

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

**S.F. No. 684**

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<b>DATE</b>	<b>D-PG</b>	<b>OFFICIAL STATUS</b>
01/31/2019	215	Introduction and first reading Referred to Health and Human Services Finance and Policy

1.1 A bill for an act

1.2 relating to health care; creating MinnesotaCare Buy-In Option health plans to be

1.3 offered as an option to individuals who reside in eligible counties; requiring

1.4 provider rates to be at least paid at the Medicare rate; requiring a report; proposing

1.5 coding for new law in Minnesota Statutes, chapter 256L.

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

1.7 Section 1. **[256L.29] MINNESOTACARE BUY-IN OPTION.**

1.8 Subdivision 1. **Request for federal authority.** (a) The commissioner of human services

1.9 shall seek all necessary federal waivers to establish the MinnesotaCare Buy-In Option under

1.10 this section.

1.11 (b) The commissioner shall also seek all necessary federal waivers to:

1.12 (1) allow eligible individuals to use advance premium tax credits and cost-sharing

1.13 reductions to purchase the MinnesotaCare Buy-In Option;

1.14 (2) offer the MinnesotaCare Buy-In Option through the MNsure website as a coverage

1.15 option and to be compared with qualified health plans offered through the MNsure website;

1.16 and

1.17 (3) maintain MinnesotaCare program requirements and funding mechanisms that provide

1.18 coverage to persons eligible under section 256L.04.

1.19 (c) The commissioner is exempt from the requirements in chapter 16C to contract for

1.20 actuarial services that satisfy the waiver submission requirements under this subdivision.

1.21 The commissioner may utilize existing contracts to satisfy the waiver submission

1.22 requirements of this subdivision.

2.1 Subd. 2. **Administration.** (a) The commissioner shall:

2.2 (1) coordinate administration of the MinnesotaCare Buy-In Option with the  
2.3 MinnesotaCare program, as described in section 256L.04, to maximize efficiency and  
2.4 improve continuity of care for enrollees;

2.5 (2) implement mechanisms to ensure the long-term financial sustainability of  
2.6 MinnesotaCare and mitigate any adverse financial impacts to the state and MNsure and  
2.7 mitigate any adverse financial impacts to the individual and small group insurance markets.  
2.8 These mechanisms must minimize adverse selection, state financial risk and contribution,  
2.9 and negative impacts to premiums in the individual and group health insurance markets;

2.10 (3) establish a cost allocation methodology to reimburse MNsure operations in lieu of  
2.11 the premium withhold for qualified health plans under section 62V.05; and

2.12 (4) establish provider reimbursement rates paid at the Medicare reimbursement rate or  
2.13 at the MinnesotaCare payment rate, whichever is greater.

2.14 (b) An individual who is determined eligible for enrollment in a qualified health plan  
2.15 with or without advance payments of the premium tax credit and with or without cost-sharing  
2.16 reductions according to Code of Federal Regulations, title 45, section 155.305, paragraphs  
2.17 (a), (f), and (g), is eligible to purchase and enroll in a MinnesotaCare Buy-In Option health  
2.18 plan instead of purchasing a qualified health plan as defined under section 62V.02.

2.19 (c) The MinnesotaCare Buy-In Option shall be considered the MinnesotaCare program  
2.20 for purposes of the requirements for health maintenance organizations under section 62D.04,  
2.21 subdivision 5, and providers under section 256B.0644.

2.22 (d) The commissioner has the authority to accept and expend all enrollee premiums and  
2.23 federal funds made available under this section upon federal approval.

2.24 Subd. 3. **Establishment of health plans.** (a) The commissioner shall establish two  
2.25 MinnesotaCare Buy-In Option health plans: one health plan shall provide benefits that are  
2.26 actuarially equivalent to 70 percent of the full actuarial value of the benefits provided under  
2.27 the health plan, and one health plan shall provide benefits that are actuarially equivalent to  
2.28 80 percent of the full actuarial value of the benefits provided under the health plan. The  
2.29 benefits of the health plans shall be based on the benefits provided in section 256L.03.

2.30 (b) The same annual open and special enrollment periods established for individual  
2.31 health plans under section 62K.15 shall apply for the MinnesotaCare Buy-In Option health  
2.32 plans. MinnesotaCare Buy-In Option health plans shall be offered through the MNsure

3.1 website as defined in section 62V.02, subdivision 13, and may be offered outside of the  
3.2 MNsure website.

3.3 (c) The commissioner may contract with vendors to provide services consistent with  
3.4 sections 256L.12 and 256L.121 or contract directly with health care providers. If the  
3.5 commissioner contracts with a participating entity to provide services under this section,  
3.6 the commissioner shall ensure that the participating entity provider reimbursement rates are  
3.7 at least at the rates required under subdivision 2, paragraph (a), clause (4).

3.8 Subd. 4. **Eligible counties.** (a) For the open enrollment period beginning November 1,  
3.9 2020, and each open enrollment period thereafter, the MinnesotaCare Buy-In Option health  
3.10 plans shall only be made available to consumers in a county that has been deemed eligible  
3.11 by the commissioner of commerce.

3.12 (b) The commissioner of commerce, in consultation with the commissioner of health,  
3.13 shall deem a county eligible if there is not at least one health carrier in the county's service  
3.14 area actively marketing at least one silver level health plan and one gold level health plan  
3.15 without limits on enrollment or waivers from the network adequacy requirements under  
3.16 section 62K.10.

3.17 (c) By July 15, 2019, and each July 1 thereafter, the commissioner of commerce shall  
3.18 provide the commissioner of human services with a preliminary report of the counties  
3.19 deemed eligible under this subdivision. By October 1, 2019, and each October 1 thereafter,  
3.20 the commissioner of commerce shall report to the chairs and ranking minority members of  
3.21 the legislative committees with jurisdiction over health care policy and finance the final list  
3.22 of the counties deemed eligible for the MinnesotaCare Buy-In Option health plan under this  
3.23 subdivision.

3.24 (d) Once a county has been deemed eligible by the commissioner of commerce under  
3.25 this subdivision, the MinnesotaCare Buy-In Option health plans shall become available as  
3.26 an option for that county for the following open enrollment period and future open enrollment  
3.27 periods in subsequent years as long as the optional health plans continue to meet all applicable  
3.28 state and federal requirements.

3.29 Subd. 5. **Premium administration and payment.** The commissioner shall establish an  
3.30 annual per-enrollee premium rate sufficient to cover state administrative costs and payments  
3.31 by the state to participating entities under sections 256L.12 and 256L.121, or to health care  
3.32 providers.

3.33 Subd. 6. **Premium tax credits, cost-sharing reductions, and subsidies.** (a) A person  
3.34 who is eligible under this section and whose income is less than or equal to 400 percent of

4.1 the federal poverty guidelines may qualify for advance premium tax credits and cost-sharing  
4.2 reductions to purchase a health plan established under this section.

4.3 (b) There shall be no state subsidy to a person eligible for the MinnesotaCare Buy-In  
4.4 Option.

4.5 **EFFECTIVE DATE.** Health plans established under this section shall be offered  
4.6 beginning January 1, 2021, or upon federal approval, whichever is later. The commissioner  
4.7 of human services shall notify the revisor of statutes when federal approval is obtained.