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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 658

02/05/2015 Authored by Zerwas, Halverson and Newton

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

03/26/2015 Adoption of Report: Amended and re-referred to the Committee on Health and Human Services Finance

1.1 A bill for an act
1.2 relating to human services; modifying medical assistance spenddown procedures;
1.3 amending Minnesota Statutes 2014, section 256B.056, subdivision 5.

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

1.5 Section 1. Minnesota Statutes 2014, section 256B.056, subdivision 5, is amended to
1.6 read:

1.7 Subd. 5. **Excess income.** (a) A person who has excess income is eligible for medical
1.8 assistance if the person has expenses for medical care that are more than the amount of
1.9 the person's excess income, computed by deducting incurred medical expenses from
1.10 the excess income to reduce the excess to the income standard specified in subdivision
1.11 5c. The person shall elect to have the medical expenses deducted at the beginning of a
1.12 one-month budget period or at the beginning of a six-month budget period.

1.13 (b) The commissioner shall allow persons eligible for assistance on a one-month
1.14 spenddown basis under this subdivision to elect to pay the monthly spenddown amount
1.15 in advance of the month of eligibility to the state agency in order to maintain eligibility
1.16 on a continuous basis. If the recipient does not pay the spenddown amount on or before
1.17 the 20th of the month, the recipient is ineligible for this option for the following month.
1.18 The local agency shall code the Medicaid Management Information System (MMIS) to
1.19 indicate that the recipient has elected this option. The state agency shall convey recipient
1.20 eligibility information relative to the collection of the spenddown to providers through the
1.21 Electronic Verification System (EVS). A recipient electing advance payment must pay
1.22 the state agency the monthly spenddown amount on or before the 20th of the month in
1.23 order to be eligible for this option in the following month.

2.1 (c) The commissioner shall require persons on a one-month spenddown eligible
2.2 under section 256B.055, subdivisions 7, 7a, and 12, who do not elect to pay the monthly
2.3 spenddown amount in advance as provided under paragraph (b), to pay directly to the
2.4 commissioner the monthly spenddown amount owed to providers for any services received
2.5 during the spenddown period. The commissioner shall reimburse providers for services
2.6 provided to a person during the spenddown period at the rate billed by the provider, except
2.7 that payment to the provider shall not exceed the medical assistance rate.

2.8 **EFFECTIVE DATE.** This section is effective July 1, 2015.