

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 594

(SENATE AUTHORS: ABELER and Schoen)

DATE
02/02/2017

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Introduction and first reading
Referred to Health and Human Services Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to human services; directing the commissioner of human services to
1.3 establish a health care delivery pilot program created by or including North
1.4 Memorial Health Care; amending Minnesota Statutes 2016, section 256B.0758.

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

1.6 Section 1. Minnesota Statutes 2016, section 256B.0758, is amended to read:

1.7 **256B.0758 HEALTH CARE DELIVERY PILOT PROGRAM.**

1.8 (a) The commissioner ~~may~~, by May 1, 2017, shall establish a health care delivery pilot
1.9 program to test alternative and innovative integrated health care delivery networks, including
1.10 accountable care organizations or a community-based collaborative care network created
1.11 by or including North Memorial Health Care. If required, the commissioner shall seek
1.12 federal approval of a new waiver request or amend an existing demonstration pilot project
1.13 waiver.

1.14 (b) Individuals eligible for the pilot program shall be individuals who: (1) are eligible
1.15 for medical assistance under section 256B.055 or MinnesotaCare under chapter 256L; (2)
1.16 are also eligible to receive services through integrated health partnerships authorized under
1.17 section 256B.0755; and (3) meet the criteria specified in this paragraph. Initial enrollment
1.18 shall be comprised of individuals who, as of April 30, 2017, were attributed to the North
1.19 Memorial Health Care integrated health partnership and were Medica enrollees. Secondary
1.20 enrollment shall be comprised of individuals residing in the North Memorial Health Care
1.21 service area who, as of April 30, 2017, were attributed to another integrated health partnership
1.22 and were Medica enrollees. These individuals shall no longer be served by a managed care
1.23 organization, unless North Memorial Health Care operates this demonstration project as a

2.1 managed care organization, or in partnership with a managed care organization. The
2.2 commissioner ~~may~~ shall identify additional individuals to be enrolled in the pilot program
2.3 based on zip code or whether the individuals would benefit from an integrated health care
2.4 delivery network.

2.5 (c) In developing a payment system for the pilot programs, the commissioner shall
2.6 establish a total cost of care for the individuals enrolled in the pilot program that equals the
2.7 cost of care that would otherwise be spent for these enrollees in the prepaid medical assistance
2.8 program.

2.9 (d) The payment system for the pilot program shall be based on the payment model
2.10 specified in North Memorial Health Care's integrated health partnership contract with the
2.11 commissioner, with the following modifications:

2.12 (1) North Memorial Health Care shall receive a care coordination fee of \$12 per month
2.13 for all individuals enrolled in the pilot program; and

2.14 (2) all individuals eligible for health care home care coordination payments shall be paid
2.15 according to the payment system developed under section 256B.0753, and the commissioner
2.16 shall accept submission of the registry of membership and tier levels by North Memorial
2.17 Health Care as sufficient documentation for determining payment levels.

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