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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. **2677**

03/03/2014 Authored by Moran, Allen and Loeffler

The bill was read for the first time and referred to the Committee on Health and Human Services Policy

1.1 A bill for an act
1.2 relating to health; establishing a state-only MinnesotaCare program to cover
1.3 uninsured Minnesotans who are ineligible for medical assistance, MinnesotaCare,
1.4 or the MNsure insurance marketplace; amending Minnesota Statutes 2012,
1.5 sections 256B.06, subdivision 5, by adding a subdivision; 256L.04, subdivision
1.6 10; proposing coding for new law in Minnesota Statutes, chapter 256L.

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

1.8 ARTICLE 1

1.9 STATE-ONLY MINNESOTACARE PROGRAM

1.10 Section 1. Minnesota Statutes 2012, section 256L.04, subdivision 10, is amended to
1.11 read:

1.12 Subd. 10. **Citizenship requirements.** (a) Eligibility for MinnesotaCare is limited
1.13 to citizens or nationals of the United States, qualified noncitizens, and other persons
1.14 residing lawfully in the United States as defined in Code of Federal Regulations, title
1.15 8, section 103.12. Undocumented noncitizens and nonimmigrants are ineligible for
1.16 MinnesotaCare. For purposes of this subdivision, a nonimmigrant is an individual in one
1.17 or more of the classes listed in United States Code, title 8, section 1101(a)(15), and an
1.18 undocumented noncitizen is an individual who resides in the United States without the
1.19 approval or acquiescence of the United States Citizenship and Immigration Services.
1.20 Families with children who are citizens or nationals of the United States must cooperate in
1.21 obtaining satisfactory documentary evidence of citizenship or nationality according to the
1.22 requirements of the federal Deficit Reduction Act of 2005, Public Law 109-171.

(b) Notwithstanding paragraph (a) and subdivisions 1 and 7, families and individuals who are nonimmigrants as defined in section 256B.06, subdivision 4, paragraph (e), are eligible for the state-only MinnesotaCare program under section 256L.30.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 2. **[256L.30] STATE-ONLY MINNESOTACARE PROGRAM.**

Subdivision 1. State-only MinnesotaCare program. (a) The commissioner shall establish a state-only MinnesotaCare program.

(b) The following individuals are eligible for the program if the individuals meet all other MinnesotaCare eligibility requirements under this chapter, except as otherwise specified in this section:

(1) uninsured low-income nonimmigrants as defined in section 256B.06, subdivision 4, paragraph (e), who do not have access to coverage through MNsure or Minnesota public health care programs; and

(2) uninsured low-income immigrants who are lawfully present in the state but are not eligible for medical assistance, MinnesotaCare, or coverage through MNsure due to either the required five-year waiting period or the deeming of sponsor income when the sponsor's income is not available to them for reasons beyond their control.

(c) Individuals and families eligible for the state-only MinnesotaCare program under this subdivision are exempt from the income eligibility limits in sections 256L.04 and 256L.07 and remain eligible for the program so long as their income is equal to or less than 400 percent of the federal poverty guidelines.

(d) Individuals or families that are eligible for medical assistance under chapter 256B, MinnesotaCare under this chapter, or coverage through MNsure under chapter 62V, are not eligible for the state-only MinnesotaCare program under this section.

(e) All application, navigation, eligibility determination and enrollment services, requirements, and procedures of the MinnesotaCare program apply to the state-only MinnesotaCare program.

Subd. 2. Covered services. (a) The state-only MinnesotaCare program covers the services described under section 256L.03, except as otherwise specified in this subdivision.

(b) The state-only MinnesotaCare program does not cover services for emergency medical conditions that are covered by the emergency medical assistance program under section 256B.06, subdivision 4, paragraphs (e) to (h). The commissioner shall coordinate the state-only MinnesotaCare program with the federally subsidized emergency medical assistance program with the goal of making transitions between the programs seamless and invisible to the enrollee to the extent possible.

(c) For individuals who are eligible under subdivision 1, the state-only MinnesotaCare program covers nursing facility services described under section 144.0724, subdivision 11, and home and community-based services described in paragraph (d), if the individual's income is equal to or less than the medical assistance income eligibility requirements described in section 256B.056, subdivision 4, or meets the excess requirements of section 256B.056, subdivisions 5 and 5c. All requirements of the medical assistance program under chapter 256B relating to these services apply to the state-only MinnesotaCare program under this section.

(d) For purposes of this section, home and community-based services include:

(1) home and community-based waived services for persons with developmental disabilities, including consumer-directed community supports under section 256B.092;

(2) waived services under community alternatives for persons with disabilities, including consumer-directed community supports under section 256B.49;

(3) community alternative care waived services, including consumer-directed community supports under section 256B.49;

(4) brain injury waived services, including consumer-directed community supports under section 256B.49;

(5) home and community-based waived services for the elderly under section 256B.0915;

(6) nursing services and home health services under section 256B.0625, subdivision 6a;

(7) personal care services and qualified professional supervision of personal care services under section 256B.0625, subdivisions 6a and 19a;

(8) private duty nursing services under section 256B.0625, subdivision 7; and

(9) community first services and supports under section 256B.85.

Subd. 3. Premiums and cost-sharing. (a) For individuals and families who are eligible under subdivision 1 and whose income is equal to or less than 200 percent of the federal poverty guidelines, the premium and cost-sharing provisions of MinnesotaCare apply.

