HOUSE RESEARCH =

Bill Summary =

FILE NUMBER: H.F. 1143 **DATE:** March 16, 2011

Version: Delete everything amendment H1143DE1

Authors: Kiffmeyer

Subject: Enrolled Provider Networks

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.

Overview

This bill requires the commissioner to contract with enrolled provider networks, to provide basic health care services to MA enrollees who are families and children or adults without children, and all MinnesotaCare enrollees, within a metropolitan statistical area. The bill allows enrolled provider networks to contract for the coverage and coordination of non-basic care services. The bill specifies basic and non-basic care services, and requires enrollees to pay premiums using the MinnesotaCare sliding premium scale.

- 1 Enrolled provider networks. Adds § 256B.0758.
 - **Subd. 1. Definitions.** Defines the following terms: demonstration provider, enrolled provider network, health plan company, metropolitan statistical area, and qualified enrollee. An "enrolled provider network" (EPN) means a health care provider, group of providers, or a partnership between a health care provider and a demonstration provider, accountable through a contract with the commissioner for the quality, coordination, and management of the cost of care provided to qualified enrollees. "Qualified individuals" are defined as MA enrollees who are families and children or adults without children, and MinnesotaCare enrollees.
 - **Subd. 2. Establishment of reformed health care delivery system.** (a) Requires the commissioner to implement by January 1, 2012, or upon federal approval, whichever is later, a reformed health care delivery system under which qualified enrollees receive basic health care services through EPNs in MSAs, supplemented with coverage for non-basic care services. Provides that health care providers outside of an MSA may serve as an EPN.
 - (b) Requires the commissioner, by July 1, 2012 or upon federal approval, to discontinue MA and MinnesotaCare managed care contracts for qualified enrollees within an MSA.
 - **Subd. 3. Provision of basic care services through enrolled provider networks.** (a) Requires the commissioner to contract with EPNs in MSAs, and allows the commissioner to enter contracts with EPNs outside of an MSA, to provide basic care services in return for a perenrollee, concurrently risk-adjusted, total cost of care payment.

- (b) Specifies the basic are services that must be provided by an EPN.
- (c) Allows an EPN to provide services beyond those listed in paragraph (b).
- (d) States that there is not cost sharing for basic care services.
- (e) Requires an EPN to coordinate basic care services with non-basic care services.
- (f) Allows an EPN to contract with a health plan company, county-based purchasing plan, or other entity to administer the provision of basic care services.
- (g) If an EPN does not enter into a contract to administer basic care services, requires the commissioner, by competitive bid, to contract with a health plan company, county-based purchasing plan, or other entity to administer the provision of basic care services by EPNs and non-basic care services.
- (h) Specifies requirements for the administrator.
- (i) Requires the commissioner to report annually to the legislature, beginning January 1, 2013, on delivery of services through EPNs.
- **Subd. 4. Enrollee selection of enrolled provider network.** (a) Requires a qualified enrollee in an MSA to select an EPN in order to receive covered services. Allows the commissioner to assign enrollees who do not make a choice to an EPN. Requires an enrollee to agree to receive all nonemergency covered services through the EPN, except for non-basic care services.
- (b) Allows enrollees to appeal to the commissioner, using the state agency hearing process.
- **Subd. 5. Non-MSA providers.** Requires the commissioner to consider payment mechanisms to achieve cost-savings.
- **Subd. 6. Non-basic care coverage.** (a) Specifies non-basic care services.
- (b) Allows an EPN to contract for the coverage and coordination of non-basic care services.
- (c) States that no cost-sharing applies to coverage under the major medical policy.
- (d) Allows the commissioner to require an EPN to enter into a risk/gain sharing agreement, under which the EPN is financially responsible for a portion of the risk-adjusted non-basic care costs incurred by qualified enrollees.
- **Subd. 7. Premiums.** (a) Requires MinnesotaCare enrollees to pay the standard Minnesota Care sliding scale premium.
- (b) Requires MA enrollees to pay premiums based on the MinnesotaCare sliding scale.
- **Subd. 8. Federal approval.** Requires the commissioner to seek any necessary federal waivers and approvals necessary to implement this section.