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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 424

01/23/2017 Authored by Schultz, Fischer, Thissen and Bly
The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

1.1 A bill for an act
1.2 relating to MNsure; creating the shared eligibility system for MNsure; modifying
1.3 the amount retained or collected from health care premiums to fund the operation
1.4 of MNsure; amending Minnesota Statutes 2016, section 62V.05, subdivisions 2,
1.5 7; proposing coding for new law in Minnesota Statutes, chapter 62V.

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

1.7 Section 1. [62V.041] GOVERNANCE OF THE SHARED ELIGIBILITY SYSTEM.

1.8 Subdivision 1. Definition; shared eligibility system. "Shared eligibility system" means
1.9 the system that supports eligibility determinations using a modified adjusted gross income
1.10 methodology for medical assistance under section 256B.056, subdivision 1a, paragraph (b),
1.11 clause (1), MinnesotaCare under chapter 256L, and qualified health plan enrollment under
1.12 section 62V.05, subdivision 5, paragraph (c).

1.13 Subd. 2. Executive steering committee. The shared eligibility system shall be governed
1.14 and administered by a seven-member executive steering committee. The steering committee
1.15 shall consist of two members appointed by the commissioner of human services, two
1.16 members appointed by the board, two members appointed by the commissioner of MN.IT,
1.17 and one county representative appointed by the commissioner of human services. The
1.18 commissioner of human services shall designate one of the members appointed by the
1.19 commissioner of human services to serve as chair of the steering committee.

1.20 Subd. 3. Duties. (a) The steering committee shall establish an overall governance structure
1.21 for the shared eligibility system, and shall be responsible for the overall governance of the
1.22 system, including setting goals and priorities, allocating the system's resources, and making
1.23 major system decisions.

2.1 (b) The steering committee shall adopt bylaws, policies, and interagency agreements
 2.2 necessary to administer the shared eligibility system.

2.3 Subd. 4. **Decision making.** The steering committee, to the extent feasible, shall operate
 2.4 under a consensus model. The steering committee shall make decisions that give particular
 2.5 attention to parts of the system with the largest enrollments and the greatest risks.

2.6 Subd. 5. **Administrative structure.** MN.IT services shall be responsible for the design,
 2.7 build, maintenance, operation, and upgrade of the information technology for the shared
 2.8 eligibility system. MN.IT services shall carry out its responsibilities under the governance
 2.9 of the executive steering committee and this section.

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

2.11 Sec. 2. Minnesota Statutes 2016, section 62V.05, subdivision 2, is amended to read:

2.12 Subd. 2. **Operations funding.** (a) Prior to January 1, 2015, MNsure shall retain or collect
 2.13 up to 1.5 percent of total premiums for individual and small group market health plans and
 2.14 dental plans sold through MNsure to fund the cash reserves of MNsure, but the amount
 2.15 collected shall not exceed a dollar amount equal to 25 percent of the funds collected under
 2.16 section 62E.11, subdivision 6, for calendar year 2012.

2.17 (b) Beginning January 1, 2015, through December 31, 2017, MNsure shall retain or
 2.18 collect up to 3.5 percent of total premiums for individual and small group market health
 2.19 plans and dental plans sold through MNsure to fund the operations of MNsure, but the
 2.20 amount collected shall not exceed a dollar amount equal to 50 percent of the funds collected
 2.21 under section 62E.11, subdivision 6, for calendar year 2012.

2.22 (c) Beginning January 1, 2016, through December 31, 2017, MNsure shall retain or
 2.23 collect up to 3.5 percent of total premiums for individual and small group market health
 2.24 plans and dental plans sold through MNsure to fund the operations of MNsure, but the
 2.25 amount collected may never exceed a dollar amount greater than 100 percent of the funds
 2.26 collected under section 62E.11, subdivision 6, for calendar year 2012.

2.27 (d) Beginning January 1, 2018, MNsure shall retain or collect up to 1.5 percent of total
 2.28 premiums for individual and small group market health plans and dental plans sold to
 2.29 Minnesota residents through MNsure and outside of MNsure to fund the operations of
 2.30 MNsure. The amount collected shall not exceed a dollar amount greater than 100 percent
 2.31 of the funds collected under section 62E.11, subdivision 6, for calendar year 2012.

2.32 ~~(d)~~ (e) For fiscal years 2014 and 2015, the commissioner of management and budget is
 2.33 authorized to provide cash flow assistance of up to \$20,000,000 from the special revenue

3.1 fund or the statutory general fund under section 16A.671, subdivision 3, paragraph (a), to
 3.2 MNsure. Any funds provided under this paragraph shall be repaid, with interest, by June
 3.3 30, 2015.

3.4 ~~(e)~~ (f) Funding for the operations of MNsure shall cover any compensation provided to
 3.5 navigators participating in the navigator program.

3.6 Sec. 3. Minnesota Statutes 2016, section 62V.05, subdivision 7, is amended to read:

3.7 Subd. 7. **Agreements; consultation.** (a) The board shall:

3.8 ~~(1) establish and maintain an agreement with the commissioner of human services for~~
 3.9 ~~cost allocation and services regarding eligibility determinations and enrollment for public~~
 3.10 ~~health care programs that use a modified adjusted gross income standard to determine~~
 3.11 ~~program eligibility. The board may establish and maintain an agreement with the~~
 3.12 ~~commissioner of human services for other services;~~

3.13 ~~(2)~~ (1) establish and maintain an agreement with the commissioners of commerce and
 3.14 health for services regarding enforcement of MNsure certification requirements for health
 3.15 plans and dental plans offered through MNsure. The board may establish and maintain
 3.16 agreements with the commissioners of commerce and health for other services; and

3.17 ~~(3)~~ (2) establish interagency agreements to transfer funds to other state agencies for their
 3.18 costs related to implementing and operating MNsure, excluding medical assistance allocatable
 3.19 costs.

3.20 (b) The board shall consult with the commissioners of commerce and health regarding
 3.21 the operations of MNsure.

3.22 (c) The board shall consult with Indian tribes and organizations regarding the operation
 3.23 of MNsure.

3.24 (d) Beginning March 15, 2016, and each March 15 thereafter, the board shall submit a
 3.25 report to the chairs and ranking minority members of the committees in the senate and house
 3.26 of representatives with primary jurisdiction over commerce, health, and human services on
 3.27 all the agreements entered into with the chief information officer of the Office of MN.IT
 3.28 Services, or the commissioners of human services, health, or commerce in accordance with
 3.29 this subdivision. The report shall include the agency in which the agreement is with; the
 3.30 time period of the agreement; the purpose of the agreement; and a summary of the terms of
 3.31 the agreement. A copy of the agreement must be submitted to the extent practicable.