

**Subject** Establishing a Patient-Centered Care program for MA and MinnesotaCare

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## Summary

Article 1 of this bill, as amended by H3476A1, establishes a Patient-Centered Care program for certain Medical Assistance (MA) and MinnesotaCare enrollees. Under the program, the commissioner of human services must either terminate or let expire current contracts with managed care organizations and instead pay health care providers directly for services provided to the program's enrollees. The commissioner may contract with administrative services organizations (ASOs) to carry out some functions of the program, but the ASOs cannot take on any of the risk for the program. The bill establishes requirements for the program and provides blank appropriations to the commissioner to carry out various aspects of the program.

Article 2 of the bill is comprised of conforming changes to state statutes to account for establishment of the program.

## Article 1: Patient-Centered Care

### Section Description - Article 1: Patient-Centered Care

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**1 Patient-centered care and direct payment for Medical Assistance and MinnesotaCare.**

Creates § 256.9632. This section establishes the Patient-Centered Care program.

**Subd. 1. Program established.** Establishes the Patient-Centered Care program under which the commissioner of human services pays health care providers directly for services provided to certain MA and MinnesotaCare enrollees. Allows the commissioner to contract with one or more ASOs to handle specified administrative functions for the program and permits counties to have county-based purchasing systems (CBPs) serve as ASOs. Directs the commissioner to contract with CBPs for care coordination services and allows the commissioner to enter into similar contracts with other entities. Requires that the commissioner let expire or terminate current contracts with managed care plans, county-based purchasing plans, and integrated health partnerships by January 1, 2028.

**Subd. 2. Definitions.** Defines "ASO" and "care coordination."

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**Subd. 3. Payment to providers.** Directs the commissioner to pay licensed health care providers directly, on a fee-for-service basis for services provided to MA and MinnesotaCare enrollees who are covered under the Patient-Centered Care program. Requires that the commissioner pay flat care coordination payments to primary care practices designated as an enrollee's primary care provider. Directs providers to bill the state or CBPs directly for services provided.

**Subd. 4. Community outreach.** Allows the commissioner to make grants to specified organizations to hire community health workers, nurses, or social workers to do outreach and deliver medical services in the community for individuals who are unlikely to obtain needed care and treatment due to mental illness, homelessness, or other circumstances.

**Subd. 5. Duties.** Identifies various duties the commissioner has to enrollees and providers in administering the Patient-Centered Care program.

**Subd. 6. ASO data transparency.** Provides that all contracts between the commissioner and ASOs must include provisions requiring full compliance with applicable Minnesota laws governing public access to government records and data. Prohibits a private entity from asserting proprietary rights over data generated through publicly funded programs. Directs the commissioner to develop and maintain a publicly available dashboard that includes de-identified MA and MinnesotaCare data and to publish an annual report summarizing trends in the data.

Makes this section effective January 1, 2028.

**2 Contracting with administrative services organizations.**

Creates § 256.9633. This section outlines the requirements for contracts between the commissioner of human services and ASOs for the Patient-Centered Care program.

**Subd. 1. Contracting for administrative functions.** Lists the administrative functions an ASO may carry out when in contract with the commissioner for the Patient-Centered Care program. Provides that all enrollees in the program will access care through a statewide, publicly managed provider network. Prohibits ASOs from establishing separate provider networks. Requires that the statewide network include any qualified provider who agrees to meet the requirements of the program.

**Subd. 2. Fraud prevention.** Gives the department's Office of Inspector General (OIG) full access to the records and the data of the ASOs to audit procedures and investigate and prevent fraud. Allows the legislative auditor to coordinate reviews with the OIG if coordination conserves resources and does not impede

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reviews or investigations. Directs the OIG to annually report to the legislative auditor on the OIG's audit of procedures.

**3 Appropriations.**

Provides three separate blank appropriations to the commissioner of human services for the following:

- establishing and implementing the Patient-Centered Care program;
- care coordination services under the program; and
- grants to organizations to do community outreach and provide medical services in the community.

## **Article 2: Conforming Changes**

**Section Description - Article 2: Conforming Changes**

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**1 Definitions.**

Amends § 62Q.1841, subd. 1. Deletes a reference to the integrated health partnership (§ 256B.0755), which is repealed as part of implementing the Patient-Centered Care program.

**2 Payment restructuring and care coordination payments.**

Amends § 62U.03, subd. 1. Specifies that a statutory reference is to the 2024 Minnesota Statutes for section 256B.0753, related to establishment of a payment system that provides care coordination payments to health care homes. The bill repeals section 256B.0753.

**3 Pediatric care coordination.**

Amends § 62U.03, subd. 10. Specifies that a statutory reference is to the 2024 Minnesota Statutes for section 256B.0753, related to establishment of a payment system that provides care coordination payments to health care homes. The bill repeals section 256B.0753.

**4 Legislative oversight.**

Amends § 62U.06, subd. 2. Removes a requirement for the commissioner of health to provide periodic reports to the legislature on health care homes and care coordination payments.

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- 5      **Prompt filing for specialty drugs.**  
Amends § 62W.14. Deletes a reference to the integrated health partnership (§ 256B.0755), which is repealed as part of implementing the Patient-Centered Care program.
- 6      **Projects.**  
Amends § 256B.021, subd. 4. Deletes a reference to the integrated health partnership (§ 256B.0755), which is repealed as part of implementing the Patient-Centered Care program.
- 7      **Medical service coordination.**  
Amends § 256B.0625, subd. 56. Deletes references to the integrated health partnership and care coordination payments, which are repealed as part of implementing the Patient-Centered Care program.
- 8      **Officer-involved community-based care coordination.**  
Amends § 256B.0625, subd. 56a. Deletes references to the integrated health partnership and care coordination payments, which are repealed as part of implementing the Patient-Centered Care program.
- 9      **Early and periodic screening, diagnosis, and treatment services.**  
Amends § 256B.0625, subd. 58. Strikes the ability for the commissioner to contract for early and periodic screening, diagnosis, and treatment (EPSDT) services.
- 10     **Performance measures.**  
Amends § 256B.072, subd. 1. Deletes references to the integrated health partnership and care coordination payments, which are repealed as part of implementing the Patient-Centered Care program.
- 11     **Adjustment of quality metrics for special populations.**  
Amends § 256B.072, subd. 2. Deletes references to the integrated health partnership and care coordination payments, which are repealed as part of implementing the Patient-Centered Care program.
- 12     **Coordination.**  
Amends § 256B.0757, subd. 6. Deletes references to care coordination payments, which are repealed as part of implementing the Patient-Centered Care program.

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- 13     **Payments for non-hospital-based governmental health centers.**  
Amends § 256B.198. Deletes references to the integrated health partnership (§ 256B.0755), which is repealed as part of implementing the Patient-Centered Care program.
- 14     **Participating entity.**  
Amends § 256L. subd. 7. Deletes a reference to the integrated health partnership (§ 256B.0755), which is repealed as part of implementing the Patient-Centered Care program.
- 15     **Repealer.**  
Repeals care coordination payments to health care homes (§ 256B.0753), the integrated health partnership demonstration project (§ 256B.0755), and a pilot program in Hennepin and Ramsey Counties to test alternative health care delivery networks (§ 256B.0765).



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