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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 237

01/20/2015 Authored by Liebling, Lillie, Loeffler, Fischer, Halverson 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 human services; modifying requirements for the medical assistance  
1.3 spenddown and excess income standard; amending Minnesota Statutes 2014,  
1.4 section 256B.056, subdivisions 5, 5c.

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

1.6 Section 1. Minnesota Statutes 2014, section 256B.056, subdivision 5, is amended to  
1.7 read:

1.8 Subd. 5. **Excess income.** A person who has excess income is eligible for medical  
1.9 assistance if the person has expenses for medical care that are more than the amount of the  
1.10 person's excess income, computed by deducting incurred medical expenses from the excess  
1.11 income to reduce the excess to the income standard specified in subdivision 5c. The person  
1.12 shall elect to have the medical expenses deducted at the beginning of a one-month budget  
1.13 period or at the beginning of a six-month budget period. The commissioner shall ~~allow~~  
1.14 require persons eligible for assistance on a recurring one-month spenddown basis under  
1.15 this subdivision ~~to elect to pay the monthly spenddown amount in advance of the month~~  
1.16 of eligibility to the state agency in order to maintain eligibility on a continuous basis. If  
1.17 the recipient does not pay the spenddown amount on or before the 20th of the month, the  
1.18 recipient is ineligible ~~for this option~~ for the following month. The local agency shall code  
1.19 the Medicaid Management Information System (MMIS) to indicate that the recipient ~~has~~  
1.20 elected this option is paying the monthly spenddown in advance. The state agency shall  
1.21 convey recipient eligibility information relative to the collection of the spenddown to  
1.22 providers through the Electronic Verification System (EVS). A recipient ~~elected making~~  
1.23 advance payment must pay the state agency the monthly spenddown amount on or before  
1.24 the 20th of the month in order to be eligible ~~for this option~~ in the following month.

2.1 **EFFECTIVE DATE.** This section is effective July 1, 2015, or upon any necessary  
2.2 federal approval, whichever is later.

2.3 Sec. 2. Minnesota Statutes 2014, section 256B.056, subdivision 5c, is amended to read:

2.4 Subd. 5c. **Excess income standard.** (a) The excess income standard for parents  
2.5 and caretaker relatives, pregnant women, infants, and children ages two through 20 is the  
2.6 standard specified in subdivision 4, paragraph (b).

2.7 (b) The excess income standard for a person whose eligibility is based on blindness,  
2.8 disability, or age of 65 or more years shall equal ~~75~~ 133 percent of the federal poverty  
2.9 guidelines.

2.10 **EFFECTIVE DATE.** This section is effective July 1, 2015.

2.11 Sec. 3. **FEDERAL WAIVERS.**

2.12 The commissioner shall seek any federal waivers and approvals necessary to  
2.13 implement the changes to the medical assistance spenddown required by the amendments  
2.14 to Minnesota Statutes, section 256B.056, subdivision 5.

2.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.