

CHAPTER 256L

MINNESOTACARE

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256L.02 PROGRAM ADMINISTRATION.

[For text of subds 1 and 2, see M.S.2000]

Subd. 3. **Financial management.** (a) The commissioner shall manage spending for the MinnesotaCare program in a manner that maintains a minimum reserve. As part of each state revenue and expenditure forecast, the commissioner must make an assessment of the expected expenditures for the covered services for the remainder of the current biennium and for the following biennium. The estimated expenditure, including the reserve, shall be compared to an estimate of the revenues that will be available in the health care access fund. Based on this comparison, and after consulting with the chairs of the house ways and means committee and the senate finance committee, and the legislative commission on health care access, the commissioner shall, as necessary, make the adjustments specified in paragraph (b) to ensure that expenditures remain within the limits of available revenues for the remainder of the current biennium and for the following biennium. The commissioner shall not hire additional staff using appropriations from the health care access fund until the commissioner of finance makes a determination that the adjustments implemented under paragraph (b) are sufficient to allow MinnesotaCare expenditures to remain within the limits of available revenues for the remainder of the current biennium and for the following biennium.

(b) The adjustments the commissioner shall use must be implemented in this order: first, stop enrollment of single adults and households without children; second, upon 45 days' notice, stop coverage of single adults and households without children already enrolled in the MinnesotaCare program; third, upon 90 days' notice, decrease the premium subsidy amounts by ten percent for families with gross annual income above 200 percent of the federal poverty guidelines; fourth, upon 90 days' notice, decrease the premium subsidy amounts by ten percent for families with gross annual income at or below 200 percent; and fifth, require applicants to be uninsured for at least six months prior to eligibility in the MinnesotaCare program. If these measures are insufficient to limit the expenditures to the estimated amount of revenue, the commissioner shall further limit enrollment or decrease premium subsidies.

[For text of subd 4, see M.S.2000]

History: 1Sp2001 c 5 art 14 s 1

NOTE: Subdivision 4 is repealed by Laws 2001, First Special Session chapter 9, article 2, section 76, effective January 1, 2003.

256L.03 COVERED HEALTH SERVICES.

[For text of subds 1 to 5, see M.S.2000]

Subd. 5a. **Co-payments for certain children.** Effective July 1, 2002, through June 30, 2006, the MinnesotaCare benefit plan for children enrolled in MinnesotaCare who, in accordance with section 256L.15, subdivision 1, paragraph (c), opt not to pay a premium shall include a \$5 co-payment for nonpreventive physician services, chiropractic services, and hospital outpatient services as determined by the commissioner.

[For text of subd 6, see M.S.2000]

History: 1Sp2001 c 9 art 2 s 60

NOTE: Subdivision 5a, as added by Laws 2001, First Special Session chapter 9, article 2, section 60, is effective July 1, 2002. Laws 2001, First Special Session chapter 9, article 2, section 60, the effective date.

256L.05 APPLICATION PROCEDURES.

[For text of subds 1 and 1a, see M.S.2000]

Subd. 2. **Commissioner's duties.** The commissioner or county agency shall use electronic verification as the primary method of income verification. If there is a discrepancy between reported income and electronically verified income, an individual may be required to submit additional verification. In addition, the commissioner shall perform random audits to verify reported income and eligibility. The commissioner may execute data sharing arrangements with the department of revenue and any other governmental agency in order to perform income verification related to eligibility and premium payment under the MinnesotaCare program.

[For text of subds 3 to 5, see M.S.2000]

History: 1Sp2001 c 9 art 2 s 61

256L.06 PREMIUM FEES AND PAYMENTS.

Subd. 3. **Administration and commissioner's duties.** (a) Premiums are dedicated to the commissioner for MinnesotaCare.

(b) The commissioner shall develop and implement procedures to: (1) require enrollees to report changes in income; (2) adjust sliding scale premium payments, based upon changes in enrollee income; and (3) disenroll enrollees from MinnesotaCare for failure to pay required premiums. Failure to pay includes payment with a dishonored check, a returned automatic bank withdrawal, or a refused credit card or debit card payment. The commissioner may demand a guaranteed form of payment, including a cashier's check or a money order, as the only means to replace a dishonored, returned, or refused payment.

(c) Premiums are calculated on a calendar month basis and may be paid on a monthly, quarterly, or annual basis, with the first payment due upon notice from the commissioner of the premium amount required. The commissioner shall inform applicants and enrollees of these premium payment options. Premium payment is required before enrollment is complete and to maintain eligibility in MinnesotaCare.

(d) Nonpayment of the premium will result in disenrollment from the plan effective for the calendar month for which the premium was due. Persons disenrolled for nonpayment or who voluntarily terminate coverage from the program may not reenroll until four calendar months have elapsed. Persons disenrolled for nonpayment who pay all past due premiums as well as current premiums due, including premiums due for the period of disenrollment, within 20 days of disenrollment, shall be reenrolled retroactively to the first day of disenrollment. Persons disenrolled for nonpayment or who voluntarily terminate coverage from the program may not reenroll for four calendar months unless the person demonstrates good cause for nonpayment. Good cause does not exist if a person chooses to pay other family expenses instead of the premium. The commissioner shall define good cause in rule.

