

**SENATE**  
**STATE OF MINNESOTA**  
**NINETY-SECOND SESSION**

**S.F. No. 3279**

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DATE	D-PG	OFFICIAL STATUS
02/21/2022	5071	Introduction and first reading
		Referred to Health and Human Services Finance and Policy
03/16/2022	5370	Author added Marty
03/23/2022	5576	Author added Eaton
03/24/2022	5616	Author added Fateh

- 1.1 A bill for an act
- 1.2 relating to human services; allowing medical assistance enrollees to opt out of
- 1.3 managed care enrollment; amending Minnesota Statutes 2020, sections 256B.69,
- 1.4 subdivisions 4, 28, 36; 256B.692, subdivision 1.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. Minnesota Statutes 2020, section 256B.69, subdivision 4, is amended to read:
- 1.7 Subd. 4. **Limitation of choice; opportunity to opt out.** (a) The commissioner shall
- 1.8 develop criteria to determine when limitation of choice may be implemented in the
- 1.9 experimental counties, but shall provide all eligible individuals the opportunity to opt out
- 1.10 of enrollment in managed care under this section. The criteria shall ensure that all eligible
- 1.11 individuals in the county have continuing access to the full range of medical assistance
- 1.12 services as specified in subdivision 6.
- 1.13 (b) The commissioner shall exempt the following persons from participation in the
- 1.14 project, in addition to those who do not meet the criteria for limitation of choice:
- 1.15 (1) persons eligible for medical assistance according to section 256B.055, subdivision
- 1.16 1;
- 1.17 (2) persons eligible for medical assistance due to blindness or disability as determined
- 1.18 by the Social Security Administration or the state medical review team, unless:
- 1.19 (i) they are 65 years of age or older; or
- 1.20 (ii) they reside in Itasca County or they reside in a county in which the commissioner
- 1.21 conducts a pilot project under a waiver granted pursuant to section 1115 of the Social
- 1.22 Security Act;

(3) recipients who currently have private coverage through a health maintenance organization;

(4) recipients who are eligible for medical assistance by spending down excess income for medical expenses other than the nursing facility per diem expense;

(5) recipients who receive benefits under the Refugee Assistance Program, established under United States Code, title 8, section 1522(e);

(6) children who are both determined to be severely emotionally disturbed and receiving case management services according to section 256B.0625, subdivision 20, except children who are eligible for and who decline enrollment in an approved preferred integrated network under section 245.4682;

(7) adults who are both determined to be seriously and persistently mentally ill and received case management services according to section 256B.0625, subdivision 20;

(8) persons eligible for medical assistance according to section 256B.057, subdivision 10;

(9) persons with access to cost-effective employer-sponsored private health insurance or persons enrolled in a non-Medicare individual health plan determined to be cost-effective according to section 256B.0625, subdivision 15; and

(10) persons who are absent from the state for more than 30 consecutive days but still deemed a resident of Minnesota, identified in accordance with section 256B.056, subdivision 1, paragraph (b).

Children under age 21 who are in foster placement may enroll in the project on an elective basis. Individuals excluded under clauses (1), (6), and (7) may choose to enroll on an elective basis. The commissioner may enroll recipients in the prepaid medical assistance program for seniors who are (1) age 65 and over, and (2) eligible for medical assistance by spending down excess income.

(c) The commissioner may allow persons with a one-month spenddown who are otherwise eligible to enroll to voluntarily enroll or remain enrolled, if they elect to prepay their monthly spenddown to the state.

(d) The commissioner may require, subject to the opt-out provision under paragraph (a), those individuals to enroll in the prepaid medical assistance program who otherwise would have been excluded under paragraph (b), clauses (1), (3), and (8), and under Minnesota Rules, part 9500.1452, subpart 2, items H, K, and L.

(e) Before limitation of choice is implemented, eligible individuals shall be notified and given the opportunity to opt out of managed care enrollment. After notification, those individuals who choose not to opt out shall be allowed to choose only among demonstration providers. The commissioner may assign an individual with private coverage through a health maintenance organization, to the same health maintenance organization for medical assistance coverage, if the health maintenance organization is under contract for medical assistance in the individual's county of residence. After initially choosing a provider, the recipient is allowed to change that choice only at specified times as allowed by the commissioner. If a demonstration provider ends participation in the project for any reason, a recipient enrolled with that provider must select a new provider but may change providers without cause once more within the first 60 days after enrollment with the second provider.

(f) An infant born to a woman who is eligible for and receiving medical assistance and who is enrolled in the prepaid medical assistance program shall be retroactively enrolled to the month of birth in the same managed care plan as the mother once the child is enrolled in medical assistance unless the child is determined to be excluded from enrollment in a prepaid plan under this section.

**EFFECTIVE DATE.** This section is effective January 1, 2023.

Sec. 2. Minnesota Statutes 2020, section 256B.69, subdivision 28, is amended to read:

Subd. 28. **Medicare special needs plans; medical assistance basic health care.** (a) The commissioner may contract with demonstration providers and current or former sponsors of qualified Medicare-approved special needs plans, to provide medical assistance basic health care services to persons with disabilities, including those with developmental disabilities. Basic health care services include:

(1) those services covered by the medical assistance state plan except for ICF/DD services, home and community-based waiver services, case management for persons with developmental disabilities under section 256B.0625, subdivision 20a, and personal care and certain home care services defined by the commissioner in consultation with the stakeholder group established under paragraph (d); and

(2) basic health care services may also include risk for up to 100 days of nursing facility services for persons who reside in a noninstitutional setting and home health services related to rehabilitation as defined by the commissioner after consultation with the stakeholder group.

