

by virtue of the employee attaining a certain age, the employer shall notify the employee of the changes at least 90 but not more than 120 days prior to the effective date of the change. This section, in and of itself, shall not be construed to require any change in the employer contribution levels of any pension or retirement plan, or to require any employer to increase an employer's or employee's payments for the provision of insurance benefits contained in any employee benefit or insurance plan.

(d) The definitions of "employer" and "employee" in section 363.01 apply to this section.

Sec. 2. REPEALER.

Minnesota Statutes 2002, section 181.811, is repealed.

Presented to the governor May 12, 2003

Signed by the governor May 15, 2003, 3:50 p.m.

CHAPTER 47—H.F.No. 1026

An act relating to human services; authorizing a medical assistance capitated payment option for waived services, day training and habilitation services, and intermediate care facility services for persons with mental retardation or a related condition; amending Minnesota Statutes 2002, sections 252.46, by adding a subdivision; 256B.69, subdivisions 6a, 23; proposing coding for new law in Minnesota Statutes, chapter 256B.

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

Section 1. Minnesota Statutes 2002, section 252.46, is amended by adding a subdivision to read:

Subd. 21. MANAGED CARE PILOT. (a) The commissioner may initiate a capitated risk-based managed care option for persons with mental retardation or related conditions, which includes capitated payments for day training and habilitation and alternative active treatment services. The commissioner may permit the health plan, care system, or other health plan network participating in this managed care option to negotiate day training and habilitation rates. The commissioner may grant a variance to any of the provisions in sections 252.40 to 252.46 and Minnesota Rules, parts 9525.1200 to 9525.1580, necessary to implement the pilot.

(b) The commissioner shall report to the legislature financial and program results along with a recommendation as to whether the pilot should be expanded.

Sec. 2. [256B.5016] ICF/MR MANAGED CARE OPTION.

Subdivision 1. MANAGED CARE PILOT. The commissioner may initiate a capitated risk-based managed care option for services in an intermediate care facility for persons with mental retardation or related conditions according to the terms and

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conditions of the federal agreement governing the managed care pilot. The commissioner may grant a variance to any of the provisions in sections 256B.501 to 256B.5015 and Minnesota Rules, parts 9525.1200 to 9525.1330 and 9525.1580.

Subd. 2. REPORT. The commissioner shall report to the legislature financial and program results along with a recommendation as to whether the pilot should be expanded.

Sec. 3. Minnesota Statutes 2002, section 256B.69, subdivision 6a, is amended to read:

Subd. 6a. **NURSING HOME SERVICES.** (a) Notwithstanding Minnesota Rules, part 9500.1457, subpart 1, item B, up to 90 days of nursing facility services as defined in section 256B.0625, subdivision 2, which are provided in a nursing facility certified by the Minnesota department of health for services provided and eligible for payment under Medicaid, shall be covered under the prepaid medical assistance program for individuals who are not residing in a nursing facility at the time of enrollment in the prepaid medical assistance program.

(b) For individuals enrolled in the Minnesota senior health options project or in other demonstrations authorized under subdivision 23, nursing facility services shall be covered according to the terms and conditions of the federal agreement governing that demonstration project.

(c) For individuals enrolled in demonstrations authorized under subdivision 23, services in an intermediate care facility for persons with mental retardation or related conditions shall be covered according to the terms and conditions of the federal agreement governing the demonstration project.

Sec. 4. Minnesota Statutes 2002, section 256B.69, subdivision 23, is amended to read:

Subd. 23. **ALTERNATIVE INTEGRATED LONG-TERM CARE SERVICES; ELDERLY AND DISABLED PERSONS.** (a) The commissioner may implement demonstration projects to create alternative integrated delivery systems for acute and long-term care services to elderly persons and persons with disabilities as defined in section 256B.77, subdivision 7a, that provide increased coordination, improve access to quality services, and mitigate future cost increases. The commissioner may seek federal authority to combine Medicare and Medicaid capitation payments for the purpose of such demonstrations. Medicare funds and services shall be administered according to the terms and conditions of the federal waiver and demonstration provisions. For the purpose of administering medical assistance funds, demonstrations under this subdivision are subject to subdivisions 1 to 22. The provisions of Minnesota Rules, parts 9500.1450 to 9500.1464, apply to these demonstrations, with the exceptions of parts 9500.1452, subpart 2, item B; and 9500.1457, subpart 1, items B and C, which do not apply to persons enrolling in demonstrations under this section. An initial open enrollment period may be provided. Persons who disenroll from demonstrations under this subdivision remain subject to Minnesota Rules, parts 9500.1450 to 9500.1464. When a person is enrolled in a health

