A bill for an act

relating to taxation; repealing the MinnesotaCare provider taxes; amending Minnesota Statutes 2010, sections 16A.724, subdivision 2; 62J.041, subdivision 1; 214.16, subdivisions 2, 3; 256.01, subdivision 23a; 270B.14, subdivision 1; repealing Minnesota Statutes 2010, sections 13.4967, subdivision 3; 295.50, subdivisions 1, 1a, 2, 2a, 3, 4, 6, 6a, 7, 9b, 9c, 10a, 10b, 12b, 13, 14, 15; 295.51, subdivisions 1, 1a; 295.52, subdivisions 1, 1a, 2, 3, 4, 4a, 5, 6, 7; 295.53, subdivisions 1, 2, 3, 4a; 295.54; 295.55; 295.56; 295.57; 295.58; 295.581; 295.582; 295.59.

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

Section 1. Minnesota Statutes 2010, section 16A.724, subdivision 2, is amended to read:

Subd. 2. **Transfers.** (a) ~~Notwithstanding section 295.581,~~ To the extent available resources in the health care access fund exceed expenditures in that fund, effective for the biennium beginning July 1, 2007, the commissioner of management and budget shall transfer the excess funds from the health care access fund to the general fund on June 30 of each year, provided that the amount transferred in any fiscal biennium shall not exceed $96,000,000. The purpose of this transfer is to meet the rate increase required under Laws 2003, First Special Session chapter 14, article 13C, section 2, subdivision 6.

(b) For fiscal years 2006 to 2011, MinnesotaCare shall be a forecasted program, and, if necessary, the commissioner shall reduce these transfers from the health care access fund to the general fund to meet annual MinnesotaCare expenditures or, if necessary, transfer sufficient funds from the general fund to the health care access fund to meet annual MinnesotaCare expenditures.

EFFECTIVE DATE. This section is effective for gross revenues received after June 30, 2011.

Sec. 2. Minnesota Statutes 2010, section 62J.041, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions apply.

(b) "Health plan company" has the definition provided in section 62Q.01.

(c) "Total expenditures" means incurred claims or expenditures on health care services, administrative expenses, charitable contributions, and all other payments made by health plan companies out of premium revenues.

(d) "Net expenditures" means total expenditures minus exempted taxes and assessments and payments or allocations made to establish or maintain reserves.

(e) "Exempted taxes and assessments" means direct payments for taxes to government agencies, contributions to the Minnesota Comprehensive Health Association, the medical assistance provider's surcharge under section 256.9657, the MinnesotaCare provider tax under Minnesota Statutes 2010, section 295.52, assessments by the Health Coverage Reinsurance Association, assessments by the Minnesota Life and Health Insurance Guaranty Association, assessments by the Minnesota Risk Adjustment Association, and any new assessments imposed by federal or state law.

(f) "Consumer cost-sharing or subscriber liability" means enrollee coinsurance, co-payment, deductible payments, and amounts in excess of benefit plan maximums.

EFFECTIVE DATE. This section is effective for gross revenues received after June 30, 2011.

Sec. 3. Minnesota Statutes 2010, section 214.16, subdivision 2, is amended to read:

Subd. 2. **Board cooperation required.** The board shall assist the commissioner of health in data collection activities required under Laws 1992, chapter 549, article 7~~, and shall assist the commissioner of revenue in activities related to collection of the health care provider tax required under Laws 1992, chapter 549, article 9~~. Upon the request of the commissioner ~~or the commissioner of revenue~~, the board shall make available names and addresses of current licensees and provide other information or assistance as needed.

EFFECTIVE DATE. This section is effective for gross revenues received after June 30, 2011.

Sec. 4. Minnesota Statutes 2010, section 214.16, subdivision 3, is amended to read:

Subd. 3. **Grounds for disciplinary action.** The board shall take disciplinary action, which may include license revocation, against a regulated person for:

(1) intentional failure to provide the commissioner of health with the data required under chapter 62J; and

(2) ~~intentional failure to provide the commissioner of revenue with data on gross revenue and other information required for the commissioner to implement sections 295.50 to 295.58;~~

~~(3) intentional failure to pay the health care provider tax required under section 295.52; and~~

~~(4)~~ entering into a contract or arrangement that is prohibited under sections 62J.70 to 62J.73.

EFFECTIVE DATE. This section is effective for gross revenues received after June 30, 2011.

