

2.1 Subd. 2. Use of defined contribution. An enrollee may use up to the monthly
 2.2 defined contribution only to pay premiums for coverage under a health plan as defined in
 2.3 section 62A.011, subdivision 3.

2.4 Subd. 3. Determination of defined contribution amount. (a) The commissioner
 2.5 shall determine the defined contribution sliding scale using the base contribution specified
 2.6 in paragraph (b) for the specified age ranges. The commissioner shall use a sliding scale
 2.7 for defined contributions that provides:

2.8 (1) persons with household incomes equal to 133 percent of the federal poverty
 2.9 guidelines with a defined contribution of 150 percent of the base contribution;

2.10 (2) persons with household incomes equal to 175 percent of the federal poverty
 2.11 guidelines with a defined contribution of 100 percent of the base contribution;

2.12 (3) persons with household incomes equal to or greater than 250 percent of
 2.13 the federal poverty guidelines with a defined contribution of 80 percent of the base
 2.14 contribution; and

2.15 (4) persons with household incomes in evenly spaced increments between the
 2.16 percentages of the federal poverty guideline specified in clauses (1) to (3) with a base
 2.17 contribution that is a percentage interpolated from the defined contribution percentages
 2.18 specified in clauses (1) to (3).

<u>Age</u>	<u>Monthly Per-Person Base Contribution</u>
<u>Under 21</u>	<u>\$122.79</u>
<u>21-29</u>	<u>122.79</u>
<u>30-31</u>	<u>129.19</u>
<u>32-33</u>	<u>132.38</u>
<u>34-35</u>	<u>134.31</u>
<u>36-37</u>	<u>136.06</u>
<u>38-39</u>	<u>141.02</u>
<u>40-41</u>	<u>151.25</u>
<u>42-43</u>	<u>159.89</u>
<u>44-45</u>	<u>175.08</u>
<u>46-47</u>	<u>191.71</u>
<u>48-49</u>	<u>213.13</u>
<u>50-51</u>	<u>239.51</u>
<u>52-53</u>	<u>266.69</u>
<u>54-55</u>	<u>293.88</u>
<u>56-57</u>	<u>323.77</u>
<u>58-59</u>	<u>341.20</u>
<u>60+</u>	<u>357.19</u>

2.38 (b) The commissioner shall multiply the defined contribution amounts developed
 2.39 under paragraph (a) by 1.20 for enrollees who are denied coverage under an individual

3.1 health plan by a health plan company and who purchase coverage through the Minnesota
3.2 Comprehensive Health Association.

3.3 Subd. 4. **Administration by commissioner.** The commissioner shall administer the
3.4 defined contributions. The commissioner shall:

3.5 (1) calculate and process defined contributions for enrollees; and

3.6 (2) pay the defined contribution amount to health plan companies or the Minnesota
3.7 Comprehensive Health Association, as applicable, for enrollee health plan coverage.

3.8 Subd. 5. **Assistance to enrollees.** The commissioner of human services, in
3.9 consultation with the commissioner of commerce, shall develop an efficient and
3.10 cost-effective method of referring eligible applicants to professional insurance agent
3.11 associations.

3.12 Subd. 6. **Minnesota Comprehensive Health Association (MCHA).** Beginning
3.13 January 1, 2012, MinnesotaCare enrollees who are denied coverage under an individual
3.14 health plan by a health plan company are eligible for coverage through a health plan
3.15 offered by the Minnesota Comprehensive Health Association. Any difference between the
3.16 revenue and covered losses to the MCHA related to implementation of this section shall
3.17 be paid to the MCHA from the health care access fund.

3.18 Subd. 7. **Federal approval.** The commissioner shall seek all federal waivers
3.19 and approvals necessary to implement coverage under this section for MinnesotaCare
3.20 enrollees eligible under section 256L.04, subdivision 1, with gross family incomes equal
3.21 to or greater than 133 percent of the federal poverty guidelines, while continuing to
3.22 receive federal matching funds.

3.23 Sec. 2. Minnesota Statutes 2010, section 256L.05, is amended by adding a subdivision
3.24 to read:

3.25 Subd. 6. **Referral of veterans.** The commissioner shall modify the Minnesota
3.26 health care programs application form to add a question asking applicants: "Are you a U.S.
3.27 military veteran?" The commissioner shall ensure that all applicants for MinnesotaCare
3.28 with incomes less than 133 percent of the federal poverty guidelines who identify
3.29 themselves as veterans are referred to a county veterans service officer for assistance in
3.30 applying to the U.S. Department of Veterans Affairs for any veterans benefits for which
3.31 they may be eligible.

3.32 Sec. 3. **COVERAGE FOR LOWER-INCOME MINNESOTACARE**
3.33 **ENROLLEES.**

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4.1 The commissioner of human services shall develop and present to the legislature,
4.2 by December 15, 2011, a plan to redesign service delivery for MinnesotaCare enrollees
4.3 eligible under Minnesota Statutes, section 256L.04, subdivisions 1 and 7, with incomes
4.4 less than 133 percent of the federal poverty guidelines. The plan must be designed to
4.5 improve continuity and quality of care, reduce unnecessary emergency room visits, and
4.6 reduce average per-enrollee costs. In developing the plan, the commissioner shall consider
4.7 innovative methods of service delivery, including but not limited to increasing the use
4.8 and choice of private sector health plan coverage and encouraging the use of community
4.9 health clinics, as defined in the federal Community Health Care Act of 1964, as health
4.10 care homes.