

1.1 CONFERENCE COMMITTEE REPORT ON S.F. No. 3472

1.2 A bill for an act

1.3 relating to state government; extending the operation of the Minnesota premium
1.4 security plan; transferring money; appropriating money; amending Minnesota
1.5 Statutes 2020, section 62E.23, subdivision 3; Laws 2017, chapter 13, article 1,
1.6 section 15, as amended; Laws 2021, First Special Session chapter 7, article 15,
1.7 section 3.

1.8 March 31, 2022

1.9 The Honorable David J. Osmek
1.10 President of the Senate

1.11 The Honorable Melissa Hortman
1.12 Speaker of the House of Representatives

1.13 We, the undersigned conferees for S.F. No. 3472 report that we have agreed upon the
1.14 items in dispute and recommend as follows:

1.15 That the House recede from its amendments and that S.F. No. 3472 be further amended
1.16 as follows:

1.17 Delete everything after the enacting clause and insert:

1.18 "Section 1. Minnesota Statutes 2020, section 16A.724, subdivision 2, is amended to read:

1.19 Subd. 2. **Transfers.** (a) Notwithstanding section 295.581, to the extent available resources
1.20 in the health care access fund exceed expenditures in that fund, effective for the biennium
1.21 beginning July 1, 2007, the commissioner of management and budget shall transfer the
1.22 excess funds from the health care access fund to the general fund on June 30 of each year,
1.23 provided that the amount transferred in fiscal year 2016 shall not exceed \$48,000,000, the
1.24 amount in fiscal year 2017 shall not exceed \$122,000,000, the amount in fiscal year 2024
1.25 shall not exceed \$70,215,000, and the amount in any fiscal biennium thereafter shall not
1.26 exceed \$244,000,000. The purpose of this transfer is to meet the rate increase required under
1.27 section 256B.04, subdivision 25.

2.1 (b) For fiscal years 2006 to 2011, MinnesotaCare shall be a forecasted program, and, if
2.2 necessary, the commissioner shall reduce these transfers from the health care access fund
2.3 to the general fund to meet annual MinnesotaCare expenditures or, if necessary, transfer
2.4 sufficient funds from the general fund to the health care access fund to meet annual
2.5 MinnesotaCare expenditures.

2.6 Sec. 2. Minnesota Statutes 2020, section 62E.23, subdivision 3, is amended to read:

2.7 Subd. 3. **Operation.** (a) The board shall propose to the commissioner the payment
2.8 parameters for the next benefit year by January 15 of the year before the applicable benefit
2.9 year. The commissioner shall approve or reject the payment parameters no later than 14
2.10 days following the board's proposal. If the commissioner fails to approve or reject the
2.11 payment parameters within 14 days following the board's proposal, the proposed payment
2.12 parameters are final and effective.

2.13 (b) If the amount in the premium security plan account in section 62E.25, subdivision
2.14 1, is not anticipated to be adequate to fully fund the approved payment parameters as of
2.15 July 1 of the year before the applicable benefit year, the board, in consultation with the
2.16 commissioner and the commissioner of management and budget, shall propose payment
2.17 parameters within the available appropriations. The commissioner must permit an eligible
2.18 health carrier to revise an applicable rate filing based on the final payment parameters for
2.19 the next benefit year.

2.20 (c) Notwithstanding paragraph (a), the payment parameters for benefit ~~year 2020~~ years
2.21 2023 through 2027 are:

- 2.22 (1) an attachment point of \$50,000;
- 2.23 (2) a coinsurance rate of 80 percent; and
- 2.24 (3) a reinsurance cap of \$250,000.

2.25 Sec. 3. [62Q.521] POSTNATAL CARE.

2.26 (a) For purposes of this section, "comprehensive postnatal visit" means a visit with a
2.27 health care provider that includes a full assessment of the mother's and infant's physical,
2.28 social, and psychological well-being, including but not limited to: mood and emotional
2.29 well-being; infant care and feeding; sexuality, contraception, and birth spacing; sleep and
2.30 fatigue; physical recovery from birth; chronic disease management; and health maintenance.

2.31 (b) A health plan must provide coverage for the following:

3.1 (1) a comprehensive postnatal visit with a health care provider not more than three weeks
3.2 from the date of delivery;

3.3 (2) any postnatal visits recommended by a health care provider between three and 11
3.4 weeks from the date of delivery; and

3.5 (3) a comprehensive postnatal visit with a health care provider 12 weeks from the date
3.6 of delivery.

3.7 (c) The requirements of this section are separate from and cannot be met by a visit made
3.8 pursuant to section 62A.0411.

3.9 **EFFECTIVE DATE.** This section is effective January 1, 2023, and applies to health
3.10 plans offered, issued, or renewed on or after that date.

