

1.1 moves to amend H.F. No. 3237 as follows:

1.2 Page 23, after line 31, insert:

1.3 "ARTICLE 15

1.4 PREPAID HEALTH PLANS

1.5 Section 1. Minnesota Statutes 2009 Supplement, section 256B.69, subdivision 5a,
1.6 is amended to read:

1.7 Subd. 5a. **Managed care contracts.** (a) Managed care contracts under this section
1.8 and sections 256L.12 and 256D.03, shall be entered into or renewed on a calendar year
1.9 basis beginning January 1, 1996. Managed care contracts which were in effect on June
1.10 30, 1995, and set to renew on July 1, 1995, shall be renewed for the period July 1, 1995
1.11 through December 31, 1995 at the same terms that were in effect on June 30, 1995. The
1.12 commissioner may issue separate contracts with requirements specific to services to
1.13 medical assistance recipients age 65 and older.

1.14 (b) A prepaid health plan providing covered health services for eligible persons
1.15 pursuant to chapters 256B, 256D, and 256L, is responsible for complying with the terms
1.16 of its contract with the commissioner. Requirements applicable to managed care programs
1.17 under chapters 256B, 256D, and 256L, established after the effective date of a contract
1.18 with the commissioner take effect when the contract is next issued or renewed.

1.19 (c) Effective for services rendered on or after January 1, 2003, the commissioner
1.20 shall withhold five percent of managed care plan payments under this section and
1.21 county-based purchasing plan's payment rate under section 256B.692 for the prepaid
1.22 medical assistance and general assistance medical care programs pending completion of
1.23 performance targets. Each performance target must be quantifiable, objective, measurable,
1.24 and reasonably attainable, except in the case of a performance target based on a federal
1.25 or state law or rule. Criteria for assessment of each performance target must be outlined
1.26 in writing prior to the contract effective date. The managed care plan must demonstrate,

2.1 to the commissioner's satisfaction, that the data submitted regarding attainment of
2.2 the performance target is accurate. The commissioner shall periodically change the
2.3 administrative measures used as performance targets in order to improve plan performance
2.4 across a broader range of administrative services. The performance targets must include
2.5 measurement of plan efforts to contain spending on health care services and administrative
2.6 activities. The commissioner may adopt plan-specific performance targets that take into
2.7 account factors affecting only one plan, including characteristics of the plan's enrollee
2.8 population. The withheld funds must be returned no sooner than July of the following
2.9 year if performance targets in the contract are achieved. The commissioner may exclude
2.10 special demonstration projects under subdivision 23.

2.11 (d) Effective for services rendered on or after January 1, 2009, through December 31,
2.12 2009, the commissioner shall withhold three percent of managed care plan payments under
2.13 this section and county-based purchasing plan payments under section 256B.692 for the
2.14 prepaid medical assistance and general assistance medical care programs. The withheld
2.15 funds must be returned no sooner than July 1 and no later than July 31 of the following
2.16 year. The commissioner may exclude special demonstration projects under subdivision 23.

2.17 ~~The return of the withhold under this paragraph is not subject to the requirements of~~
2.18 ~~paragraph (c).~~

2.19 (e) Effective for services provided on or after January 1, 2010, the commissioner
2.20 shall require that managed care plans use the assessment and authorization processes,
2.21 forms, timelines, standards, documentation, and data reporting requirements, protocols,
2.22 billing processes, and policies consistent with medical assistance fee-for-service or the
2.23 Department of Human Services contract requirements consistent with medical assistance
2.24 fee-for-service or the Department of Human Services contract requirements for all
2.25 personal care assistance services under section 256B.0659.

2.26 (f) Effective for services rendered on or after January 1, 2010, through December
2.27 31, 2010, the commissioner shall withhold 3.5 percent of managed care plan payments
2.28 under this section and county-based purchasing plan payments under section 256B.692
2.29 for the prepaid medical assistance program. The withheld funds must be returned no
2.30 sooner than July 1 and no later than July 31 of the following year. The commissioner may
2.31 exclude special demonstration projects under subdivision 23.

2.32 (g) Effective for services rendered on or after January 1, 2011, through December
2.33 31, 2011, the commissioner shall withhold four percent of managed care plan payments
2.34 under this section and county-based purchasing plan payments under section 256B.692
2.35 for the prepaid medical assistance program. The withheld funds must be returned no

3.1 sooner than July 1 and no later than July 31 of the following year. The commissioner may
 3.2 exclude special demonstration projects under subdivision 23.

3.3 (h) Effective for services rendered on or after January 1, 2012, through December
 3.4 31, 2012, the commissioner shall withhold 4.5 percent of managed care plan payments
 3.5 under this section and county-based purchasing plan payments under section 256B.692
 3.6 for the prepaid medical assistance program. The withheld funds must be returned no
 3.7 sooner than July 1 and no later than July 31 of the following year. The commissioner may
 3.8 exclude special demonstration projects under subdivision 23.

3.9 (i) Effective for services rendered on or after January 1, 2013, through December 31,
 3.10 2013, the commissioner shall withhold 4.5 percent of managed care plan payments under
 3.11 this section and county-based purchasing plan payments under section 256B.692 for the
 3.12 prepaid medical assistance program. The withheld funds must be returned no sooner than
 3.13 July 1 and no later than July 31 of the following year. The commissioner may exclude
 3.14 special demonstration projects under subdivision 23.

3.15 (j) Effective for services rendered on or after January 1, 2014, the commissioner
 3.16 shall withhold three percent of managed care plan payments under this section and
 3.17 county-based purchasing plan payments under section 256B.692 for the prepaid medical
 3.18 assistance and prepaid general assistance medical care programs. The withheld funds must
 3.19 be returned no sooner than July 1 and no later than July 31 of the following year. The
 3.20 commissioner may exclude special demonstration projects under subdivision 23.

3.21 (k) A managed care plan or a county-based purchasing plan under section 256B.692
 3.22 may include as admitted assets under section 62D.044 any amount withheld under this
 3.23 section that is reasonably expected to be returned.

3.24 (l) Contracts between the commissioner and a prepaid health plan are exempt from
 3.25 the set-aside and preference provisions of section 16C.16, subdivisions 6, paragraph
 3.26 (a), and 7.

3.27 (m) The return of the withhold under paragraph (d) and paragraphs (f) to (j) is not
 3.28 subject to the requirements of paragraph (c)."

3.29 Renumber the sections in sequence and correct the internal references

3.30 Amend the title as follows:

3.31 Page 1, line 8, after the first semicolon, insert "prepaid health plans;"