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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 1176

02/13/2017 Authored by Hamilton, Considine, Sauke, Bernardy and Bly
The bill was read for the first time and referred to the Committee on Health and Human Services Reform
03/09/2017 Adoption of Report: Amended and re-referred to the Committee on Health and Human Services Finance

1.1 A bill for an act
1.2 relating to human services; providing a rate increase for certain mental health
1.3 providers; amending Minnesota Statutes 2016, sections 256B.0625, subdivision
1.4 38; 256B.761.

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

1.6 Section 1. Minnesota Statutes 2016, section 256B.0625, subdivision 38, is amended to
1.7 read:

1.8 Subd. 38. **Payments for mental health services.** ~~Payments for mental health services~~
1.9 ~~covered under the medical assistance program that are provided by masters-prepared mental~~
1.10 ~~health professionals shall be 80 percent of the rate paid to doctoral-prepared professionals.~~
1.11 ~~Payments for mental health services covered under the medical assistance program that are~~
1.12 ~~provided by masters-prepared mental health professionals employed by community mental~~
1.13 ~~health centers shall be 100 percent of the rate paid to doctoral-prepared professionals.~~
1.14 Payments for mental health services covered under the medical assistance program that are
1.15 provided by physician assistants shall be 80.4 percent of the base rate paid to psychiatrists.

1.16 Sec. 2. Minnesota Statutes 2016, section 256B.761, is amended to read:

1.17 **256B.761 REIMBURSEMENT FOR MENTAL HEALTH SERVICES.**

1.18 (a) Effective for services rendered on or after July 1, 2001, payment for medication
1.19 management provided to psychiatric patients, outpatient mental health services, day treatment
1.20 services, home-based mental health services, and family community support services shall
1.21 be paid at the lower of (1) submitted charges, or (2) 75.6 percent of the 50th percentile of
1.22 1999 charges.

2.1 (b) Effective July 1, 2001, the medical assistance rates for outpatient mental health
2.2 services provided by an entity that operates: (1) a Medicare-certified comprehensive
2.3 outpatient rehabilitation facility; and (2) a facility that was certified prior to January 1, 1993,
2.4 with at least 33 percent of the clients receiving rehabilitation services in the most recent
2.5 calendar year who are medical assistance recipients, will be increased by 38 percent, when
2.6 those services are provided within the comprehensive outpatient rehabilitation facility and
2.7 provided to residents of nursing facilities owned by the entity.

2.8 (c) The commissioner shall establish three levels of payment for mental health diagnostic
2.9 assessment, based on three levels of complexity. The aggregate payment under the tiered
2.10 rates must not exceed the projected aggregate payments for mental health diagnostic
2.11 assessment under the previous single rate. The new rate structure is effective January 1,
2.12 2011, or upon federal approval, whichever is later.

2.13 (d) In addition to rate increases otherwise provided, the commissioner may restructure
2.14 coverage policy and rates to improve access to adult rehabilitative mental health services
2.15 under section 256B.0623 and related mental health support services under section 256B.021,
2.16 subdivision 4, paragraph (f), clause (2). For state fiscal years 2015 and 2016, the projected
2.17 state share of increased costs due to this paragraph is transferred from adult mental health
2.18 grants under sections 245.4661 and 256E.12. The transfer for fiscal year 2016 is a permanent
2.19 base adjustment for subsequent fiscal years. Payments made to managed care plans and
2.20 county-based purchasing plans under sections 256B.69, 256B.692, and 256L.12 shall reflect
2.21 the rate changes described in this paragraph.

2.22 (e) Effective January 1, 2018, managed care plans and county-based purchasing plans
2.23 must reimburse providers of mental health services who are employed by or under contract
2.24 with the plan an amount that is at least equal to the fee-for-service payment for the same
2.25 mental health service. The commissioner shall monitor the effect of this requirement on the
2.26 rate of access to mental health services and mental health inpatient hospitalization rates.

2.27 (f) Effective for services rendered on or after January 1, 2018, payment rates for mental
2.28 health services, other than psychiatry services, shall be increased by ten percent from the
2.29 rates in effect on December 31, 2017, and payment rates for psychiatry services shall be
2.30 increased by 20 percent from the rates in effect on December 31, 2017. This increase does
2.31 not apply to federally qualified health centers, rural health centers, Indian health services,
2.32 certified community behavioral health centers, cost-based rates, and rates that are negotiated
2.33 with the county.