HOUSE RESEARCH

Bill Summary

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Subject: DHS Health Care Policy

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Overview

This bill makes various policy changes related to DHS health care programs. The bill also regulates the sale and pricing of individual health plans to persons who have had cesarean deliveries.

Section

1 **Gender rating prohibited.** Amends § 62A.65, subd. 4. Prohibits health carriers from refusing to offer, sell, or issue, or from charging a higher premium for, a individual health plan solely on the basis that the individual had a previous cesarean delivery.

2 **Consumer information.** Amends § 62J.2930, subd. 3. Makes a conforming change related to a repealer.

3 **Duties of the commissioner of human services.** Amends § 245.494, subd. 3. Makes a conforming change related to a repealer.

4 **Cooperation with information requests required.** Amends § 256.015, subd. 7. The amendment to paragraph (a) requires state agencies and third party payers to cooperate with the commissioner of human services in sharing information to help establish third-party liability as required by the Deficit Reduction Act of 2005. The provision also requires employers or third party payers to furnish coverage data to the commissioner of human services within 60 days of the request.

A new paragraph (c) requires the commissioner of public safety to provide accident data as requested by the commissioner of human services, and states that this disclosure does not violate the prohibition in current law on accident disclosure.

The amendments to paragraphs (b) and (d) make technical changes.

5 **Payments.** Amends § 256.969, subd. 3a. Corrects a date.

6 **Other contracts permitted.** Amends § 256B.037, subd. 5. Makes a conforming change related to a repealer.

7 **Families with children income methodology.** Amends § 256B.056, subd. 1c. Requires annual gifts of $2,000 or less by a tax exempt organization to or for the benefit of a child age 18 or under with a life-threatening illness to be disregarded as income for purposes of MA eligibility.

8 **Asset limitations for families and children.** Amends § 256B.056, subd. 3c. States that assets designated as burial expenses are excluded under MA to the same extent they are excluded by the Supplemental Security Income program.

9 **Assignment of benefits.** Amends § 256B.056, subd. 6. Makes a conforming change related to a repealer.

10 **Drug utilization review board; report.** Amends § 256B.0625, by adding subd. 13i. Establishes a nine-member Drug Utilization Review Board and specifies membership and duties. Requires the board to report annually to the commissioner.

11 **Centers of excellence.** Amends § 256B.0625, by adding subd. 53. Allows the commissioner, in consultation with the Health Services Policy Committee, to develop centers of excellence criteria for complex medical procedures with a high variation in outcomes, for which Medicare requires facilities providing the services to meet certain criteria as a condition of coverage. For MA fee-for-service enrollees, allows the commissioner to make coverage of these procedures conditional on a facility meeting the criteria. Provides an effective date of August 1, 2009, or upon federal approval, whichever is later.

12 **Coordination and provision of services.** Amends § 256B.094, subd. 3. Makes a conforming change related to a repealer.

13 **Federal approval required.** Amends § 256B.195, subd. 1. Removes an unnecessary cross-reference.

14 **Payments from governmental entities.** Amends § 256B.195, subd. 2. Converts intergovernmental transfer payments to annual rather than monthly amounts.

15 **Payments to certain safety net providers.** Amends § 256B.195, subd. 3. Converts a hospital payment schedule from a monthly to an annual basis.

16 **Payments reported by governmental entities.** Amends § 256B.199. Modifies a provision related to certified public expenditures, by replacing reference to quarterly payments with references to annual payments.

17 **Managed care contracts.** Amends § 256B.69, subd. 5a. Provides that contracts between the commissioner and a prepaid health plan are exempt from the set-aside and preference provisions of § 16C.16, subd. 6 (a), and 7.

18 **Ombudsman.** Amends § 256B.77, subd. 13. Makes a conforming change related to a repealer.

19 **General assistance medical care; eligibility.** Amends § 256D.03, subd. 3. Requires

GAMC applicants to complete applications within the same time periods as required under MA, as specified in rule. Also modifies internal section coding.

20 **Copayments and coinsurance.** Amends § 256L.03, subd. 5. Limits the coinsurance for MinnesotaCare inpatient hospital services to $1,000 per individual (eliminates a reference to $3,000 per family).

21 **Sliding fee scale; monthly gross individual or family income.** Reduces from 300 to 275 percent of FPG the maximum income to which the revised MinnesotaCare premium scale applies. Also requires those with incomes between 46-54 percent of FPG to pay a premium of $4 or 1.1 percent of family income, whichever is greater. Provides an effective date of January 1, 2009, or upon federal approval, whichever is later, and requires the commissioner to notify the revisor when federal approval is obtained.

22 to 26 These sections amend the effective date to various sections in Laws 2005 that were effective upon HealthMatch implementation, by eliminating the reference to HealthMatch implementation and providing an effective date of August 1, 2009.

27 **Repealer.** (a) Repeals section 256B.031 (obsolete section related to prepaid health plans) and 256L.01, subdivision 4, (definition of income for MinnesotaCare).

(b) Repeals Laws 2005, First Special Session chapter 4, article 8, sections 21, 22, 23, and 24 (provisions related to HealthMatch that are no longer necessary).

Provides an effective date of August 1, 2009.