limited to no more than six pilot projects, including North Memorial Health Care's care network and up to five additional community-based care network pilot projects meeting criteria established by the commissioner. The commissioner shall consider the following criteria, when selecting the additional pilot projects:

(1) the care network serves a high percentage of patients who are enrolled in Minnesota health care programs or are uninsured, compared to the overall Minnesota population;

(2) the population in the care network's geographic service area experiences substantially poorer overall health compared to the overall Minnesota population;

(3) health care providers in the care network have lower quality of care scores under some traditional quality measures, due to economic, behavioral health, cultural, and geographic factors of the patients served rather than the clinical expertise of the providers in the care network; and

(4) the health care utilization history of the population in the care network's service area provides an opportunity to improve health outcomes and reduce total cost of care through better patient engagement, coordination of care, and the provision of specialized services to address non-clinical risk factors and barriers to access.

The commissioner shall seek to authorize at least one rural pilot, at least one community-based primary care safety net project, and at least one behavioral health-focused pilot project.

Subd. 2. **Requirements related to integrated health partnerships.** (a) The commissioner may require pilot project care networks to meet the conditions and requirements for integrated health networks under section 256B.0755, except as follows:

(1) standardized quality of care and patient satisfaction standards for integrated health partnerships must be waived, changed, or risk-adjusted based on the economic, behavioral health, cultural, and geographic risk factors of the patients served;

(2) participating care networks must be paid a monthly care coordination fee of at least $12 per enrolled person per month, in addition to any other payments, gain sharing, or health care home payments that would otherwise be received;

(3) patient attribution to the care network shall be based on the patients who meet the criteria in this section and have agreed to participate in the pilot project;

(4) requirements establishing a minimum number of persons in order to be eligible to participate in the integrated health partnership do not apply; and

(5) the commissioner shall waive or modify integrated health partnership requirements that may discourage participation by rural, independent, community-based, and safety net providers.

(b) An existing integrated health partnership that meets the criteria in this section is eligible to participate in the pilot program while continuing as an integrated health partnership, and qualifies for the integrated health partnership exceptions in paragraph (a).

(c) All pilot projects authorized under this section are eligible to receive the information and data provided by the commissioner to integrated health partnerships.

Subd. 3. **Payment and quality measurement reforms.** The commissioner, in consultation with the commissioner of health, pilot project care networks, and organizations with expertise in serving the patients and communities identified in this section, shall design and administer the pilot project in a manner that allows the testing and evaluation of new care models, payment methods, and quality of care measures, to determine the extent to which these initiatives:

(1) improve outcomes and reduce the total cost of care for specific high-risk groups of patients enrolled in Minnesota health care programs; and

(2) reduce administrative burdens and costs for health care providers and state agencies."