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02/24/2020	4878	Introduction and first reading Referred to Health and Human Services Finance and Policy
02/27/2020	5047	Authors added Utke; Ingebrigtsen See SF13, Art. 3, Sec. 34

1.1 A bill for an act

1.2 relating to health care; waiving cost-sharing for medical assistance enrollees who

1.3 do not use tobacco products; creating a tobacco use premium surcharge in the

1.4 MinnesotaCare program; amending Minnesota Statutes 2018, sections 256B.0631,

1.5 subdivision 1, by adding a subdivision; 256L.15, subdivision 1, by adding a

1.6 subdivision.

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

1.8 Section 1. Minnesota Statutes 2018, section 256B.0631, subdivision 1, is amended to read:

1.9 Subdivision 1. **Cost-sharing.** (a) Except as provided in subdivision 2, the medical

1.10 assistance benefit plan shall include the following cost-sharing for all recipients, effective

1.11 for services provided on or after September 1, 2011:

1.12 (1) \$3 per nonpreventive visit, except as provided in paragraph (b). For purposes of this

1.13 subdivision, a visit means an episode of service which is required because of a recipient's

1.14 symptoms, diagnosis, or established illness, and which is delivered in an ambulatory setting

1.15 by a physician or physician assistant, chiropractor, podiatrist, nurse midwife, advanced

1.16 practice nurse, audiologist, optician, or optometrist. Co-payments must not apply to visits

1.17 that involve tobacco cessation treatments or services;

1.18 (2) \$3.50 for nonemergency visits to a hospital-based emergency room, except that this

1.19 co-payment shall be increased to \$20 upon federal approval;

1.20 (3) \$3 per brand-name drug prescription and \$1 per generic drug prescription, subject

1.21 to a \$12 per month maximum for prescription drug co-payments. ~~No~~ Co-payments shall

1.22 must not apply to antipsychotic drugs when used for the treatment of mental illness or to

1.23 drugs used for tobacco cessation;

2.1 (4) a family deductible equal to \$2.75 per month per family and adjusted annually by
2.2 the percentage increase in the medical care component of the CPI-U for the period of
2.3 September to September of the preceding calendar year, rounded to the next higher five-cent
2.4 increment; and

2.5 (5) total monthly cost-sharing must not exceed five percent of family income. For
2.6 purposes of this paragraph, family income is the total earned and unearned income of the
2.7 individual and the individual's spouse, if the spouse is enrolled in medical assistance and
2.8 also subject to the five percent limit on cost-sharing. This paragraph does not apply to
2.9 premiums charged to individuals described under section 256B.057, subdivision 9.

2.10 (b) Recipients of medical assistance are responsible for all co-payments and deductibles
2.11 in this subdivision.

2.12 (c) Notwithstanding paragraph (b), the commissioner, through the contracting process
2.13 under sections 256B.69 and 256B.692, may allow managed care plans and county-based
2.14 purchasing plans to waive the family deductible under paragraph (a), clause (4). The value
2.15 of the family deductible shall not be included in the capitation payment to managed care
2.16 plans and county-based purchasing plans. Managed care plans and county-based purchasing
2.17 plans shall certify annually to the commissioner the dollar value of the family deductible.

2.18 (d) Notwithstanding paragraph (b), the commissioner may waive the collection of the
2.19 family deductible described under paragraph (a), clause (4), from individuals and allow
2.20 long-term care and waived service providers to assume responsibility for payment.

2.21 (e) Notwithstanding paragraph (b), the commissioner, through the contracting process
2.22 under section 256B.0756 shall allow the pilot program in Hennepin County to waive
2.23 co-payments. The value of the co-payments shall not be included in the capitation payment
2.24 amount to the integrated health care delivery networks under the pilot program.

2.25 Sec. 2. Minnesota Statutes 2018, section 256B.0631, is amended by adding a subdivision
2.26 to read:

2.27 Subd. 5. Tobacco abstinence cost-sharing exception. The cost-sharing and deductibles
2.28 described in section 256B.0631, subdivision 1, must be waived for non-tobacco users, and
2.29 must only apply to tobacco users. For purposes of this subdivision, a tobacco user is defined
2.30 as an individual who uses, four or more times per week within the past six months, any
2.31 tobacco product. Tobacco products include cigarettes, cigars, pipe tobacco, chewing tobacco,
2.32 or snuff. Tobacco products do not include the use of tobacco by an American Indian who

3.1 meets the requirements in Code of Federal Regulations, title 42, sections 447.51 and 447.56,
3.2 as part of a traditional Native American spiritual or cultural ceremony.

3.3 **EFFECTIVE DATE.** This section is effective July 1, 2020, or upon federal approval,
3.4 whichever is later.

3.5 Sec. 3. Minnesota Statutes 2018, section 256L.15, subdivision 1, is amended to read:

3.6 Subdivision 1. **Premium determination for MinnesotaCare.** (a) Families with children
3.7 and individuals shall pay a premium determined according to subdivision 2.