(b) For individuals and families who are eligible under subdivision 1 and whose income is greater than 200 percent, but equal to or less than 400 percent of the federal poverty guidelines, the cost-sharing requirements shall be the same as a silver level qualified health plan offered through MNsure and the premium shall be the same as the premium that would be paid by an individual or family of the same size, income, and geographic area for the second lowest cost silver level qualified health plan offered through MNsure after deducting the federal premium tax credits that would be available through MNsure.

4.1 Subd. 4. **Service delivery.** (a) The commissioner may contract with managed care
4.2 organizations, provider networks, nonprofit coverage programs, counties, or health care
4.3 delivery systems established under section 256B.0755 or 256B.0756 to administer the
4.4 state-only MinnesotaCare program authorized under this section in order to control the
4.5 costs of the program through care coordination, limited provider networks, fee discounts,
4.6 and other methods. The commissioner may delegate to a contractor the responsibility
4.7 to perform case reviews and authorize payment. The commissioner may contract on a
4.8 capitated or fixed budget basis under which the contractor is responsible for providing the
4.9 covered services to eligible individuals and families within the limits of the capitation
4.10 or budgeted amount. The commissioner may also contract using gain-sharing and
4.11 risk-sharing methods authorized for demonstration projects established under sections
4.12 256B.0755 and 256B.0756. If the commissioner contracts with a contractor under
4.13 this subdivision, the commissioner may separate nursing facility services, home and
4.14 community-based services, and pharmacy services from other covered services and may
4.15 provide payment for these services under the commissioner's fee-for-service payment
4.16 system instead of payment to the contracted entity.

4.17 (b) If no qualified contractors are available and willing to contract on alternative
4.18 payment terms in a geographic area of the state, the commissioner shall administer the
4.19 program as a fee-for-service program in that area, but may establish additional utilization
4.20 review and care management programs and requirements in order to control the costs
4.21 of the program.

4.22 (c) The commissioner shall ensure that in every case an eligible individual or family
4.23 is able to choose to receive covered services from any essential community provider, as
4.24 defined in section 62Q.19, and that the terms of participation of the essential community
4.25 provider meet the requirements of section 62Q.19.

4.26 Subd. 5. **MNsure premium subsidy for dependents of an employee with group**
4.27 **coverage.** The commissioner shall provide a subsidy on behalf of the dependents of
4.28 an employee who is eligible for subsidized employer coverage, but the employee's
4.29 dependents are not eligible for the federal premium tax credit due to an Internal Revenue
4.30 Service ruling that they are not eligible due to the availability of unsubsidized dependent
4.31 coverage through the employer that does not include an employer contribution for
4.32 dependent coverage. The amount of the state subsidy must be equal to the federal tax
4.33 premium credit that otherwise would be provided to eligible families enrolled in individual
4.34 health coverage through MNsure with the same family size, makeup, income, and
4.35 geographic area. The state subsidy may be used to subsidize the purchase of dependent
4.36 coverage through the employer.

Subd. 6. **MNsure premium for uninsured individuals and families who are exempt from the federal individual mandate.** The commissioner shall provide a subsidy for uninsured individuals and families who are exempt from the federal individual mandate to maintain health insurance coverage because the cost of available health coverage is deemed unaffordable for them under federal requirements. The amount of the state subsidy must be equal to an amount necessary to make the cost of the premium of the second lowest silver level qualified health plan offered through MNsure for an individual or family of the same size, income, and geographic area affordable after deducting any federal premium credits and cost-sharing subsidies that may be available.

EFFECTIVE DATE. This section is effective July 1, 2014.

ARTICLE 2

MEDICAL ASSISTANCE

Section 1. Minnesota Statutes 2012, section 256B.06, subdivision 5, is amended to read:

Subd. 5. **Deeming of sponsor income and resources.** (a) When determining eligibility for any federal or state funded medical assistance under this section, the income and resources of all noncitizens shall be deemed to include their sponsors' income and resources as required under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, title IV, Public Law 104-193, sections 421 and 422, and subsequently set out in federal rules. This section is effective May 1, 1997. Beginning July 1, 2010, sponsor deeming does not apply to pregnant women and children who are qualified noncitizens, as described in section 256B.06, subdivision 4, paragraph (b).

(b) If the commissioner determines that some or all deemed sponsor income and resources are unavailable to a noncitizen for reasons outside the control of the noncitizen, the commissioner may:

(1) enroll the noncitizen in the state-only MinnesotaCare program under section 256L.30; or

(2) pay a portion of the noncitizen's premium for health coverage in order for the person to obtain coverage through medical assistance or a qualified health plan offered through MNsure, if cost-effective.

EFFECTIVE DATE. This section is effective July 1, 2014.

Sec. 2. Minnesota Statutes 2012, section 256B.06, is amended by adding a subdivision to read:

6.1 Subd. 6. **Federal authority.** The commissioner shall seek federal authority to make
6.2 changes to the emergency medical assistance program established under subdivision 4,
6.3 paragraphs (e) to (h), to allow coverage and payment for cost-effective community-based
6.4 and outpatient services as an alternative to hospital inpatient and emergency department
6.5 services in order to reduce the total cost of care.

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

APPENDIX
Article locations in 14-4319

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