

1.1 ..... moves to amend H.F. No. 535 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2010, section 125A.21, subdivision 2, is amended to  
1.4 read:

1.5 Subd. 2. **Third-party reimbursement.** (a) Beginning July 1, 2000, districts  
1.6 shall seek reimbursement from insurers and similar third parties for the cost of services  
1.7 provided by the district whenever the services provided by the district are otherwise  
1.8 covered by the child's health coverage. Districts shall request, but may not require, the  
1.9 child's family to provide information about the child's health coverage when a child with a  
1.10 disability begins to receive services from the district of a type that may be reimbursable,  
1.11 and shall request, but may not require, updated information after that as needed.

1.12 (b) For children enrolled in medical assistance under chapter 256B or MinnesotaCare  
1.13 under chapter 256L who have no other health coverage, a district shall provide an initial  
1.14 and annual written notice to the enrolled child's parent or legal representative of its intent  
1.15 to seek reimbursement from medical assistance or MinnesotaCare for the ~~individual~~  
1.16 individualized education ~~plan program~~ health-related services provided by the district.  
1.17 The initial notice must give the child's parent or legal representative the right to:

1.18 (1) request a copy of the child's education records on the health-related services that  
1.19 the district provided to the child and disclosed to a third-party payer;

1.20 (2) withdraw consent for the district to disclose information in a child's education  
1.21 record at any time without affecting a parent's eligibility for MinnesotaCare or medical  
1.22 assistance under section 256B.08, subdivision 1, including consent that the parent or  
1.23 legal representative gave as part of the application process for MinnesotaCare or medical  
1.24 assistance; and

1.25 (3) receive a statement, consistent with clause (2), indicating that a decision to  
1.26 withdraw consent for the district to disclose information in a child's education record does  
1.27 not affect a parent's eligibility for MinnesotaCare or medical assistance.

2.1 (c) The district shall give the parent or legal representative annual written notice of:

2.2 (1) the district's intent to seek reimbursement from medical assistance or  
2.3 MinnesotaCare for individual education plan health-related services provided by the  
2.4 district;

2.5 (2) the right of the parent or legal representative to request a copy of all records  
2.6 concerning individual education plan health-related services disclosed by the district to  
2.7 any third party; and

2.8 (3) the right of the parent or legal representative to withdraw consent for disclosure  
2.9 of a child's records at any time without consequence, including consent that the parent  
2.10 or legal representative gave as part of the application process for any public assistance  
2.11 program that may result in a parent's eligibility for MinnesotaCare or medical assistance  
2.12 under section 256B.08, subdivision 1.

2.13 The written notice shall be provided as part of the written notice required by Code of  
2.14 Federal Regulations, title 34, section 300.504. The department must ensure that the parent  
2.15 of a child with a disability is given notice, in understandable language, of federal and state  
2.16 procedural safeguards available to the parent under this paragraph and paragraph (b).

2.17 (d) In order to access the private health care coverage of a child who is covered by  
2.18 private health care coverage in whole or in part, a district must:

2.19 (1) obtain annual written informed consent from the parent or legal representative, in  
2.20 compliance with subdivision 5; and

2.21 (2) inform the parent or legal representative that a refusal to permit the district  
2.22 or state Medicaid agency to access their private health care coverage does not relieve  
2.23 the district of its responsibility to provide all services necessary to provide free and  
2.24 appropriate public education at no cost to the parent or legal representative.

2.25 (e) If the commissioner of human services obtains federal approval to exempt  
2.26 covered individual education plan health-related services from the requirement that private  
2.27 health care coverage refuse payment before medical assistance may be billed, paragraphs  
2.28 (b), (c), and (d) shall also apply to students with a combination of private health care  
2.29 coverage and health care coverage through medical assistance or MinnesotaCare.

