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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 667

02/13/2025 Authored by Hicks, Curran and Smith
The bill was read for the first time and referred to the Committee on Health Finance and Policy

A bill for an act

relating to human services; clarifying medical assistance coverage of prescription drugs in cases of cost-effective health insurance coverage; amending Minnesota Statutes 2024, section 256B.0625, subdivisions 15, 25b.

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

Section 1. Minnesota Statutes 2024, section 256B.0625, subdivision 15, is amended to read:

Subd. 15. **Health plan premiums and co-payments.** (a) Medical assistance covers health care prepayment plan premiums, insurance premiums, and co-payments if determined to be cost-effective by the commissioner. For purposes of obtaining Medicare Part A and Part B, and co-payments, expenditures may be made even if federal funding is not available. If the commissioner determines that coverage of health care prepayment plan premiums, insurance premiums, and co-payments is cost-effective for an individual with prescription drug coverage provided by a commercial insurer, medical assistance must:

(1) cover cost-sharing for prescription drugs in the quantity approved by the commercial insurer, even if the approved quantity exceeds a 34-day supply, without requiring the prescriber to obtain approval by the commissioner or from the agency provider help desk; and

(2) cover cost-sharing for prescription drugs approved by the commercial insurer, whether or not the drug is on the preferred drug list established under subdivision 13g, without requiring prior approval when the enrollee is subject to a deductible for prescription drug coverage provided by the commercial insurer.

(b) Effective for all premiums due on or after June 30, 1997, medical assistance does not cover premiums that a recipient is required to pay under a qualified or Medicare supplement plan issued by the Minnesota Comprehensive Health Association. Medical assistance shall continue to cover premiums for recipients who are covered under a plan issued by the Minnesota Comprehensive Health Association on June 30, 1997, for a period of six months following receipt of the notice of termination or until December 31, 1997, whichever is later.

EFFECTIVE DATE. This section is effective January 1, 2026.

Sec. 2. Minnesota Statutes 2024, section 256B.0625, subdivision 25b, is amended to read:

Subd. 25b. **Authorization with third-party liability.** (a) Except as otherwise allowed under this subdivision or required under federal or state regulations, the commissioner must not consider a request for authorization of a service when the recipient has coverage from a third-party payer unless the provider requesting authorization has made a good faith effort to receive payment or authorization from the third-party payer. A good faith effort is established by supplying with the authorization request to the commissioner the following:

(1) a determination of payment for the service from the third-party payer, a determination of authorization for the service from the third-party payer, or a verification of noncoverage of the service by the third-party payer; and

(2) the information or records required by the department to document the reason for the determination or to validate noncoverage from the third-party payer.

(b) A provider requesting authorization for services covered by Medicare is not required to bill Medicare before requesting authorization from the commissioner if the provider has reason to believe that a service covered by Medicare is not eligible for payment. The provider must document that, because of recent claim experiences with Medicare or because of written communication from Medicare, coverage is not available for the service.

(c) Authorization is not required:

(1) if a third-party payer has made payment that is equal to or greater than 60 percent of the maximum payment amount for the service allowed under medical assistance; or

(2) in cases of cost-effective prescription drug coverage when the prescription drug is approved by the commercial insurer, whether or not the drug is on the preferred drug list established under subdivision 13g, and the enrollee is subject to a deductible for prescription drug coverage provided by the commercial insurer.

EFFECTIVE DATE. This section is effective January 1, 2026.