3.11 Sec. 4. Minnesota Statutes 2020, section 62Q.81, is amended by adding a subdivision to
3.12 read:

3.13 Subd. 6. **Prescription drug benefits.** (a) A health plan company that offers individual
3.14 health plans must ensure that, in each geographic area the health plan company services,
3.15 no fewer than one silver plan and one gold plan the health plan company offers apply a
3.16 predeductible, flat-dollar amount co-payment structure to the entire drug benefit, including
3.17 all tiers.

3.18 (b) A health plan company that offers small group health plans must ensure that, in each
3.19 geographic area the health plan company services, no fewer than one silver plan and one
3.20 gold plan the health plan company offers apply a predeductible, flat-dollar amount
3.21 co-payment structure to the entire drug benefit, including all tiers.

3.22 (c) The highest allowable co-payment for the highest cost drug tier for health plans
3.23 offered pursuant to this subdivision must be no greater than 1/12 of the plan's out-of-pocket
3.24 maximum for an individual.

3.25 (d) The flat-dollar amount co-payment tier structure for prescription drugs under this
3.26 subdivision must be graduated and proportionate.

3.27 (e) All individual and small group health plans offered pursuant to this subdivision must
3.28 be:

3.29 (1) clearly and appropriately named to aid the purchaser in the selection process;

3.30 (2) marketed in the same manner as other health plans offered by the health plan company;
3.31 and

4.1 (3) offered for purchase to any individual or small group.

4.2 (f) This subdivision does not apply to catastrophic plans, grandfathered plans, large
4.3 group health plans, health savings accounts, qualified high deductible health benefit plans,
4.4 limited health benefit plans, or short-term limited-duration health insurance policies.

4.5 (g) A health plan company or a pharmacy benefit manager, as defined in section 62W.02,
4.6 subdivision 15, must not delay or divide payment to a pharmacy or pharmacy provider, as
4.7 defined in section 62W.02, subdivision 14, because of the co-payment structure of a health
4.8 plan offered pursuant to this subdivision.

4.9 (h) Health plan companies must meet the requirements in this subdivision separately for
4.10 plans offered through MNsure under chapter 62V and plans offered outside of MNsure.

4.11 (i) Notwithstanding section 62A.65, subdivision 2, a health plan company may
4.12 discontinue offering a health plan under this subdivision if, three years after the date the
4.13 silver or gold health plan is initially offered, the silver or gold health plan has fewer than
4.14 75 enrollees enrolled in the plan. A health plan company discontinuing a plan under this
4.15 paragraph must only discontinue the silver or gold health plan that has fewer than 75 enrollees
4.16 and:

4.17 (1) provide notice of the plan's discontinuation in writing, in a form prescribed by the
4.18 commissioner, to each individual enrolled in the plan at least 90 calendar days before the
4.19 date the coverage is discontinued;

4.20 (2) offer on a guaranteed issue basis to each individual enrolled the option to purchase
4.21 an individual health plan currently being offered by the health plan company for individuals
4.22 in that geographic rating area. An enrollee who does not select an option must be
4.23 automatically enrolled in the individual health plan closest in actuarial value to the enrollee's
4.24 current plan; and

4.25 (3) act uniformly without regard to any health status-related factor of enrolled individuals
4.26 or dependents of enrolled individuals who may become eligible for coverage.

4.27 (j) A health plan company must annually report to the commissioner, as specified by
4.28 the commissioner, the total enrollment in silver and gold plans under this subdivision.

4.29 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to individual
4.30 and small group health plans offered, issued, or renewed on or after that date.

4.31 Sec. 5. Laws 2017, chapter 13, article 1, section 15, as amended by Laws 2017, First
4.32 Special Session chapter 6, article 5, section 10, Laws 2019, First Special Session chapter

5.1 9, article 8, section 19, and Laws 2021, First Special Session chapter 7, article 15, section
5.2 1, is amended to read:

5.3 **Sec. 15. MINNESOTA PREMIUM SECURITY PLAN FUNDING.**

5.4 (a) The Minnesota Comprehensive Health Association shall fund the operational and
5.5 administrative costs and reinsurance payments of the Minnesota security plan and association
5.6 using the following amounts deposited in the premium security plan account in Minnesota
5.7 Statutes, section 62E.25, subdivision 1, in the following order:

5.8 (1) any federal funding available;

5.9 (2) funds deposited under article 1, sections 12 and 13;

5.10 (3) any state funds from the health care access fund; and

5.11 (4) any state funds from the general fund.

5.12 (b) The association shall transfer from the premium security plan account any remaining
5.13 state funds not used for the Minnesota premium security plan by June 30, ~~2024~~ 2029, to the
5.14 commissioner of commerce. Any amount transferred to the commissioner of commerce
5.15 shall be deposited in the health care access fund in Minnesota Statutes, section 16A.724.

