

CHAPTER 338—H.F.No. 3955

An act relating to state government; regulating certain payments to I-35W bridge collapse survivors; promoting community-based care for older adults through the establishment of a community consortium demonstration project; establishing a community consortium account in the general fund to distribute pooled resources; requiring an evaluation of the demonstration project; amending 2008 H. F. No. 2553, section 5, subdivision 3, if enacted; proposing coding for new law in Minnesota Statutes, chapter 3.

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

Section 1. **[3.7395] PUBLIC ASSISTANCE.**

Subdivision 1. **Eligibility.** Payments made to victims under sections 3.7391 to 3.7394 and the catastrophe survivor compensation fund shall not be counted as income, assets, or resources for purposes of eligibility for health care and maintenance programs under chapters 256B, 256D, 256J, and 256L. Victims and their families who would otherwise be eligible for and enrolled in health care programs with federal funding shall be eligible for and enrolled in health care programs paid with state funding until and unless federal approval of this exclusion is granted. The commissioner of human services shall pursue the federal approval necessary to exclude these payments under federally funded health care programs.

Subd. 2. **Subrogation.** For the purpose of medical assistance and MinnesotaCare, the Department of Human Services shall pay the federal financial participation for the portion of any payment that is required to be treated as primary to Medicaid.

EFFECTIVE DATE. This section is effective at the time that 2008 H.F. No. 2553, if enacted, takes effect.

Sec. 2. 2008 H.F. NO. 2553, SECTION 5, SUBDIVISION 3, IF ENACTED, IS AMENDED TO READ:

Subd. 3. **Payments from other sources.** Notwithstanding any statutory or common law or agreement to the contrary, a person required to make payments, including future payments, to a survivor may ~~not~~ eliminate or reduce those payments as a result of compensation paid to the survivor under section 3.7393 or from the emergency relief fund ~~or as a result of the survivor's release of claims against the state, a municipality, or their employees under section 3.7393~~ only to the extent those payments represent damages for future losses for which the survivor received compensation under section 3.7393 or from the emergency relief fund. The obligation of any person other than the state to make payments to a survivor is primary as compared to any payment made or to be made under section 3.7393 or from the emergency relief fund. The persons referenced in and covered by this subdivision and subdivision 4 include, without limitation:

- (1) reparation obligors, as defined in section 65B.43, subdivision 9, whether they are insurers or self-insurers;
- (2) health plan companies, as defined in section 62Q.01, subdivision 4, including the Minnesota Comprehensive Health Association created under section 62E.10;
- (3) insurance companies, as defined in section 60A.02, subdivision 4;
- (4) self-insured pools of political subdivisions organized under section 471.617 or 471.981, including service cooperatives pools organized under section 123A.21;
- (5) risk retention groups, as defined in section 60E.02, subdivision 12;
- (6) joint self-insurance plans governed by chapter 60F;
- (7) workers' compensation insurers and private self-insurers, as defined in section 79.01;
- (8) the Minnesota Life and Health Insurance Guaranty Association governed by chapter 61B;
- (9) the Minnesota Insurance Guaranty Association governed by chapter 60C;
- (10) the Minnesota Joint Underwriting Association governed by chapter 62I;
- (11) all insurers providing credit life, credit accident and health, and credit involuntary unemployment insurance under chapter 62B, but also including those coverages written in connection with real estate mortgage loans and those provided to borrowers at no additional cost;
- (12) the Minnesota unemployment insurance program provided under chapter 268;
- (13) coverage offered by the state under medical assistance, general assistance medical care, and MinnesotaCare; and
- (14) any other plan providing health, life, disability income, or long-term care coverage.

EFFECTIVE DATE. This section is effective at the time that 2008 H.F. No. 2553, if enacted, takes effect.

Sec. 3. **OLDER ADULT SERVICES COMMUNITY CONSORTIUMS.**

Subdivision 1. Establishment. (a) The commissioner of human services, in cooperation with the commissioners of health and housing finance, shall develop and implement, beginning July 1, 2009, a three-year demonstration project for older adult services community consortiums. An older adult services community consortium may consist of health care and social service providers, county agencies, health plan companies, and other community stakeholders within a demonstration site that have established a process for joint decision making. Demonstration sites may include a portion of a county, an entire county, or multiple counties.

(b) Each community consortium seeking to participate as a demonstration site must submit an application to the commissioner. The application must include:

(1) a description of the entities participating in the consortium, the scope of collaboration, and the process to be used for joint-decision making;

(2) the methods by which the consortium plans to achieve the goals specified in subdivision 2;

(3) a description of the proposed demonstration site; and

(4) other information the commissioner determines to be necessary to evaluate proposals.

