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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1460

03/04/2015 Authored by Drazkowski and Davids

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; requiring the commissioner of human services
1.3 to contract with a vendor to verify the eligibility of medical assistance and
1.4 MinnesotaCare enrollees; appropriating money; proposing coding for new law
1.5 in Minnesota Statutes, chapter 256B.

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

1.7 Section 1. **[256B.0561] ELIGIBILITY VERIFICATION.**

1.8 Subdivision 1. Verification required; vendor contract. (a) The commissioner shall
1.9 ensure that medical assistance and MinnesotaCare eligibility determinations through the
1.10 MNsure information technology system and through agency eligibility determination
1.11 systems include the computerized verification of income, residency, identity, and, when
1.12 applicable, assets.

1.13 (b) The commissioner shall contract with a vendor to verify the eligibility of all
1.14 persons enrolled in medical assistance and MinnesotaCare during a specified audit period.
1.15 This contract shall be exempt from sections 16C.08, subdivision 2, clause (1); 16C.09,
1.16 paragraph (a), clause (1); 43A.047, paragraph (a), and any other law to the contrary.

1.17 Subd. 2. Verification process; vendor duties. (a) The verification process
1.18 implemented by the vendor must include, but is not limited to, data matches of the
1.19 name, date of birth, address, and Social Security number of each medical assistance and
1.20 MinnesotaCare enrollee against relevant information in federal and state data sources,
1.21 including the federal data hub established under the Affordable Care Act. In designing the
1.22 verification process, the vendor, to the extent feasible, shall incorporate procedures that are
1.23 compatible and coordinated with, and build upon or improve, existing procedures used by
1.24 the MNsure information technology system and agency eligibility determination systems.

2.1 (b) The vendor, upon preliminary determination that an enrollee is eligible or
2.2 ineligible, shall notify the commissioner. Within 20 business days of this notification, the
2.3 commissioner shall accept the preliminary determination or reject it with a stated reason.
2.4 The commissioner shall retain final authority over eligibility determinations. The vendor
2.5 shall keep a record of all preliminary determinations of ineligibility communicated to
2.6 the commissioner.

2.7 (c) The vendor shall recommend to the commissioner an eligibility verification
2.8 process that will allow ongoing verification of enrollee eligibility under the MNsure
2.9 information technology system and agency eligibility determination systems.

2.10 (d) The commissioner and the vendor, following the conclusion of the initial
2.11 contract period, shall jointly submit an eligibility verification audit report to the chairs
2.12 and ranking minority members of the legislative committees with jurisdiction over health
2.13 and human services policy and finance. The report shall include, but is not limited to,
2.14 information, in the form of unidentified summary data, on preliminary determinations
2.15 of eligibility or ineligibility communicated by the vendor; the actions taken on those
2.16 preliminary determinations by the commissioner; and the commissioner's reasons for
2.17 rejecting preliminary determinations by the vendor. The report must also include the
2.18 recommendations for ongoing verification of enrollee eligibility required under paragraph
2.19 (c).

2.20 (e) An eligibility verification vendor contract shall be awarded for an initial one-year
2.21 period. The commissioner shall renew the contract for up to three additional one-year
2.22 periods and require additional eligibility verification audits, if the commissioner or the
2.23 legislative auditor determines that the MNsure information technology system and agency
2.24 eligibility determination systems cannot effectively verify the eligibility of medical
2.25 assistance and MinnesotaCare enrollees.

2.26 **Sec. 2. APPROPRIATION.**

2.27 \$..... is appropriated from the general fund to the commissioner of human services
2.28 for the biennium ending June 30, 2017, to contract with a vendor to verify the eligibility of
2.29 state public program enrollees, as required under Minnesota Statutes, section 256B.0561.