

Subject Administrator for MA and MinnesotaCare

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Overview

This bill requires the commissioner of human services to contract with a third-party administrator, to administer the MA and MinnesotaCare programs beginning January 1, 2025.

Summary

Section **Description**

- 1 Administration of medical assistance and MinnesotaCare.**
- Amends § 256B.04, by adding subd. 26. (a) Requires the commissioner to contract with a third-party administrator to administer the MA and MinnesotaCare programs beginning January 1, 2025. Provides that the contract must require the administrator to:
- 1) provide benefits management, claims processing, and enrollee support services;
 - 2) coordinate its activities with eligibility determination functions performed by MNSure and county agencies; and
 - 3) increase provider payment rates or implement innovative methods of health care delivery and reimbursement, in order to ensure access and improve health care quality, as directed by the commissioner or the legislature.
- (b) States that the subdivision does not prohibit the commissioner from seeking legislative and federal approval for demonstration projects to ensure access or improve health care quality.
- (c) Requires the commissioner to:
- 1) terminate managed care and county-based purchasing contracts under MA and MinnesotaCare by December 31, 2024, and pay back any capitation rate withholds that are not tied to performance measures;

Section **Description**

- 2) seek any state law changes necessary for the administration of MA and MinnesotaCare by a third-party administrator; and
- 3) report to the legislature by January 1, 2024, on progress in contracting with a third-party administrator.

States that the section is effective the day following final enactment.

2 Appropriation.

Appropriates money in fiscal year 2023 from the general fund to the commissioner of human services to contract with a third-party administrator for MA and MinnesotaCare. Specifies the funding base for this appropriation in fiscal year 2024.



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