2.30 (f) In the event that Congress or any federal agency or the Minnesota legislature  
2.31 or any state agency establishes lifetime limits, limits for any health care services,  
2.32 cost-sharing provisions, or otherwise provides that individual education plan health-related  
2.33 services impact benefits for persons enrolled in medical assistance or MinnesotaCare, the  
2.34 amendments to this subdivision adopted in 2002 are repealed on the effective date of any  
2.35 federal or state law or regulation that imposes the limits. In that event, districts must  
2.36 obtain informed consent consistent with this subdivision as it existed prior to the 2002

3.1 amendments and subdivision 5, before seeking reimbursement for children enrolled in  
 3.2 medical assistance under chapter 256B or MinnesotaCare under chapter 256L who have  
 3.3 no other health care coverage.

3.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.5 Sec. 2. Minnesota Statutes 2010, section 125A.21, subdivision 3, is amended to read:

3.6 Subd. 3. **Use of reimbursements.** Of the reimbursements received, districts may:

3.7 (1) retain an amount sufficient to compensate the district for its administrative costs  
 3.8 of obtaining reimbursements;

3.9 (2) regularly obtain from education- and health-related entities training and other  
 3.10 appropriate technical assistance designed to improve the district's ability to ~~determine~~  
 3.11 ~~which services are reimbursable and to seek timely reimbursement in a cost-effective~~  
 3.12 ~~manner~~ access third-party payments for individualized education program health-related  
 3.13 services; or

3.14 (3) reallocate reimbursements for the benefit of students with ~~special needs~~  
 3.15 individualized education programs or individual family service plans in the district.

3.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.17 Sec. 3. Minnesota Statutes 2010, section 125A.21, subdivision 5, is amended to read:

3.18 Subd. 5. **Informed consent.** When obtaining informed consent, consistent with  
 3.19 sections 13.05, subdivision 4a, ~~and~~, 256B.77, subdivision 2, paragraph (p), and Code of  
 3.20 Federal Regulations, title 34, parts 99 and 300, to bill health plans for covered services, the  
 3.21 school district must notify the legal representative (1) that the cost of the person's private  
 3.22 health insurance premium may increase due to providing the covered service in the school  
 3.23 setting, (2) that the school district may pay certain enrollee health plan costs, including  
 3.24 but not limited to, co-payments, coinsurance, deductibles, premium increases or other  
 3.25 enrollee cost-sharing amounts for health and related services required by an individual  
 3.26 service plan, or individual family service plan, and (3) that the school's billing for each  
 3.27 type of covered service may affect service limits and prior authorization thresholds. The  
 3.28 informed consent may be revoked in writing at any time by the person authorizing the  
 3.29 billing of the health plan.

3.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.31 Sec. 4. Minnesota Statutes 2010, section 125A.21, subdivision 7, is amended to read:

4.1 Subd. 7. **District disclosure of information.** A school district may disclose  
4.2 information contained in a student's ~~individual~~ individualized education plan program,  
4.3 consistent with section 13.32, subdivision 3, paragraph (a), and Code of Federal  
4.4 Regulations, title 34, parts 99 and 300; including records of the student's diagnosis and  
4.5 treatment, to a health plan company only with the signed and dated consent of the student's  
4.6 parent, or other legally authorized individual, including consent that the parent or legal  
4.7 representative gave as part of the application process for MinnesotaCare or medical  
4.8 assistance under section 256B.08, subdivision 1. The school district shall disclose only  
4.9 that information necessary for the health plan company to decide matters of coverage and  
4.10 payment. A health plan company may use the information only for making decisions  
4.11 regarding coverage and payment, and for any other use permitted by law.

4.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

4.13 Sec. 5. Laws 2009, chapter 79, article 5, section 60, as amended by Laws 2009, chapter  
4.14 173, article 1, section 37, is amended to read:

4.15 Sec. 60. Minnesota Statutes 2008, section 256L.05, is amended by adding a  
4.16 subdivision to read:

4.17 Subd. 1c. **Open enrollment and streamlined application and enrollment**  
4.18 **process.** (a) The commissioner and local agencies working in partnership must develop a  
4.19 streamlined and efficient application and enrollment process for medical assistance and  
4.20 MinnesotaCare enrollees that meets the criteria specified in this subdivision.

