

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 463

**DATE:** February 5, 2007

**Version:** As introduced

**Authors:** Murphy, E., and others

**Subject:** MinnesotaCare Small Employer Option

**Analyst:** Randall Chun, 651-296-8639

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: [www.house.mn/hrd](http://www.house.mn/hrd).

---

### Overview

This bill allows employers, who have not offered employer-subsidized insurance for 12 months and meet other criteria, to enroll their employees in the MinnesotaCare program.

#### Section

**1 MinnesotaCare option for small employers.** Adds § 256L.20. Allows enrollees and dependents of certain small employers to enroll in MinnesotaCare.

**Subd. 1. Definitions.** Defines the following terms: dependent, eligible employee, eligible employer, maximum premium, participating employer, and program.

**Subd. 2. Option.** Allows eligible employees and their dependents to enroll in the program if their employer meets the requirements of subdivision 3. Also defines effective date of coverage.

**Subd. 3. Employer requirements.** Requires the commissioner to establish application procedures for employers. In order to participate, requires employers to: (1) agree to contribute toward the cost of the premiums as required by subdivision 4; (2) certify that at least 75 percent of eligible employees are enrolled; (3) offer coverage to all eligible employees and spouses and dependents; and (4) not have provided employer-subsidized insurance as a benefit in the previous 12 months.

**Subd. 4. Premiums.** (a) Specifies that the premium for coverage is the maximum premium, regardless of the income of the employee.

**Section**

(b) Requires employers to pay 50 percent of the premium for employees without dependents with incomes not exceeding 200 percent of FPG and employees with dependents with incomes not exceeding 275 percent of FPG.

(c) Requires employers to pay the full cost of the premium for employees without dependents with incomes exceeding 200 percent of FPG and employees with dependents with incomes exceeding 275 percent of FPG, but allows the employer to require the employee to pay a portion of premium costs, as long as the employer pays 50 percent.

(d) Requires the commissioner to collect premium payments from participating employers, and requires these premiums to be deposited into the health care access fund.

**Subd. 5. Coverage.** Requires coverage to include all MinnesotaCare covered services and provides that the MinnesotaCare cost-sharing requirements apply.

**Subd. 6. Enrollment.** Provides that employees and their dependents are enrolled in MinnesotaCare upon payment of the premium. Exempts enrollees from the MinnesotaCare income and asset limits, and the insurance barriers. Allows the commissioner to require employees to provide income verification to determine premiums.