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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 2915

03/10/2014 Authored by Liebling; Fritz; Laine; Johnson, C., and Allen

The bill was read for the first time and referred to the Committee on Health and Human Services Policy

1.1 A bill for an act
1.2 relating to human services; requiring the commissioner of human services to
1.3 develop and implement a new health care delivery system; requiring a report
1.4 to the legislature; prohibiting renewal of managed care and county-based
1.5 purchasing contracts beyond 2015; appropriating money; proposing coding for
1.6 new law in Minnesota Statutes, chapter 256B.

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

1.8 Section 1. **[256B.0758] HEALTH CARE DELIVERY SYSTEM REDESIGN.**

1.9 Subdivision 1. Development of new health care delivery system. The
1.10 commissioner, in consultation with the advisory committee established under this section,
1.11 shall develop and implement a new system to deliver health care services to Minnesota
1.12 health care program enrollees, beginning January 1, 2016.

1.13 Subd. 2. Criteria for new system. The new system must:

1.14 (1) replace the delivery of health care services through managed care and
1.15 county-based purchasing plans under sections 256B.69 and 256B.692, and through
1.16 participating entities under section 256L.121;

1.17 (2) provide services to medical assistance recipients required to enroll in a managed
1.18 care or county-based purchasing plan under sections 256B.69 and 256B.692, including
1.19 those eligibility groups allowed to opt out of enrollment, and to MinnesotaCare recipients
1.20 under chapter 256L;

1.21 (3) provide enrollees with all services required to be provided under sections
1.22 256B.69 and 256B.692;

1.23 (4) make payment directly to health care providers, using a payment methodology
1.24 based on total cost of care, risk and gain sharing, and quality measurement and incentives;

2.1 (5) incorporate the principles of, and findings from, the health care delivery system
2.2 demonstration project under section 256B.0755 and the county integrated health care
2.3 delivery network program under section 256B.0756;

2.4 (6) be compatible with and build upon initiatives implemented and funded through
2.5 the state innovation model (SIM) grant and the Minnesota accountable health model;

2.6 (7) incorporate health care homes certified under section 256B.0751 and other
2.7 methods of care coordination;

2.8 (8) allow participation by:

2.9 (i) health care delivery systems and accountable care organizations participating
2.10 under, or meeting the general criteria established in, section 256B.0755;

2.11 (ii) an entity operating a county integrated health care delivery network authorized
2.12 under section 256B.0756;

2.13 (iii) health care provider networks established by county boards that meet the general
2.14 criteria specified in section 256B.692; and

2.15 (iv) networks of health care providers established to offer services to MinnesotaCare
2.16 enrollees under chapter 256L;

2.17 (9) provide technical assistance that allows small, independent health care providers
2.18 to participate in the new health care delivery system; and

2.19 (10) comply with other requirements specified in this section.

2.20 Subd. 3. **Contracts.** (a) The commissioner may contract with a health care policy
2.21 consultant or other entity to provide technical services related to design and development
2.22 of the new health care delivery system.

2.23 (b) The commissioner may contract with a health plan company, third-party
2.24 administrator, or other entity for administrative services related to implementation and
2.25 operation of the new health care delivery system.

2.26 (c) The commissioner shall contract with a health plan company, third-party
2.27 administrator, or other entity to provide technical assistance that will enable small,
2.28 independent health care providers to participate in the new health care delivery system.

2.29 Subd. 4. **Infrastructure development grants.** The commissioner shall award grants
2.30 to assist small, independent health care providers in developing the data infrastructure
2.31 necessary for participation in the new health care delivery system.

2.32 Subd. 5. **Nonrenewal of contracts.** The commissioner of human services shall not
2.33 extend managed care and county-based purchasing contracts under sections 256B.69
2.34 and 256B.692, and contracts with participating entities under section 256L.121, beyond
2.35 December 31, 2015.

3.1 Subd. 6. **Advisory committee.** The commissioner shall establish an advisory
3.2 committee to assist the commissioner in developing the new health care delivery system.
3.3 The commissioner shall appoint to the advisory committee representatives of stakeholder
3.4 groups, including but not limited to health plan companies, state public program enrollees,
3.5 health care delivery systems, health care providers, and county boards. The advisory
3.6 committee is governed by section 15.059, except that members shall not receive per diems.

3.7 Sec. 2. **REPORT TO LEGISLATURE.**

3.8 The commissioner shall present a report on the new delivery system to the legislature
3.9 by December 15, 2014. The report must include criteria for the new delivery system
3.10 established according to Minnesota Statutes, section 256B.0758, an implementation plan
3.11 and schedule, and draft legislation. The report must also include recommendations on
3.12 whether medical assistance services not required to be provided under Minnesota Statutes,
3.13 sections 256B.69 and 256B.692, should be delivered through the new health care delivery
3.14 system.

3.15 Sec. 3. **APPROPRIATION.**

3.16 \$..... is appropriated from the general fund to the commissioner of human services
3.17 for the fiscal year ending June 30, 2015, to develop and implement the new health care
3.18 delivery system under Minnesota Statutes, section 256B.0758.