(c) The commissioner of human services shall establish a process to review and consider applicants. The commissioner shall designate up to three community consortiums as demonstration projects.

(d) Each community consortium selected to participate shall establish a local group to assist in planning, designing, implementing, and evaluating the coordinated service delivery system within the demonstration site. Planning for each consortium shall build upon current planning processes developed by county gaps analyses and Elder Care Development Partnerships under Minnesota Statutes, section 256B.0917.

Subd. 2. **Goals.** The community consortium demonstration projects are intended to accelerate the development of community based services to fill in gaps identified within communities by using a pool of funds and providing flexibility in the use and distribution of these funds within each demonstration site. These projects must be designed to:

(1) ensure consumer access to a continuum of older adult services;

(2) create an adequate supply of affordable home-based alternatives to care for persons currently using nursing facilities or likely to need nursing facility services in the future;

(3) establish and achieve measurable performance targets for care delivered throughout the continuum of care; and

(4) support the management of chronic and complex conditions through greater coordination of all services needed by older adults.

Subd. 3. **Priority for other grants.** The commissioner of health shall give priority to community consortiums selected under subdivision 1 when awarding technology-related grants, if the consortiums are using technology as a part of their proposal. To the extent that the commissioner of the Minnesota Housing Finance Agency funds projects to create or preserve affordable housing options for older adults, the commissioner shall give priority to financially feasible projects proposed or supported by community consortiums selected under subdivision 1. The commissioner of transportation shall give priority to community consortiums selected under subdivision 1 when distributing transportation-related funds to create transportation options for older adults.

Subd. 4. **Federal approval.** The commissioner of human services may request any federal approvals or waivers necessary to implement the community consortiums under the medical assistance program and include medical assistance funding as specified in subdivision 7 in the community consortium account.

Subd. 5. **State waivers.** The commissioner of health may waive applicable state laws and rules on a time-limited basis if the commissioner of health determines that a participating consortium requires a waiver in order to achieve demonstration project goals.

Subd. 6. **Quality measures.** (a) Community consortiums participating in the demonstration project shall report information to the commissioner of human services necessary to evaluate the demonstration project, in the form and manner specified by

the commissioner. The information collected by the commissioner must include both process and outcome measures, including, but not limited to, measures related to enrollee satisfaction, service delivery, service coordination, service access, use of technology, individual outcomes, and costs.

(b) Participating consortiums shall identify state policies that limit the extent to which project goals can be achieved and recommend necessary changes to the appropriate state agencies.

Subd. 7. **Community consortium financing.** (a) The commissioner of health shall reserve ten percent of any funds appropriated for the biennium ending June 30, 2011, for the nursing home moratorium exception process under Minnesota Statutes, section 144A.073, for distribution to qualifying projects that are part of a community consortium.

(b) Notwithstanding Minnesota Statutes, section 256B.434, subdivision 4, paragraph (d), the nursing facility performance incentive payments shall be reduced by ten percent for the biennium ending June 30, 2011. This shall be a onetime reduction.

(c) Base level funding for community service grants under Minnesota Statutes, section 256B.0917, subdivision 13, and community services development grants under Minnesota Statutes, section 256.9754, shall be reduced by ten percent for the biennium ending June 30, 2011. These shall be onetime reductions.

(d) An amount equal to the state share of the reductions in paragraphs (b) and (c) is appropriated from the general fund to the commissioner of human services for distribution to qualifying projects that are part of a community consortium under this section, to be available until expended.

Subd. 8. **Evaluation and report.** The commissioner of human services, in cooperation with the commissioners of health and housing finance, shall evaluate the demonstration project, and report preliminary findings and recommendations to the legislature by November 15, 2011, on whether the demonstration project should be continued and whether the number of demonstration project sites increased. The final report of findings and recommendations shall be delivered to the legislature by January 15, 2013. The preliminary and final evaluation and report must include:

(1) a comparison of the performance of demonstration sites relative to nonconsortium communities on the quality measures specified in subdivision 5;

(2) an assessment of the extent to which the demonstration project can be successfully expanded to other parts of the state;

(3) legislative changes necessary to improve the effectiveness of the demonstration project and to expand the projects to other parts of the state; and

(4) any actions taken by the commissioner of health under subdivision 5.

The commissioner of human services may withhold up to \$50,000 of the funding provided to each participating community consortium under this section to fund the evaluation and report.

Presented to the governor May 15, 2008

Signed by the governor May 19, 2008, 10:02 a.m.