

A bill for an act
relating to human services; establishing a MinnesotaCare voucher demonstration
project; proposing coding for new law in Minnesota Statutes, chapter 256L.

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

Section 1. **[256L.29] MINNESOTACARE VOUCHER DEMONSTRATION
PROJECT.**

Subdivision 1. **Demonstration project goal.** As part of a strategy to transition
public health care programs from a defined benefit strategy to a defined contribution
strategy, and to promote increased efficiency, enhanced cost-effectiveness, and improved
outcomes in public health programs, the commissioner of human services shall develop
and implement a voucher demonstration project.

Subd. 2. **Development and federal approval.** (a) The commissioner shall develop
and seek federal approval for a three-year demonstration project to provide health
coverage vouchers on a monthly basis to MinnesotaCare enrollees. Participation in the
demonstration project by MinnesotaCare enrollees is voluntary, and the commissioner
may set a limit on the total number of demonstration project participants.

(b) The commissioner shall implement the demonstration project on July 1, 2012, or
upon federal approval, whichever is later.

Subd. 3. **Sliding scale for voucher payments.** The commissioner shall establish
a sliding scale for voucher payments that varies with household income. The sliding
scale must provide a voucher payment to each enrollee that is equivalent to the premium
subsidy the enrollee would otherwise have received under the MinnesotaCare sliding scale
established in section 256L.15. The commissioner shall adjust the voucher payment

each January 1 to reflect any increases in the average subsidy provided under the MinnesotaCare program.

Subd. 4. Use of voucher payments. Vouchers may be used by participants to purchase health care coverage from a health plan company or may be used as contributions into a health savings account. The commissioner shall define terms and conditions for the use of voucher payments. The commissioner shall deposit voucher payments on a monthly basis directly into the health savings account designated by a voucher recipient.

Subd. 5. Report to legislature. The commissioner shall present to the legislature, by December 15, 2014:

(1) an evaluation of the demonstration project, including recommendations on whether the demonstration project should be continued or expanded;

(2) recommendations on whether the use of vouchers for the purchase of private sector health coverage should be expanded to medical assistance; and

(3) recommendations on whether the use of vouchers should be expanded to include medical assistance coverage of long-term care services.