

A bill for an act  
relating to human services; reducing state health care program payment rates to  
psychiatrists; amending Minnesota Statutes 2008, section 256B.76, subdivision 1.

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

Section 1. Minnesota Statutes 2008, section 256B.76, subdivision 1, is amended to read:

Subdivision 1. **Physician reimbursement.** (a) Effective for services rendered on  
or after October 1, 1992, the commissioner shall make payments for physician services  
as follows:

(1) payment for level one Centers for Medicare and Medicaid Services' common  
procedural coding system codes titled "office and other outpatient services," "preventive  
medicine new and established patient," "delivery, antepartum, and postpartum care,"  
"critical care," cesarean delivery and pharmacologic management provided to psychiatric  
patients, and level three codes for enhanced services for prenatal high risk, shall be paid  
at the lower of (i) submitted charges, or (ii) 25 percent above the rate in effect on June  
30, 1992. If the rate on any procedure code within these categories is different than the  
rate that would have been paid under the methodology in section 256B.74, subdivision 2,  
then the larger rate shall be paid;

(2) payments for all other services shall be paid at the lower of (i) submitted charges,  
or (ii) 15.4 percent above the rate in effect on June 30, 1992; and

(3) all physician rates shall be converted from the 50th percentile of 1982 to the 50th  
percentile of 1989, less the percent in aggregate necessary to equal the above increases  
except that payment rates for home health agency services shall be the rates in effect  
on September 30, 1992.

2.1 (b) Effective for services rendered on or after January 1, 2000, payment rates for  
2.2 physician and professional services shall be increased by three percent over the rates  
2.3 in effect on December 31, 1999, except for home health agency and family planning  
2.4 agency services. The increases in this paragraph shall be implemented January 1, 2000,  
2.5 for managed care.

2.6 (c) Effective for services rendered on or after July 1, 2009, payment rates for  
2.7 services provided by psychiatrists shall be reduced by three percent over the rates in effect  
2.8 on June 30, 2009. The commissioner, effective January 1, 2010, shall reduce capitation  
2.9 rates paid to managed care and county-based purchasing plans under sections 256B.69 and  
2.10 256B.692 to reflect this payment reduction.