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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 2941

03/20/2012 Authored by Murphy, E.,
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; establishing a coordinated care system for medical
1.3 assistance enrollees who are adults without children; proposing coding for new
1.4 law in Minnesota Statutes, chapter 256B.

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

1.6 Section 1. [256B.85] COORDINATED CARE FOR ADULTS WITHOUT
1.7 CHILDREN.

1.8 Subdivision 1. Definitions. (a) For purposes of this section, the following definitions
1.9 apply.

1.10 (b) "Eligible enrollees" means adults without children eligible for medical assistance
1.11 under section 256B.055, subdivision 15, with incomes that do not exceed 75 percent
1.12 of the federal poverty guidelines.

1.13 (c) "Federally qualified health center" has the meaning provided in section 145.9269,
1.14 subdivision 1.

1.15 Subd. 2. Suspension. The commissioner, effective January 1, 2013, shall suspend
1.16 the use of managed care and county-based purchasing plans under sections 256B.69 and
1.17 256B.692, to deliver medical assistance services to adults without children eligible under
1.18 section 256B.055, subdivision 15. The commissioner shall reinstate service delivery
1.19 through managed care and county-based purchasing plans only if authorized by state law.

1.20 Subd. 3. Care coordination through fee-for-service. (a) Effective January 1,
1.21 2013, and until federal approval is received for a primary care case management system,
1.22 the commissioner shall deliver services to eligible enrollees through a fee-for-service
1.23 system. The commissioner shall coordinate care delivery under this system through the

2.1 use of health care homes certified under section 256B.0751, federally qualified health
2.2 centers, and other primary care providers.

2.3 (b) Effective upon federal approval, but not earlier than January 1, 2013, the
2.4 commissioner shall deliver services to eligible enrollees through a fee-for-service
2.5 primary care case management system, as authorized under United States Code, title 42,
2.6 section 1396u-2. The primary care case management system must incorporate the use of
2.7 health care homes, federally qualified health centers, and other primary care providers,
2.8 as specified in paragraph (a), and must include case management for human services
2.9 and housing, as well as for health care needs. The commissioner shall require eligible
2.10 enrollees to select a health care home, federally qualified health center, or other primary
2.11 care provider from which to receive covered services, case management, and other care
2.12 coordination.

2.13 Subd. 4. **Coordinated care system.** (a) Effective January 1, 2014, or upon federal
2.14 approval, whichever is later, the commissioner shall deliver services to eligible enrollees
2.15 through a coordinated care system. The coordinated care system must:

2.16 (1) allow coordinated care providers to enter into risk/gain sharing contracts to
2.17 provide and coordinate health care, human services, and housing for eligible enrollees;

2.18 (2) require eligible enrollees to agree to receive all nonemergency services covered
2.19 under the contract from the coordinated care provider or through referral;

2.20 (3) make payment under risk/gain sharing contracts dependent upon a comparison
2.21 of the cost of services provided to eligible enrollees with the coordinated care provider's
2.22 per-member, per-month, risk-adjusted, cost of care benchmark, and the extent to which the
2.23 coordinated care provider meets quality standards;

2.24 (4) set limits on provider risk under a contract that are appropriate to the size and
2.25 revenues of the provider and other factors; and

2.26 (5) provide appeal mechanisms for both coordinated care providers and eligible
2.27 enrollees.

2.28 (b) A coordinated care provider may include the following groups of providers and
2.29 suppliers, if they have established a mechanism for shared governance:

2.30 (1) professionals in group practice arrangements;

2.31 (2) networks of individual practices of professionals;

2.32 (3) partnerships or joint venture arrangements between hospitals and health care
2.33 professionals;

2.34 (4) hospitals employing professionals;

2.35 (5) human service and housing providers; and

3.1 (6) other providers of services and supplies that the commissioner determines are
3.2 appropriate and that are coordinated by a primary care provider, federally qualified health
3.3 center, health care home, or other coordinated care providers.

3.4 Subd. 5. **Plan for coordinated care system; advisory group.** (a) The commissioner
3.5 shall present to the legislature by December 15, 2012, an implementation plan and draft
3.6 legislation to deliver care beginning January 1, 2014, to eligible enrollees through
3.7 a coordinated care system. In developing this plan, the commissioner shall consider
3.8 any available findings and results from the health care delivery demonstration project
3.9 authorized under section 256B.0755, and the Hennepin County pilot program authorized
3.10 under section 256B.0756, and shall consult with the advisory group established in
3.11 paragraph (b).

3.12 (b) The commissioner shall establish an advisory group comprised of health care
3.13 providers, consumer representatives, and human service and housing providers, to assist
3.14 the commissioner in developing the plan and draft legislation required by paragraph (a).