Sec. 5. Minnesota Statutes 2010, section 256.01, subdivision 23a, is amended to read:

Subd. 23a. **Administration of publicly funded health care programs.** (a) The commissioner of human services, in cooperation with the representatives of county human services agencies and with input from organizations that advocate on behalf of families and children, shall develop a plan that, to the extent feasible, seeks to align standards, income and asset methodologies, and procedures for families and children under medical assistance and MinnesotaCare. The commissioner shall evaluate the impact of different approaches toward alignment on the number of potential medical assistance and MinnesotaCare enrollees who are families and children, and on administrative, health care, and other costs to the state. The commissioner shall present recommendations to the legislative committees with jurisdiction over health care by September 15, 2010.

(b) The commissioner shall report in detail to the chair of the Health Care and Human Services Finance Committee of the house of representatives and to the chair of the Health and Human Services Division of the Finance Committee of the senate, prior to entering into any contracts involving counties for streamlined electronic enrollment and eligibility determinations for publicly funded health care programs, if such contracts would require payment from either the general fund, or the health care access fund, as described in ~~sections 295.58 and~~ section 297I.05.

EFFECTIVE DATE. This section is effective for gross revenues received after June 30, 2011.

Sec. 6. Minnesota Statutes 2010, section 270B.14, subdivision 1, is amended to read:

Subdivision 1. **Disclosure to commissioner of human services.** (a) On the request of the commissioner of human services, the commissioner shall disclose return information regarding taxes imposed by chapter 290, and claims for refunds under chapter 290A, to the extent provided in paragraph (b) and for the purposes set forth in paragraph (c).

(b) Data that may be disclosed are limited to data relating to the identity, whereabouts, employment, income, and property of a person owing or alleged to be owing an obligation of child support.

(c) The commissioner of human services may request data only for the purposes of carrying out the child support enforcement program and to assist in the location of parents who have, or appear to have, deserted their children. Data received may be used only as set forth in section 256.978.

(d) The commissioner shall provide the records and information necessary to administer the supplemental housing allowance to the commissioner of human services.

(e) At the request of the commissioner of human services, the commissioner of revenue shall electronically match the Social Security numbers and names of participants in the telephone assistance plan operated under sections 237.69 to 237.711, with those of property tax refund filers, and determine whether each participant's household income is within the eligibility standards for the telephone assistance plan.

(f) The commissioner may provide records and information collected under Minnesota Statutes 2010, sections 295.50 to 295.59 to the commissioner of human services for purposes of the Medicaid Voluntary Contribution and Provider-Specific Tax Amendments of 1991, Public Law 102-234. Upon the written agreement by the United States Department of Health and Human Services to maintain the confidentiality of the data, the commissioner may provide records and information collected under Minnesota Statutes 2010, sections 295.50 to 295.59 to the Centers for Medicare and Medicaid Services section of the United States Department of Health and Human Services for purposes of meeting federal reporting requirements.

(g) The commissioner may provide records and information to the commissioner of human services as necessary to administer the early refund of refundable tax credits.

(h) The commissioner may disclose information to the commissioner of human services necessary to verify income for eligibility and premium payment under the MinnesotaCare program, under section 256L.05, subdivision 2.

(i) The commissioner may disclose information to the commissioner of human services necessary to verify whether applicants or recipients for the Minnesota family investment program, general assistance, food support, Minnesota supplemental aid

program, and child care assistance have claimed refundable tax credits under chapter 290 and the property tax refund under chapter 290A, and the amounts of the credits.

(j) The commissioner may disclose information to the commissioner of human services necessary to verify income for purposes of calculating parental contribution amounts under section 252.27, subdivision 2a.

EFFECTIVE DATE. This section is effective for gross revenues received after June 30, 2011.

Sec. 7. **REPEALER.**

Minnesota Statutes 2010, sections 13.4967, subdivision 3; 295.50, subdivisions 1, 1a, 2, 2a, 3, 4, 6, 6a, 7, 9b, 9c, 10a, 10b, 12b, 13, 14, and 15; 295.51, subdivisions 1 and 1a; 295.52, subdivisions 1, 1a, 2, 3, 4, 4a, 5, 6, and 7; 295.53, subdivisions 1, 2, 3, and 4a; 295.54; 295.55; 295.56; 295.57; 295.58; 295.581; 295.582; and 295.59, are repealed.

EFFECTIVE DATE. This section is effective for gross revenues received after June 30, 2011.