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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3780

04/01/2016 Authored by Hamilton; Loeffler; Murphy, E.; Mariani; Thissen 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; establishing a health care program for low-income  
1.3 uninsured adults and children who are ineligible for medical assistance or  
1.4 MinnesotaCare; amending Minnesota Statutes 2014, section 256B.06, by adding  
1.5 a subdivision; proposing coding for new law in Minnesota Statutes, chapter 256L.

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

1.7 Section 1. Minnesota Statutes 2014, section 256B.06, is amended by adding a  
1.8 subdivision to read:

1.9 Subd. 7. Low-income uninsured health program. (a) The commissioner shall  
1.10 establish a program that provides coverage to low-income uninsured individuals who are  
1.11 21 years of age or older and who meet the requirements of this subdivision.

1.12 (b) An individual must: (1) not be eligible for medical assistance or MinnesotaCare;  
1.13 (2) have a family income equal to or less than 133 percent of the federal poverty guidelines  
1.14 adjusted for family size; and (3) have been determined eligible for emergency medical  
1.15 assistance under subdivision 4, paragraph (e) or (f), or the individual's treating health care  
1.16 provider certified that the individual has an emergency medical condition as defined in  
1.17 United States Code, title 42, section 1396b(v), that is likely to lead to the individual  
1.18 being admitted to a hospital or emergency department, unless intervening health care  
1.19 treatment is provided.

1.20 (c) Eligibility under this subdivision shall continue for as long as the individual  
1.21 continues to have the underlying medical condition that gave rise to the initial emergency  
1.22 medical condition.

1.23 (d) The program shall cover the services described under section 256B.0625, except  
1.24 as otherwise specified in this subdivision. Services that are covered under emergency  
1.25 medical assistance under subdivision 4, paragraphs (e) to (h), shall continue to be covered

2.1 under emergency medical assistance. The commissioner shall coordinate the program  
2.2 with the federally subsidized emergency medical assistance program with the goal of  
2.3 making transitions between the programs seamless and invisible to the enrollee to the  
2.4 extent possible.

2.5 (e) All cost-sharing provisions under section 256B.0631 shall apply.

2.6 (f) The commissioner may contract with a health plan, provider network, nonprofit  
2.7 coverage program, county or group of counties, or health care delivery system established  
2.8 under sections 256B.0755 and 256B.0756 to administer the coverage program authorized  
2.9 under this subdivision, and may delegate to the contractor the responsibility to perform  
2.10 case reviews and authorize payment. The commissioner may contract under this  
2.11 paragraph on a capitated or fixed-budget basis under which the contractor is responsible  
2.12 for providing the covered services to eligible persons within the limits of the capitation or  
2.13 payment amount. The commissioner may also contract using gain-sharing and risk-sharing  
2.14 methods authorized for demonstration projects established under sections 256B.0755  
2.15 and 256B.0756. If the commissioner contracts on a capitated, fixed-fee payment, or  
2.16 gain-sharing or risk-sharing method, the commissioner may withhold up to five percent  
2.17 of the payment amount, to be paid only if the contractor achieves standards for quality  
2.18 and cost that are comparable to those required of health care delivery system projects  
2.19 under sections 256B.0755 and 256B.0756. The commissioner may separate nursing  
2.20 facility services and pharmacy services from other covered services to provide payment  
2.21 for these services under the commissioner's fee-for-service payment system instead of  
2.22 payment to the contracted entity. The commissioner may administer the program through  
2.23 a fee-for-service payment system without a health plan, provider network, coverage  
2.24 program, county or group of counties, or health care delivery system in rural areas and  
2.25 other regions where these options are not feasible or appropriate.

2.26 (g) The commissioner may authorize coverage and payment for additional services  
2.27 determined by the commissioner to be cost-effective because the services are likely to  
2.28 produce offsetting reductions in costs for inpatient hospital services, emergency services,  
2.29 or other covered services.

2.30 (h) The commissioner shall ensure that an eligible individual is provided the  
2.31 opportunity to receive covered services through any essential community provider, as  
2.32 defined in section 62Q.19, and that the terms of participation of an essential community  
2.33 provider conform with the requirements of section 62Q.19.

2.34 **Sec. 2. [256L.30] LOW-INCOME UNINSURED CHILDREN'S HEALTH**  
2.35 **PROGRAM.**

3.1 Subdivision 1. **General.** (a) The commissioner shall establish a program that  
3.2 provides coverage to low-income uninsured children who are under 21 years of age.

3.3 (b) A child is eligible for the program under this section if the child's family income  
3.4 is equal to or less than 200 percent of the federal poverty guidelines, adjusted for family  
3.5 size, and if the child meets all other eligibility requirements under this chapter, with the  
3.6 exception of the citizenship requirements under section 256L.04, subdivision 10.

3.7 (c) Children who are eligible for medical assistance under chapter 256B or  
3.8 MinnesotaCare under this chapter are not eligible for the program under this section.

3.9 (d) All application, navigation services, eligibility determination, enrollment,  
3.10 disenrollment, and premium requirements and procedures of the MinnesotaCare program  
3.11 apply to this program, except as otherwise specified in this section.

3.12 Subd. 2. **Covered services.** (a) The program covers the services described under  
3.13 section 256L.03, except as otherwise specified in this subdivision.

3.14 (b) The program does not cover services for an emergency medical condition that  
3.15 are covered by emergency medical assistance under section 256B.06, subdivision 4,  
3.16 paragraphs (e) to (h). The commissioner shall coordinate the program with the federally  
3.17 subsidized emergency medical assistance program with the goal of making transitions  
3.18 between the programs seamless and invisible to the enrollee to the extent possible.

3.19 Subd. 3. **Premiums and cost-sharing.** For children who are eligible under  
3.20 subdivision 1, the premium and cost-sharing provisions of the MinnesotaCare program  
3.21 shall apply.

3.22 Subd. 4. **Service delivery.** (a) The commissioner may contract with managed  
3.23 care plans, county-based purchasing plans, provider networks, nonprofit coverage  
3.24 programs, counties, or health care delivery systems established under section 256B.0755  
3.25 or 256B.0756 to administer the program authorized under this section to control the costs  
3.26 of the program through care coordination, limited provider networks, fee discounts, and  
3.27 other methods.

3.28 (b) The commissioner shall ensure that an eligible child is provided the opportunity  
3.29 to receive covered services from any essential community provider, as defined in section  
3.30 62Q.19, and that the terms of participation of the essential community provider conform  
3.31 with the requirements of section 62Q.19.

3.32 **Sec. 3. FEDERAL APPROVAL.**

3.33 The commissioner of human services shall seek federal approval for changes to the  
3.34 emergency medical assistance program to allow coverage and payment for cost-effective

- 4.1 community-based and outpatient services as an alternative to hospital inpatient and
- 4.2 emergency department services to reduce the total cost of care.