

S.F. No. 1145, as introduced - 87th Legislative Session (2011-2012) [11-2629]

2.1 (b) ~~For providers other than health maintenance organizations,~~ Participation in the
2.2 medical assistance program means that:

2.3 (1) the provider accepts new medical assistance, general assistance medical care,
2.4 and MinnesotaCare patients;

2.5 (2) for providers other than dental service providers, at least 20 percent of the
2.6 provider's patients are covered by medical assistance, general assistance medical care,
2.7 and MinnesotaCare as their primary source of coverage; or

2.8 (3) for dental service providers, at least ten percent of the provider's patients are
2.9 covered by medical assistance, general assistance medical care, and MinnesotaCare as
2.10 their primary source of coverage, or the provider accepts new medical assistance and
2.11 MinnesotaCare patients who are children with special health care needs. For purposes
2.12 of this section, "children with special health care needs" means children up to age 18
2.13 who: (i) require health and related services beyond that required by children generally;
2.14 and (ii) have or are at risk for a chronic physical, developmental, behavioral, or emotional
2.15 condition, including: bleeding and coagulation disorders; immunodeficiency disorders;
2.16 cancer; endocrinopathy; developmental disabilities; epilepsy, cerebral palsy, and other
2.17 neurological diseases; visual impairment or deafness; Down syndrome and other genetic
2.18 disorders; autism; fetal alcohol syndrome; and other conditions designated by the
2.19 commissioner after consultation with representatives of pediatric dental providers and
2.20 consumers.

2.21 (c) Patients seen on a volunteer basis by the provider at a location other than
2.22 the provider's usual place of practice may be considered in meeting the participation
2.23 requirement in this section. The commissioner shall establish participation requirements
2.24 for health maintenance organizations. The commissioner shall provide lists of participating
2.25 medical assistance providers on a quarterly basis to the commissioner of management and
2.26 budget, the commissioner of labor and industry, and the commissioner of commerce. Each
2.27 of the commissioners shall develop and implement procedures to exclude as participating
2.28 providers in the program or programs under their jurisdiction those providers who do
2.29 not participate in the medical assistance program. The commissioner of management
2.30 and budget shall implement this section through contracts with participating health and
2.31 dental carriers.

2.32 (d) For purposes of paragraphs (a) and (b), participation in the general assistance
2.33 medical care program applies only to pharmacy providers.

2.34 **EFFECTIVE DATE.** This section is effective for medical assistance, general
2.35 assistance medical care, and MinnesotaCare plan years beginning on or after January
2.36 1, 2012.

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3.1 Sec. 2. Minnesota Statutes 2010, section 256B.69, subdivision 2, is amended to read:

3.2 Subd. 2. **Definitions.** For the purposes of this section, the following terms have
3.3 the meanings given.

3.4 (a) "Commissioner" means the commissioner of human services. For the
3.5 remainder of this section, the commissioner's responsibilities for methods and policies
3.6 for implementing the project will be proposed by the project advisory committees and
3.7 approved by the commissioner.

3.8 (b) "Demonstration provider" means a health maintenance organization, community
3.9 integrated service network, ~~or~~ accountable provider network authorized and operating
3.10 under chapter 62D, 62N, or 62T, or vendor of risk management services as defined in
3.11 section 60A.23, subdivision 8, that participates in the demonstration project according
3.12 to criteria, standards, methods, and other requirements established for the project and
3.13 approved by the commissioner. For purposes of this section, a county board, or group of
3.14 county boards operating under a joint powers agreement, is considered a demonstration
3.15 provider if the county or group of county boards meets the requirements of section
3.16 256B.692. Notwithstanding the above, Itasca County may continue to participate as a
3.17 demonstration provider until July 1, 2004.

3.18 (c) "Eligible individuals" means those persons eligible for medical assistance
3.19 benefits as defined in sections 256B.055, 256B.056, and 256B.06.

3.20 (d) "Limitation of choice" means suspending freedom of choice while allowing
3.21 eligible individuals to choose among the demonstration providers.

3.22 **EFFECTIVE DATE.** This section is effective for demonstration project years
3.23 beginning on or after January 1, 2012.

3.24 Sec. 3. Minnesota Statutes 2010, section 256B.69, subdivision 5, is amended to read:

3.25 Subd. 5. **Prospective per capita payment.** The commissioner shall establish the
3.26 method and amount of payments for services. The commissioner shall annually contract
3.27 with demonstration providers to provide services consistent with these established
3.28 methods and amounts for payment. The commissioner shall enter into contracts with one
3.29 or more demonstration providers on the basis of a request for proposal process as defined
3.30 in section 16C.02, subdivision 12. The commissioner need not enter into a contract with
3.31 each entity that submits a proposal.

3.32 If allowed by the commissioner, a demonstration provider may contract with
3.33 an insurer, health care provider, nonprofit health service plan corporation, or the
3.34 commissioner, to provide insurance or similar protection against the cost of care provided
3.35 by the demonstration provider or to provide coverage against the risks incurred by

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4.1 demonstration providers under this section. The recipients enrolled with a demonstration
4.2 provider are a permissible group under group insurance laws and chapter 62C, the
4.3 Nonprofit Health Service Plan Corporations Act. Under this type of contract, the insurer
4.4 or corporation may make benefit payments to a demonstration provider for services
4.5 rendered or to be rendered to a recipient. Any insurer or nonprofit health service plan
4.6 corporation licensed to do business in this state is authorized to provide this insurance or
4.7 similar protection.

4.8 Payments to providers participating in the project are exempt from the requirements
4.9 of sections 256.966 and 256B.03, subdivision 2. The commissioner shall complete
4.10 development of capitation rates for payments before delivery of services under this section
4.11 is begun. For payments made during calendar year 1990 and later years, the commissioner
4.12 shall contract with an independent actuary to establish prepayment rates.

4.13 By January 15, 1996, the commissioner shall report to the legislature on the
4.14 methodology used to allocate to participating counties available administrative
4.15 reimbursement for advocacy and enrollment costs. The report shall reflect the
4.16 commissioner's judgment as to the adequacy of the funds made available and of the
4.17 methodology for equitable distribution of the funds. The commissioner must involve
4.18 participating counties in the development of the report.

4.19 Beginning July 1, 2004, the commissioner may include payments for elderly waiver
4.20 services and 180 days of nursing home care in capitation payments for the prepaid medical
4.21 assistance program for recipients age 65 and older. Payments for elderly waiver services
4.22 shall be made no earlier than the month following the month in which services were
4.23 received.

4.24 **EFFECTIVE DATE.** This section is effective for demonstration project years
4.25 beginning on or after January 1, 2012.

4.26 Sec. 4. **REPEALER; MANDATORY HMO PARTICIPATION AS PROVIDER IN**
4.27 **PUBLIC PROGRAMS.**

4.28 Minnesota Statutes 2010, section 62D.04, subdivision 5, is repealed effective
4.29 January 1, 2012.