4.1 The commissioner may exclude other medical assistance services from the basic health  
4.2 care benefit set. Enrollees in these plans can access any excluded services on the same basis  
4.3 as other medical assistance recipients who have not enrolled.

4.4 (b) The commissioner may contract with demonstration providers and current and former  
4.5 sponsors of qualified Medicare special needs plans, to provide basic health care services  
4.6 under medical assistance to persons who are dually eligible for both Medicare and Medicaid  
4.7 and those Social Security beneficiaries eligible for Medicaid but in the waiting period for  
4.8 Medicare. The commissioner shall consult with the stakeholder group under paragraph (d)  
4.9 in developing program specifications for these services. Payment for Medicaid services  
4.10 provided under this subdivision for the months of May and June will be made no earlier  
4.11 than July 1 of the same calendar year.

4.12 (c) ~~Notwithstanding subdivision 4, beginning January 1, 2012,~~ The commissioner shall  
4.13 enroll persons with disabilities in managed care under this section, unless the individual  
4.14 chooses to opt out of enrollment. The commissioner shall establish enrollment and opt out  
4.15 procedures consistent with applicable enrollment procedures under this section.

4.16 (d) The commissioner shall establish a state-level stakeholder group to provide advice  
4.17 on managed care programs for persons with disabilities, including both MnDHO and contracts  
4.18 with special needs plans that provide basic health care services as described in paragraphs  
4.19 (a) and (b). The stakeholder group shall provide advice on program expansions under this  
4.20 subdivision and subdivision 23, including:

4.21 (1) implementation efforts;

4.22 (2) consumer protections; and

4.23 (3) program specifications such as quality assurance measures, data collection and  
4.24 reporting, and evaluation of costs, quality, and results.

4.25 (e) Each plan under contract to provide medical assistance basic health care services  
4.26 shall establish a local or regional stakeholder group, including representatives of the counties  
4.27 covered by the plan, members, consumer advocates, and providers, for advice on issues that  
4.28 arise in the local or regional area.

4.29 (f) The commissioner is prohibited from providing the names of potential enrollees to  
4.30 health plans for marketing purposes. The commissioner shall mail no more than two sets  
4.31 of marketing materials per contract year to potential enrollees on behalf of health plans, at  
4.32 the health plan's request. The marketing materials shall be mailed by the commissioner

within 30 days of receipt of these materials from the health plan. The health plans shall cover any costs incurred by the commissioner for mailing marketing materials.

**EFFECTIVE DATE.** This section is effective January 1, 2023.

Sec. 3. Minnesota Statutes 2020, section 256B.69, subdivision 36, is amended to read:

Subd. 36. **Enrollee support system.** (a) The commissioner shall establish an enrollee support system that provides support to an enrollee before and during enrollment in a managed care plan.

(b) The enrollee support system must:

(1) provide access to counseling for each potential enrollee on choosing a managed care plan or opting out of managed care;

(2) assist an enrollee in understanding enrollment in a managed care plan;

(3) provide an access point for complaints regarding enrollment, covered services, and other related matters;

(4) provide information on an enrollee's grievance and appeal rights within the managed care organization and the state's fair hearing process, including an enrollee's rights and responsibilities; and

(5) provide assistance to an enrollee, upon request, in navigating the grievance and appeals process within the managed care organization and in appealing adverse benefit determinations made by the managed care organization to the state's fair hearing process after the managed care organization's internal appeals process has been exhausted. Assistance does not include providing representation to an enrollee at the state's fair hearing, but may include a referral to appropriate legal representation sources.

(c) Outreach to enrollees through the support system must be accessible to an enrollee through multiple formats, including telephone, Internet, in-person, and, if requested, through auxiliary aids and services.

(d) The commissioner may designate enrollment brokers to assist enrollees on selecting a managed care organization and providing necessary enrollment information. For purposes of this subdivision, "enrollment broker" means an individual or entity that performs choice counseling or enrollment activities in accordance with Code of Federal Regulations, part 42, section 438.810, or both.

**EFFECTIVE DATE.** This section is effective January 1, 2023.

6.1 Sec. 4. Minnesota Statutes 2020, section 256B.692, subdivision 1, is amended to read:

6.2 Subdivision 1. **In general.** County boards or groups of county boards may elect to  
6.3 purchase or provide health care services on behalf of persons eligible for medical assistance  
6.4 who would otherwise be required to or may elect to participate in the prepaid medical  
6.5 assistance program according to section 256B.69, subject to the opt-out provision of section  
6.6 256B.69, subdivision 4, paragraph (a). Counties that elect to purchase or provide health  
6.7 care under this section must provide all services included in prepaid managed care programs  
6.8 according to section 256B.69, subdivisions 1 to 22. County-based purchasing under this  
6.9 section is governed by section 256B.69, unless otherwise provided for under this section.

6.10 **EFFECTIVE DATE.** This section is effective January 1, 2023.