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plan under these demonstrations and the health plan's participation is subsequently terminated for any reason, the person shall be provided an opportunity to select a new health plan and shall have the right to change health plans within the first 60 days of enrollment in the second health plan. Persons required to participate in health plans under this section who fail to make a choice of health plan shall not be randomly assigned to health plans under these demonstrations. Notwithstanding section 256L.12, subdivision 5, and Minnesota Rules, part 9505.5220, subpart 1, item A, if adopted, for the purpose of demonstrations under this subdivision, the commissioner may contract with managed care organizations, including counties, to serve only elderly persons eligible for medical assistance, elderly and disabled persons, or disabled persons only. For persons with primary diagnoses of mental retardation or a related condition, serious and persistent mental illness, or serious emotional disturbance, the commissioner must ensure that the county authority has approved the demonstration and contracting design. Enrollment in these projects for persons with disabilities shall be voluntary. The commissioner shall not implement any demonstration project under this subdivision for persons with primary diagnoses of mental retardation or a related condition, serious and persistent mental illness, or serious emotional disturbance, without approval of the county board of the county in which the demonstration is being implemented.

(b) Notwithstanding chapter 245B, sections 252.40 to 252.46, 256B.092, 256B.501 to 256B.5015, and Minnesota Rules, parts 9525.0004 to 9525.0036, 9525.1200 to 9525.1330, 9525.1580, and 9525.1800 to 9525.1930, the commissioner may implement under this section projects for persons with developmental disabilities. The commissioner may capitate payments for ICF/MR services, waived services for mental retardation or related conditions, including case management services, day training and habilitation and alternative active treatment services, and other services as approved by the state and by the federal government. Case management and active treatment must be individualized and developed in accordance with a person-centered plan. Costs under these projects may not exceed costs that would have been incurred under fee-for-service. Beginning July 1, 2003, and until two years after the pilot project implementation date, subcontractor participation in the long-term care developmental disability pilot is limited to a nonprofit long-term care system providing ICF/MR services, home and community-based waiver services, and in-home services to no more than 120 consumers with developmental disabilities in Carver, Hennepin, and Scott counties. The commissioner shall report to the legislature prior to expansion of the developmental disability pilot project. This paragraph expires two years after the implementation date of the pilot project.

(c) Before implementation of a demonstration project for disabled persons, the commissioner must provide information to appropriate committees of the house of representatives and senate and must involve representatives of affected disability groups in the design of the demonstration projects.

(b) (d) A nursing facility reimbursed under the alternative reimbursement methodology in section 256B.434 may, in collaboration with a hospital, clinic, or other

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health care entity provide services under paragraph (a). The commissioner shall amend the state plan and seek any federal waivers necessary to implement this paragraph.

Sec. 5. NOTIFICATION.

The commissioner of human services shall notify the revisor of statutes of the implementation date of the pilot project established under Minnesota Statutes, section 256B.69, subdivision 23, paragraph (b).

Presented to the governor May 12, 2003

Signed by the governor May 15, 2003, 3:40 p.m.

CHAPTER 48—H.F.No. 1234

An act relating to cemeteries; providing for correction of interment errors; proposing coding for new law in Minnesota Statutes, chapters 306; 307.

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

Section 1. [306.155] CORRECTION OF INTERMENT ERRORS.

Subdivision 1. REQUIREMENT. If the operator of a cemetery is informed or becomes aware that it has interred or permitted the interment of a body or remains in the wrong burial space, unless the interested parties have agreed otherwise in writing, it shall disinter the burial container wrongfully interred, identify the burial container, and reinter it in the proper burial space. The cemetery must give reasonable notice, in advance of the disinterment, to the nearest known next of kin of the deceased person and, if requested, the owner of the burial space.

Subd. 2. WITNESSES. At the time specified for the disinterment and reinterment, the cemetery must permit the nearest known next of kin and, if requested, the owner of the burial space to witness the disinterment and reinterment.

Subd. 3. COSTS. The cemetery must bear all costs of the disinterment and reinterment.

Sec. 2. [307.115] CORRECTION OF INTERMENT ERRORS.

Section 306.155 applies to private cemeteries subject to this chapter.

Sec. 3. EFFECTIVE DATE.

Sections 1 and 2 are effective the day following final enactment.

Presented to the governor May 12, 2003

Signed by the governor May 15, 2003, 3:45 p.m.

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