4.21 (b) The commissioners of human services and education shall provide  
4.22 recommendations to the legislature by January 15, 2010, on the creation of an open  
4.23 enrollment process for medical assistance and MinnesotaCare that is coordinated with  
4.24 the public education system. The recommendations must:

4.25 (1) be developed in consultation with medical assistance and MinnesotaCare  
4.26 enrollees and representatives from organizations that advocate on behalf of children and  
4.27 families, low-income persons and minority populations, counties, school administrators  
4.28 and nurses, health plans, and health care providers;

4.29 (2) be based on enrollment and renewal procedures best practices;

4.30 (3) simplify the enrollment and renewal processes wherever possible; and

4.31 (4) establish a process:

4.32 (i) to disseminate information on medical assistance and MinnesotaCare to all  
4.33 children in the public education system, including prekindergarten programs; and

4.34 (ii) for the commissioner of human services to enroll children and other household  
4.35 members who are eligible.

5.1 The commissioner of human services in coordination with the commissioner of  
5.2 education shall implement an open enrollment process by August 1, 2010, to be effective  
5.3 beginning with the 2010-2011 school year.

5.4 (c) The commissioner and local agencies shall develop an online application process  
5.5 for medical assistance and MinnesotaCare.

5.6 (d) The commissioner shall develop an application for children that is easily  
5.7 understandable and does not exceed four pages in length.

5.8 (e) The commissioner of human services shall present to the legislature, by January  
5.9 15, 2010, an implementation plan for the open enrollment period and online application  
5.10 process.

5.11 (f) The commissioner of human services, after consulting with the commissioner of  
5.12 education, shall include on new and revised Minnesota health care program application  
5.13 forms, including electronic application forms, an authorization for consent that, if signed  
5.14 by the parent or legal representative of a child receiving health-related services through  
5.15 an individualized education program or an individual family services plan, would allow  
5.16 the school district or other provider of covered services to release information from the  
5.17 child's education record to the commissioner to permit the provider to be reimbursed by  
5.18 MinnesotaCare or medical assistance. The authorization for consent under this paragraph  
5.19 must conform to federal data practices law governing access to nonpublic data in a child's  
5.20 education record and indicate that the parent or legal representative of the child may  
5.21 withdraw his or her consent at any time without any consequence to the parent or child.  
5.22 The commissioner must include this authorization for consent on an application form at  
5.23 the time the commissioner reviews, revises, or replaces the form.

5.24 **EFFECTIVE DATE.** This section is effective July 1, 2011.

5.25 Sec. 6. **THIRD-PARTY BILLING.**

5.26 (a) To allow cost-effective billing of medical assistance for covered services that are  
5.27 not reimbursed by legally liable third party private payers, the commissioner of human  
5.28 services must:

5.29 (1) summarize and document school district efforts to secure reimbursement from  
5.30 legally liable third parties; and

5.31 (2) request initial and continuing waivers of the requirement to seek payment from  
5.32 a student's private health plan, consistent with the Code of Federal Regulations, title  
5.33 42, section 433.139, chapter IV, part 433, based on the determination by the Centers  
5.34 for Medicare and Medicaid Services that this requirement is not cost-effective. The  
5.35 waiver request must seek permission for the commissioner to allow school districts to

6.1 bill Medicaid alone, without first billing private payers, when a child has both public  
6.2 and private coverage.

6.3 (b) If the Centers for Medicare and Medicaid Services (CMS) do not grant ongoing  
6.4 permission to implement paragraph (a), clause (2), the commissioner of human services  
6.5 shall seek permission to implement clause (2) on a time-limited basis, with the opportunity  
6.6 to renew this time-limited permission as needed.

6.7 **EFFECTIVE DATE.** This section is effective the day following final enactment."

6.8 Amend the title accordingly