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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1214

02/25/2015 Authored by Liebling, Norton, Schultz, Simonson, Murphy, M., and others
The bill was read for the first time and referred to the Committee on Health and Human Services Reform

1.1 A bill for an act
1.2 relating to insurance; specifying geographical considerations in regard to
1.3 implementing and adjusting the Affordable Care Act in this state; amending
1.4 Minnesota Statutes 2014, section 62K.10, subdivisions 2, 3.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2014, section 62K.10, subdivision 2, is amended to read:

1.7 Subd. 2. **Primary care; mental health services; general hospital services.** (a)

1.8 The maximum travel distance or time shall be the lesser of 30 miles or 30 minutes to the
1.9 nearest provider of each of the following services: primary care services, mental health
1.10 services, and general hospital services.

1.11 (b) In any geographic region, as defined by section 62A.65, subdivision 3, where the
1.12 average aggregate premiums exceeded those available in the lowest cost region by at least
1.13 50 percent in 2015, the maximum travel distance or time may be the lesser of 75 miles
1.14 or 75 minutes to the nearest in-network or contracted provider of each of the following
1.15 services: primary care services, mental health services, and general hospital services.

1.16 (c) A health plan may offer a qualified health plan under paragraph (b) only if it
1.17 also offers at least one qualified health plan in the same region that complies with the
1.18 requirements of paragraph (a).

1.19 **EFFECTIVE DATE.** This section is effective May 1, 2015.

1.20 Sec. 2. Minnesota Statutes 2014, section 62K.10, subdivision 3, is amended to read:

1.21 Subd. 3. **Other health services.** (a) The maximum travel distance or time shall be
1.22 the lesser of 60 miles or 60 minutes to the nearest provider of specialty physician services,

2.1 ancillary services, specialized hospital services, and all other health services not listed in
2.2 subdivision 2.

2.3 (b) In any geographic region, as defined by section 62A.65, subdivision 3, where
2.4 the average aggregate premiums exceeded those available in the lowest cost region by
2.5 at least 50 percent in 2015, the maximum travel distance or time shall be the lesser of
2.6 100 miles or 100 minutes to the nearest in-network or contracted provider of specialty
2.7 physician services, ancillary services, specialized hospital services, and all other health
2.8 services not listed in subdivision 2.

2.9 (c) A health plan may offer a qualified health plan under paragraph (b) only if it
2.10 also offers at least one qualified health plan in the same region that complies with the
2.11 requirements of paragraph (a).

2.12 **EFFECTIVE DATE.** This section is effective May 1, 2015.

2.13 Sec. 3. **NETWORK ADEQUACY STANDARDS PROPOSAL.**

2.14 No later than December 15, 2015, the commissioner of health shall investigate, study,
2.15 and propose to the legislature a set of revised standards for provider network adequacy,
2.16 as defined by section 62K.10. The revised standards shall assess the impact of any such
2.17 revision on regional provider pricing disparities for identical treatments and services, health
2.18 insurance product premiums, and the affordability of health insurance for consumers.

2.19 Sec. 4. **SINGLE GEOGRAPHIC RATE AREA STUDY.**

2.20 The commissioner of commerce shall report the likely impact on premium rates in
2.21 each region as a result of establishing a single geographic rating area for the entire state
2.22 of Minnesota for plans available starting January 1, 2017.