

1.1 moves to amend H.F. No. 4068 as follows:

1.2 Page 10, after line 31, insert:

1.3 "Sec. 15. Minnesota Statutes 2024, section 256B.064, is amended by adding a subdivision
1.4 to read:

1.5 Subd. 6. **Suspension, withholding, or reduction of payments; administrative**
1.6 **review.** (a) An individual or entity that is subject to a suspension, withholding, or reduction
1.7 of payments under subdivision 2d, paragraph (a), clause (2), may request an administrative
1.8 review before the state Court of Administrative Hearings within ten business days of
1.9 receiving notice of the suspension, withholding, or reduction of payments. The commissioner
1.10 must refer the matter to the Court of Administrative Hearings within five business days or
1.11 receiving the request for administrative review.

1.12 (b) The Court of Administrative Hearings must conduct an expedited hearing within 30
1.13 days after the commissioner refers the matter to the court.

1.14 (c) In an administrative review under this subdivision, the administrative law judge must
1.15 determine:

1.16 (1) whether the commissioner has demonstrated, by a preponderance of the evidence,
1.17 that a credible allegation of fraud exists; and

1.18 (2) whether continuing the suspension, withholding, or reduction of payments is
1.19 reasonable and necessary to protect the integrity of the medical assistance program.

1.20 (d) The administrative law judge must issue a recommendation within ten days following
1.21 the hearing. The administrative law judge must recommend upholding the suspension,
1.22 withholding, or reduction of payments only if the commissioner demonstrates, by a
1.23 preponderance of the evidence, that a credible allegation of fraud exists and that payment
1.24 suspension is appropriate under applicable federal Medicaid program integrity requirements.

2.1 (e) Within ten days after receiving the administrative law judge's recommendation, the
2.2 commissioner must issue a final determination affirming, modifying, or ceasing the
2.3 suspension, withholding, or reduction of payments.

2.4 (f) If the administrative law judge determines that full suspension or withholding of
2.5 payments would jeopardize access to medically necessary services for medical assistance
2.6 recipients, the commissioner may modify the suspension to allow partial payments for the
2.7 duration of an investigation.

2.8 Sec. 16. Minnesota Statutes 2024, section 256B.064, is amended by adding a subdivision
2.9 to read:

2.10 **Subd. 7. Periodic review of suspension, withholding, or reduction of payments (a)**
2.11 The commissioner must review any payment suspension, withholding, or reduction under
2.12 subdivision 2d, paragraph (a), clause (2), at least every 90 days to determine whether the
2.13 credible allegation of fraud continues to necessitate the suspension, withholding, or reduction
2.14 of payments.

2.15 (b) If a payment suspension, withholding, or reduction remains in effect for 180 days
2.16 or more, the commissioner must provide a written status report on the specific suspension,
2.17 withholding, or reduction to the chairs and ranking minority members of the legislative
2.18 committees with jurisdiction over human services. The report must summarize the status
2.19 of the investigation, specify the basis for continuing the suspension, withholding, or reduction,
2.20 and indicate any anticipated timeline for resolution. The commissioner may withhold any
2.21 information that would compromise an ongoing criminal investigation from the report
2.22 required under this paragraph.

2.23 Sec. 17. Minnesota Statutes 2024, section 256B.064, is amended by adding a subdivision
2.24 to read:

2.25 **Subd. 8. Coordination with law enforcement.** When a suspension, withholding, or
2.26 reduction of payments under subdivision 2d, paragraph (a), clause (2), involves potential
2.27 criminal conduct, the commissioner must coordinate with appropriate law enforcement
2.28 authorities, including the Minnesota attorney general's Medicaid Fraud Control Unit, and
2.29 may consult with state or federal investigative agencies as necessary. The commissioner
2.30 may delay notice or disclosure of specific investigative information to the individual or
2.31 entity being investigated, when law enforcement certifies that disclosure would compromise
2.32 an ongoing criminal investigation."

2.33 Page 11, line 3, delete "6" and insert "9"

- 3.1 Renumber the sections in sequence and correct the internal references
- 3.2 Amend the title accordingly