

(SENATE AUTHORS: NIENOW)

DATE	D-PG	OFFICIAL STATUS
03/10/2011	481	Introduction and first reading Referred to Health and Human Services

1.1

A bill for an act

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relating to human services; transferring certain excess health plan revenues to the

1.3

general fund; amending Minnesota Statutes 2010, section 256B.69, by adding a

1.4

subdivision.

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

1.6

Section 1. Minnesota Statutes 2010, section 256B.69, is amended by adding a

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subdivision to read:

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Subd. 51. **Limits on net income and administrative costs; enabling support of**

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nursing facilities. (a) Notwithstanding any other law to the contrary, the total monthly

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net income received by a managed care plan for providing covered services under public

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programs must not exceed six percent of the total monthly revenues the managed care

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plan receives from the program. For purposes of this paragraph, "net income" means total

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revenues received by the managed care plan under the program minus expenses and other

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adjustments, all as required to be defined for purposes of the managed care plan's annual

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Statement of Revenue, Expenses, and Net Income, prepared using the appropriate National

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Association of Insurance Commissioners Blank and related instructions for health

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maintenance organizations, as required and amended by Minnesota Rules, part 4685.1940.

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The managed care plan shall refund any amounts of net monthly income in excess of six

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percent to the commissioner, no later than 60 days after the end of each three-month period.

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(b) For services rendered under paragraph (a), allowable administrative costs for a

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managed care plan are the per-enrollee dollar amount allowed in 2010.

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(c) The commissioner shall deposit 100 percent of savings in costs to the state

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achieved under this subdivision to the general fund.

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