

# HOUSE RESEARCH

## Bill Summary

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### Overview

**This bill establishes the Minnesota health security program, to provide services to children beginning July 1, 2010, or upon federal approval, whichever is later. Covered services are those covered under the MA program, and there are no premium or cost-sharing requirements. The bill specifies application, service delivery, consumer assistance, and other requirements. The bill also requires the Legislative Commission on Health Care Access to study and develop recommendations to provide coverage for all adults by January 1, 2012.**

#### Section

- 1 Minnesota health security account.** Adds § 16A.726. Establishes the Minnesota health security account as a special revenue fund in the state treasury. Requires the commissioner to deposit into the account money made available, and credits investment income to the account.
- 2 Citation.** Adds § 256N.01. States that this chapter may be cited as the Minnesota Health Security Act.
- 3 Definitions.** Adds § 256N.02. Defines “commissioner” as the commissioner of human services and “child” as an individual under age 21, including the unborn child of a pregnant woman, an emancipated minor, and an emancipated minor’s spouse.
- 4 Establishment.** Adds § 256N.03. Requires the commissioner to establish the Minnesota health security program. Prohibits funding from existing health care programs for children from being diverted for purposes other than children’s health care. Requires the commissioner, in implementing the program, to streamline all existing health care programs for children, in order to maximize efficiency. Requires the commissioner to begin implementation July 1, 2010, or upon federal approval, whichever is later.

**5 Eligibility.** Adds § 256N.05.

**Subd. 1. General requirements.** States that children meeting the eligibility requirements of this section are eligible for the program.

**Subd. 2. Residency.** (a) Requires a child to be a Minnesota resident who meets the medical assistance (MA) residency criteria.

(b) Provides that a child who is temporarily absent from the state does not lose eligibility.

(c) States that a child who moved to Minnesota primarily to obtain medical treatment is not eligible for coverage.

(d) Provides that children not eligible for MA due to immigration status are eligible for coverage under the Minnesota health security program.

**Subd. 3. Enrollment voluntary.** States that enrollment in the program is voluntary. Allows parents or guardians to retain private sector or Medicare coverage for their child as the sole source of coverage. Also allows these children to be enrolled in the Minnesota health security program, in which case coverage under the Minnesota health security program is secondary.

**6 Covered services.** Adds § 256N.07. States that covered services under the Minnesota health security program are those services covered under MA.

**7 No enrollee premiums or cost-sharing.** Adds § 256N.09. States that the program has no enrollee premium or cost-sharing requirements.

**8 Application procedures.** Adds § 256N.11.

**Subd. 1. Application procedure.** Requires applications to be made available at provider offices, local human services agencies, school districts, schools, and other sites. Allows sites to accept and forward applications to the commissioner or local agencies that choose to participate as an enrollment site. Otherwise, allows applicants to apply directly to the commissioner or participating agencies.

**Subd. 2. Eligibility determination.** Requires the commissioner to determine eligibility within 30 days of receipt of an application. Applies this requirement to county agencies that determine eligibility. States that the effective date of coverage is the day upon which eligibility is approved.

**Subd. 3. Renewal of eligibility.** Requires enrollees to renew coverage every 12 months.

**Subd. 4. Retroactive coverage.** Provides 30 days retroactive coverage for individuals determined to be eligible.

**9 Service delivery.** Adds § 256N.13.

**Subd. 1. Contracts for delivery service.** Allows the commissioner to contract with HMOs, county based purchasing plans, and fee-for-service providers to provide services. Specifies criteria for the commissioner to consider when determining the

method for service delivery.

**Subd. 2. Contract requirements.** Requires entities under contract to coordinate health care services for eligible individuals. Entities under contract:

- (1) shall authorize and arrange for the provision of all covered MA services, except for services available only under a home and community-based waiver;
- (2) shall accept the prospective, per capita payment from the commissioner in return for the provision of comprehensive and coordinated services to enrollees;
- (3) may contract with health care and social services providers to provide covered services; and
- (4) shall institute enrollee grievance procedures.

**Subd. 3. Fee-for-service delivery.** Allows disputes over services provided under fee-for-service to be appealed using the standard DHS hearing procedures in § 256.045.

**Subd. 4. Contracts for waiver services.** Requires the commissioner to contract with health care and social service providers, on a fee-for-service basis, to provide home and community-based waiver services. Requires eligibility for these services to be determined using MA criteria and procedures and allows disputes over the provision of these services to be appealed to DHS through the standard hearing process.

**Subd. 5. Service delivery for Minnesota disabilities health options recipient.** States the persons who voluntarily enroll in the Minnesota disabilities health options (MnDHO) program shall continue to receive home and community-based waiver services through that program.

**Subd. 6. Disabled or blind children.** Provides that children eligible for MA on the basis of blindness or disability are exempt from managed care enrollment and shall be provided services on a fee-for-service basis.

**10 Payment rates.** Adds § 256N.15. Requires the commissioner, in consultation with a health care actuary, to establish the method and amount of payments for services. Requires the commissioner to annually contract with eligible entities to provide services to enrollees, and in consultation with the Risk Adjustment Association, to develop and implement a risk adjustment system for the program.

**11 Consumer assistance.** Adds § 256N.17.

**Subd. 1. Assistance to applicants.** If DHS contracts with more than one entity and multiple options are available, requires the commissioner to assist applicants in choosing a plan by:

- (1) establishing a web site to provide information about options and allow online enrollment;
- (2) making information on applicant options available at those sites cooperating in

program outreach;

- (3) making applications available in specified languages and providing language interpreter services as necessary; and
- (4) making benefit educators available to assist applicants.

**Subd. 2. Ombudsperson.** Requires the commissioner to designate an ombudsperson to advocate for children enrolled in the Minnesota health security program and specifies duties of the ombudsperson. Requires the commissioner to inform enrollees, at the time of enrollment, about the ombudsperson program, the right to complaint resolution through the health plan company, and appeal rights through DHS.

- 12** **Monitoring and evaluation of quality and costs.** Adds § 256N.19. Directs the commissioner to require participating entities and providers, as a condition of contract, to submit data for assessing enrollee satisfaction, quality of care, cost, and utilization of services. Requires the commissioner to evaluate this data in order to make summary information on quality of care available, require implementation of quality improvement plans, and to compare cost and quality under the program to that in the private sector. Requires implementation in a manner consistent with existing health care data collection and quality initiatives.
- 13** **Federal approval.** Requires the commissioner of human services to seek all federal waivers and approvals necessary to implement this chapter, including those necessary to maximize receipt of federal funds.
- 14** **Implementation plan.** Requires the commissioner of human services to develop an implementation plan for the Minnesota health security program, and present this plan and any conforming legislation to the legislature, by January 15, 2010.
- 15** **Affordable health coverage for all adults.** States that Minnesota shall ensure that all adults have access to comprehensive, affordable health coverage by January 1, 2012, according to recommendations from the Legislative Commission on Health Care Access.
- 16** **Study of health coverage for adults and health care delivery.** (a) Requires the Legislative Commission on Health Care Access to study and develop recommendations to provide affordable and comprehensive coverage for all adults in Minnesota by January 1, 2012. The study must consider as an option the expansion of the Minnesota health security program to include adults. Specifies criteria for recommendations.  
  
(b) Requires the study to include an independent actuarial analysis of the costs and benefits of various health care delivery system options for an expanded Minnesota health security program that includes coverage for adults.  
  
(c) Requires the study to be completed and presented to the legislature by December 15, 2010.
- 17** **Appropriation.** Appropriates money from the general fund to the commissioner of human services for the biennium beginning July 1, 2009, to implement and administer the Minnesota health security program.