3.8 (b) Members of the military and their families who meet the eligibility criteria for
3.9 MinnesotaCare upon eligibility approval made within 24 months following the end of the
3.10 member's tour of active duty shall have their premiums paid by the commissioner. The
3.11 effective date of coverage for an individual or family who meets the criteria of this paragraph
3.12 shall be the first day of the month following the month in which eligibility is approved. This
3.13 exemption applies for 12 months.

3.14 (c) Beginning July 1, 2009, American Indians enrolled in MinnesotaCare and their
3.15 families shall have their premiums waived by the commissioner in accordance with section
3.16 5006 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5. An
3.17 individual must indicate status as an American Indian, as defined under Code of Federal
3.18 Regulations, title 42, section 447.50, to qualify for the waiver of premiums. The
3.19 commissioner shall accept attestation of an individual's status as an American Indian as
3.20 verification until the United States Department of Health and Human Services approves an
3.21 electronic data source for this purpose.

3.22 ~~(d) For premiums effective August 1, 2015, and after, the commissioner, after consulting~~
3.23 ~~with the chairs and ranking minority members of the legislative committees with jurisdiction~~
3.24 ~~over human services, shall increase premiums under subdivision 2 for recipients based on~~
3.25 ~~June 2015 program enrollment. Premium increases shall be sufficient to increase projected~~
3.26 ~~revenue to the fund described in section 16A.724 by at least \$27,800,000 for the biennium~~
3.27 ~~ending June 30, 2017. The commissioner shall publish the revised premium scale on the~~
3.28 ~~Department of Human Services website and in the State Register no later than June 15,~~
3.29 ~~2015. The revised premium scale applies to all premiums on or after August 1, 2015, in~~
3.30 ~~place of the scale under subdivision 2.~~

3.31 ~~(e) By July 1, 2015, the commissioner shall provide the chairs and ranking minority~~
3.32 ~~members of the legislative committees with jurisdiction over human services the revised~~

4.1 ~~premium scale effective August 1, 2015, and statutory language to codify the revised~~
4.2 ~~premium schedule.~~

4.3 ~~(f) Premium changes authorized under paragraph (d) must only apply to enrollees not~~
4.4 ~~otherwise excluded from paying premiums under state or federal law. Premium changes~~
4.5 ~~authorized under paragraph (d) must satisfy the requirements for premiums for the Basic~~
4.6 ~~Health Program under title 42 of Code of Federal Regulations, section 600.505.~~

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

4.8 Sec. 4. Minnesota Statutes 2018, section 256L.15, is amended by adding a subdivision to
4.9 read:

4.10 Subd. 5. **Tobacco use premium surcharge.** (a) An enrollee who uses tobacco products
4.11 must pay a tobacco premium surcharge in an amount that is equal to ten percent of the
4.12 enrollee's monthly premium. The tobacco use premium surcharge must be calculated on a
4.13 monthly basis and paid in accordance with section 256L.06. Nonpayment of the surcharge
4.14 may result in disenrollment.

4.15 (b) For enrollees who initially enroll in the MinnesotaCare program after July 1, 2020,
4.16 the tobacco use premium surcharge in paragraph (a) must be waived for the initial 12-month
4.17 period of enrollment and must go into effect upon renewal. For enrollees who are enrolled
4.18 in the MinnesotaCare program on July 1, 2020, the tobacco use premium surcharge must
4.19 be waived until July 1, 2021, and must go into effect at the enrollee's next renewal.

4.20 (c) If an enrollee indicates on the initial application or at renewal that the enrollee does
4.21 not use tobacco and it is determined that the enrollee is or was a tobacco user during the
4.22 period of enrollment and did not pay the tobacco use premium surcharge, the enrollee must
4.23 pay the total amount of the tobacco use premium surcharge that the enrollee was required
4.24 to pay as a tobacco user during that enrollment period. If the enrollee fails to pay the
4.25 surcharge amount due, the enrollee may be disenrolled and the unpaid amount may be
4.26 subject to recovery by the commissioner.

4.27 (d) Notwithstanding paragraph (b), nonpayment of the surcharge amount owed by the
4.28 enrollee under paragraph (a) or (c) must result in disenrollment effective for the calendar
4.29 month following the month for which the surcharge was due. Disenrollment for nonpayment
4.30 of the surcharge must meet the requirements in section 256L.06, subdivision 3, paragraphs
4.31 (d) and (e).

5.1 (e) For purposes of this subdivision, the use of tobacco products means the use of a
5.2 tobacco product four or more times per week within the past six months. Tobacco products
5.3 include the use of cigarettes, cigars, pipe tobacco, chewing tobacco, or snuff.

5.4 **EFFECTIVE DATE.** This section is effective July 1, 2020, or upon federal approval,
5.5 whichever is later.

5.6 **Sec. 5. WAIVER REQUEST.**

5.7 The commissioner of human services must submit any federal waivers and approvals
5.8 necessary to implement this act. The commissioner must inform the chairs and ranking
5.9 minority members of the legislative committees with jurisdiction over health and human
5.10 services policy and finance when the waiver request is submitted with a copy of the submitted
5.11 waiver. The commissioner must also inform the chairs and ranking minority members of
5.12 any federal action regarding this request.