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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 1139

02/15/2021 Authored by Liebling
The bill was read for the first time and referred to the Committee on Health Finance and Policy

1.1 A bill for an act
1.2 relating to health care; requiring the commissioner of human services to determine
1.3 payback amounts from managed care plans and county-based purchasing plans.

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

1.5 Section 1. CAPITATION PAYMENT PAYBACK.

1.6 (a) The commissioner of human services shall determine the total amount paid by the
1.7 Department of Human Services for fee-for-service claims for services covered under
1.8 Minnesota Statutes, section 256B.0625, provided in calendar year 2019 and the amount
1.9 paid for claims for services provided in calendar year 2020. After adjusting for factors other
1.10 than utilization, the commissioner shall determine the difference in spending as a percentage
1.11 between the total amount paid in 2019 and 2020.

1.12 (b) If the difference in the amount paid out in calendar year 2020 was less than calendar
1.13 year 2019 as determined in paragraph (a), the commissioner shall require each managed
1.14 care plan and county-based purchasing plan that was under contract with the commissioner
1.15 to provide services under Minnesota Statutes, section 256B.69, in calendar year 2020 to
1.16 pay to the commissioner an amount equal to the percentage decrease from calendar year
1.17 2019 to calendar year 2020, if that amount is greater than the amount the managed care plan
1.18 or county-based purchasing plan is already required to pay based on the medical loss ratio
1.19 requirement as specified in the plan's contract with the commissioner.

1.20 (c) The commissioner shall inform each managed care plan and county-based purchasing
1.21 plan of the amount that the plan is required to pay to the commissioner under paragraph (b)
1.22 by July 1, 2021. The amount owed must be paid to the commissioner by October 1, 2021.
1.23 If the plan disputes the amount specified by the commissioner, the plan must notify the

- 2.1 commissioner by August 1, 2021, in the manner and using forms specified by the  
2.2 commissioner. The plan must submit data satisfactory to the commissioner that demonstrates  
2.3 that the amount assessed to the plan by the commissioner is incorrect. The commissioner  
2.4 shall make a decision concerning the dispute within 60 days. If the commissioner determines  
2.5 that the plan has satisfactorily demonstrated that the amount specified by the commissioner  
2.6 to be paid by the plan is incorrect, the commissioner shall adjust the amount accordingly.
- 2.7 (d) Any amount collected by the commissioner shall be deposited to the general fund.