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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1936

03/16/2015 Authored by Pierson; Dill; Zerwas; Dean, M.; Urdahl and others

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

03/18/2015 Adoption of Report: Amended and re-referred to the Committee on Government Operations and Elections Policy

03/19/2015 Adoption of Report: Re-referred to the Committee on Civil Law and Data Practices

03/23/2015 Adoption of Report: Re-referred to the Committee on Health and Human Services Finance

1.1 A bill for an act
1.2 relating to human services; requiring the commissioner of human services to
1.3 contract with a vendor for eligibility verification audit services for public health
1.4 care programs.

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

1.6 Section 1. **PUBLIC HEALTH CARE PROGRAM ELIGIBILITY**
1.7 **VERIFICATION AUDIT SERVICES.**

1.8 Subdivision 1. **Request for proposals.** By October 1, 2015, the commissioner of
1.9 human services shall issue a request for proposals for a contract to provide eligibility
1.10 verification audit services for public health care program benefits provided through the
1.11 state medical assistance and MinnesotaCare programs. The request for proposals must
1.12 require that the vendor:

1.13 (1) conduct an eligibility verification audit of all medical assistance and
1.14 MinnesotaCare enrollees that includes, but is not limited to, appropriate data matching
1.15 against relevant state and federal databases;

1.16 (2) identify any ineligible enrollees in these programs and report those findings
1.17 to the commissioner; and

1.18 (3) identify a process for ongoing eligibility verification of medical assistance
1.19 and MinnesotaCare enrollees and applicants, following the conclusion of the eligibility
1.20 verification audit required by this section.

1.21 Subd. 2. **Additional vendor criteria.** The request for proposals must require the
1.22 vendor to provide the following minimum capabilities and experience in performing the
1.23 services described in subdivision 1:

1.24 (1) a rules-based process for making objective eligibility determinations;

- 2.1 (2) assigned eligibility advocates to assist enrollees through the verification process;
2.2 (3) a formal claims and appeals process; and
2.3 (4) experience in the performance of eligibility verification audits.

2.4 Subd. 3. **Contract required.** By January 1, 2016, the commissioner must enter
2.5 into a contract for the services specified in subdivision 1. The contract may incorporate
2.6 a performance-based vendor financing option that compensates the vendor based on the
2.7 amount of savings generated by the work performed under the contract. The contract
2.8 must require the vendor to comply with enrollee data privacy requirements and to use
2.9 encryption to safeguard enrollee identity. The contract must also provide penalties for
2.10 vendor noncompliance.