

HOUSE RESEARCH

Bill Summary

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Subject: MA Monthly Spenddown

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Overview

MA allows a person whose income is above the program income limit to qualify for MA, by incurring medical expenses sufficient to reduce excess income to the relevant spenddown standard for the spenddown period. The spenddown standard in current law is 133 percent of FPG for families and children and 75 percent of FPG for persons who are elderly, blind, or disabled. There is no spenddown option for adults without children.

This bill directs the Commissioner of Human Services to require certain persons on a one-month spenddown to pay the spenddown amount owed to providers directly to the commissioner, and requires the commissioner to reimburse providers for services provided during the spenddown period.

Section

- 1** **Excess income.** Amends § 256B.056, subd. 5. Directs the commissioner to require MA enrollees on a one-month spenddown, who do not elect to pay this spenddown in advance, to pay the spenddown amount owed to health care providers directly to the commissioner. Requires the commissioner to reimburse these providers for services provided to a person on a spenddown at the rate billed by the provider, except that payment cannot exceed the MA rate.