5.16 (c) The Minnesota Comprehensive Health Association may not spend more than
5.17 \$271,000,000 for benefit year 2018 and not more than \$271,000,000 for benefit year 2019
5.18 for the operational and administrative costs of, and reinsurance payments under, the
5.19 Minnesota premium security plan.

5.20 Sec. 6. Laws 2021, First Special Session chapter 7, article 1, section 40, is amended to
5.21 read:

5.22 **Sec. 40. REPEALER.**

5.23 (a) Minnesota Rules, parts 9505.0275; 9505.1693; 9505.1696, subparts 1, 2, 3, 4, 5, 6,
5.24 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, and 22; 9505.1699; 9505.1701; 9505.1703;
5.25 9505.1706; 9505.1712; 9505.1715; 9505.1718; 9505.1724; 9505.1727; 9505.1730;
5.26 9505.1733; 9505.1736; 9505.1739; 9505.1742; 9505.1745; and 9505.1748, are repealed.

5.27 (b) Minnesota Statutes 2020, section 16A.724, subdivision 2, is repealed effective July
5.28 1, ~~2025~~ 2024.

6.1 Sec. 7. Laws 2021, First Special Session chapter 7, article 15, section 3, is amended to
6.2 read:

6.3 Sec. 3. **PLAN YEAR ~~2022~~ 2023 PROPOSED RATE FILINGS FOR THE**
6.4 **INDIVIDUAL MARKET.**

6.5 The rate filing deadline for individual health plans, as defined in Minnesota Statutes,
6.6 section 62E.21, subdivision 9, to be offered, issued, sold, or renewed on or after January 1,
6.7 ~~2022~~ 2023, and before January 1, 2024, is no later than July 9, ~~2021~~ 2022. Eligible health
6.8 carriers under Minnesota Statutes, section 62E.21, subdivision 8, filing individual health
6.9 plans to be offered, issued, sold, or renewed for benefit ~~year 2022~~ years 2023 through 2027
6.10 shall include the impact of the Minnesota premium security plan payment parameters in the
6.11 proposed individual health plan rates. Notwithstanding Minnesota Statutes, section 60A.08,
6.12 subdivision 15, paragraph (g), the commissioner must provide public access on the
6.13 Department of Commerce's website to compiled data of the proposed changes to rates for
6.14 individual health plans and small group health plans, as defined in Minnesota Statutes,
6.15 section 62K.03, subdivision 12, separated by health plan and geographic rating area, no
6.16 later than July 23, ~~2021~~ 2022.

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

6.18 Sec. 8. **TRANSFER.**

6.19 (a) The commissioner of management and budget must transfer \$300,092,000 in fiscal
6.20 year 2023 from the general fund to the premium security plan account under Minnesota
6.21 Statutes, section 62E.25, subdivision 1. This is a onetime transfer.

6.22 (b) The commissioner of management and budget must transfer \$229,465,000 in fiscal
6.23 year 2025 from the general fund to the premium security plan account under Minnesota
6.24 Statutes, section 62E.25, subdivision 1. This is a onetime transfer.

6.25 (c) \$13,269,000 in fiscal year 2023 is transferred from the general fund to the MNsure
6.26 enterprise fund. This is a onetime transfer.

6.27 Sec. 9. **APPROPRIATIONS.**

6.28 \$53,404,000 in fiscal year 2023 is appropriated from the health care access fund to the
6.29 commissioner of human services for the MinnesotaCare program. The base for this
6.30 appropriation is \$113,503,000 in fiscal year 2024, \$120,442,000 in fiscal year 2025, and
6.31 \$60,221,000 in fiscal year 2026.

7.1 **EFFECTIVE DATE.** This section is effective January 1, 2023, but only if the
7.2 continuation of the state innovation waiver described in Laws 2021, First Special Session
7.3 chapter 7, article 15, section 4, is approved."

7.4 Delete the title and insert:

7.5 "A bill for an act

7.6 relating to state government; extending operation of the Minnesota premium
7.7 security plan; requiring certain additional coverage under health plans; requiring
7.8 a report; appropriating and transferring money; amending Minnesota Statutes 2020,
7.9 sections 16A.724, subdivision 2; 62E.23, subdivision 3; 62Q.81, by adding a
7.10 subdivision; Laws 2017, chapter 13, article 1, section 15, as amended; Laws 2021,
7.11 First Special Session chapter 7, article 1, section 40; article 15, section 3; proposing
7.12 coding for new law in Minnesota Statutes, chapter 62Q."

8.1 We request the adoption of this report and repassage of the bill.

8.2 Senate Conferees:

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8.4 Gary Dahms Paul Utke

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8.6 Matt Klein Rich Draheim

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8.8 Gene Dornink

8.9 House Conferees:

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8.11 Zack Stephenson Tina Liebling

8.12

8.13 Jennifer Schultz Carlie Kotyza-Witthuhn

8.14

8.15 Tim O'Driscoll