

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 3641

(SENATE AUTHORS: BENSON)

DATE
03/21/2018

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OFFICIAL STATUS
Introduction and first reading
Referred to Health and Human Services Finance and Policy

1.1 A bill for an act
1.2 relating to human services; establishing licensure requirements for the Department
1.3 of Human Services related to administration of the integrated health partnership
1.4 demonstration project; amending Minnesota Statutes 2016, section 256B.0755,
1.5 by adding subdivisions.

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

1.7 Section 1. Minnesota Statutes 2016, section 256B.0755, is amended by adding a subdivision
1.8 to read:

1.9 Subd. 9. Next generation integrated health partnership; definition. For purposes of
1.10 this section, “next generation integrated health partnership” means an integrated health
1.11 partnership that operates under a contract with the commissioner that: (1) governs services
1.12 to be provided exclusively or primarily in the seven-county metropolitan area on or after
1.13 January 1, 2019; and (2) incorporates components from the request for comment
1.14 “Outcomes-Based Purchasing Redesign and Next Generation IHP” issued November 15,
1.15 2017, by the Department of Human Services.

1.16 EFFECTIVE DATE. This section is effective January 1, 2019.

1.17 Sec. 2. Minnesota Statutes 2016, section 256B.0755, is amended by adding a subdivision
1.18 to read:

1.19 Subd. 10. Licensure as a health maintenance organization. (a) If the commissioner
1.20 requires next generation integrated health partnerships to be reimbursed under a payment
1.21 methodology that requires the next generation integrated health partnership and the
1.22 Department of Human Services to share in financial risk based on a calculation of total cost

2.1 of care or other measures, the commissioner must first, through the commissioner of health,
2.2 obtain a license for the Department of Human Services as a health maintenance organization.

2.3 (b) The commissioner of health shall not issue a license under this subdivision, unless
2.4 the commissioner of health determines that the Department of Human Services has sufficient
2.5 reserves to cover the potential financial losses of the agency and all next generation integrated
2.6 health partnerships required to share in financial risk, and meets all other requirements of
2.7 chapter 62D.

2.8 **EFFECTIVE DATE.** This section is effective January 1, 2019, and applies to next
2.9 generation integrated health partnership contracts that take effect on or after that date.

2.10 Sec. 3. Minnesota Statutes 2016, section 256B.0755, is amended by adding a subdivision
2.11 to read:

2.12 Subd. 11. **Licensure as a pharmacy benefit manager.** If the commissioner establishes
2.13 and administers a single preferred drug list for medical assistance and MinnesotaCare
2.14 enrollees receiving services through fee-for-service, integrated health partnerships, and
2.15 managed care, the commissioner must first, through the commissioner of commerce, obtain
2.16 a license for the Department of Human Services as a utilization review organization and
2.17 comply with the requirements of chapter 62M and sections 151.60 to 151.70.

2.18 **EFFECTIVE DATE.** This section is effective January 1, 2019, and applies to integrated
2.19 health partnership contracts that take effect on or after that date.

2.20 Sec. 4. Minnesota Statutes 2016, section 256B.0755, is amended by adding a subdivision
2.21 to read:

2.22 Subd. 12. **Licensure as an insurance plan administrator.** If the commissioner requires
2.23 a next generation integrated health partnership to purchase administrative services from the
2.24 commissioner or contract for the provision of administrative services with the commissioner,
2.25 the commissioner must first, through the commissioner of commerce, obtain a license for
2.26 the Department of Human Services as an insurance plan administrator under section 60A.23,
2.27 subdivision 8, and Minnesota Rules, chapter 2767.

2.28 **EFFECTIVE DATE.** This section is effective January 1, 2019, and applies to next
2.29 generation integrated health partnership contracts that take effect on or after that date.