History: 1Sp2001 c 9 art 2 s 62

NOTE: The amendment to subdivision 3 by Laws 2001, First Special Session chapter 9, article 2, section 62, is effective July 1, 2002. Laws 2001, First Special Session chapter 9, article 2, section 62, the effective date.

256L.07 ELIGIBILITY FOR MINNESOTACARE.

[For text of subd 1, see M.S.2000]

Subd. 2. **Must not have access to employer-subsidized coverage.** (a) To be eligible, a family or individual must not have access to subsidized health coverage through an employer and must not have had access to employer-subsidized coverage through a current employer for 18 months prior to application or reapplication. A family or individual whose employer-subsidized coverage is lost due to an employer terminating

health care coverage as an employee benefit during the previous 18 months is not eligible.

(b) This subdivision does not apply to a family or individual who was enrolled in MinnesotaCare within six months or less of reapplication and who no longer has employer-subsidized coverage due to the employer terminating health care coverage as an employee benefit.

(c) For purposes of this requirement, subsidized health coverage means health coverage for which the employer pays at least 50 percent of the cost of coverage for the employee or dependent, or a higher percentage as specified by the commissioner. Children are eligible for employer-subsidized coverage through either parent, including the noncustodial parent. The commissioner must treat employer contributions to Internal Revenue Code Section 125 plans and any other employer benefits intended to pay health care costs as qualified employer subsidies toward the cost of health coverage for employees for purposes of this subdivision.

[For text of subds 3 and 4, see M.S.2000]

History: *1Sp2001 c 9 art 2 s 63*

NOTE: The amendment to subdivision 2 by Laws 2001, First Special Session chapter 9, article 2, section 63, is effective July 1, 2001, or upon receipt of federal approval, whichever is later. Laws 2001, First Special Session chapter 9, article 2, section 63, the effective date.

256L.12 MANAGED CARE.

[For text of subds 1 to 10, see M.S.2000]

Subd. 11. **Coverage at Indian health service facilities.** For American Indian enrollees of MinnesotaCare, MinnesotaCare shall cover health care services provided at Indian health service facilities and facilities operated by a tribe or tribal organization under funding authorized by United States Code, title 25, sections 450f to 450n, or title III of the Indian Self-Determination and Education Act, Public Law Number 93-638, if those services would otherwise be covered under section 256L.03. Payments for services provided under this subdivision shall be made on a fee-for-service basis, and may, at the option of the tribe or organization, be made at the rates authorized under sections 256.969, subdivision 16, and 256B.0625, subdivision 34, for those MinnesotaCare enrollees eligible for coverage at medical assistance rates. For purposes of this subdivision, "American Indian" has the meaning given to persons to whom services will be provided for in Code of Federal Regulations, title 42, section 36.12.

History: *1Sp2001 c 9 art 2 s 64*

256L.15 PREMIUMS.

Subdivision 1. **Premium determination.** (a) Families with children and individuals shall pay a premium determined according to a sliding fee based on a percentage of the family's gross family income.

(b) Pregnant women and children under age two are exempt from the provisions of section 256L.06, subdivision 3, paragraph (b), clause (3), requiring disenrollment for failure to pay premiums. For pregnant women, this exemption continues until the first day of the month following the 60th day postpartum. Women who remain enrolled during pregnancy or the postpartum period, despite nonpayment of premiums, shall be disenrolled on the first of the month following the 60th day postpartum for the penalty period that otherwise applies under section 256L.06, unless they begin paying premiums.

(c) Effective July 1, 2002, through June 30, 2006, at their option, children with gross family income at or below 217 percent of the federal poverty guidelines who are eligible for MinnesotaCare in the first month following termination from medical assistance shall not pay a premium for 12 months.

Subd. 1a. **Payment options.** The commissioner may offer the following payment options to an enrollee:

- (1) payment by check;
- (2) payment by credit card;
- (3) payment by recurring automatic checking withdrawal;
- (4) payment by one-time electronic transfer of funds;
- (5) payment by wage withholding with the consent of the employer and the employee; or
- (6) payment by using state tax refund payments.

At application or reapplication, a MinnesotaCare applicant or enrollee may authorize the commissioner to use the Revenue Recapture Act in chapter 270A to collect funds from the applicant's or enrollee's refund for the purposes of meeting all or part of the applicant's or enrollee's MinnesotaCare premium obligation. The applicant or enrollee may authorize the commissioner to apply for the state working family tax credit on behalf of the applicant or enrollee. The setoff due under this subdivision shall not be subject to the \$10 fee under section 270A.07, subdivision 1.

[For text of subs 1b to 3, see M.S.2000]

History: 2001 c 203 s 16; 1Sp2001 c 9 art 2 s 65

NOTE: The amendment to subdivision 1 by Laws 2001, First Special Session chapter 9, article 2, section 65, is effective July 1, 2002. Laws 2001, First Special Session chapter 9, article 2, section 65, the effective date.

256L.16 PAYMENT RATES; SERVICES FOR FAMILIES AND CHILDREN UNDER THE MINNESOTACARE HEALTH CARE REFORM WAIVER.

Section 256L.11, subdivision 2, shall not apply to services provided to families with children who are eligible according to section 256L.04, subdivision 1, paragraph (a).

History: 1Sp2001 c 9 art 2 s 66

256L.17 ASSET REQUIREMENT FOR MINNESOTACARE.

[For text of subd 1, see M.S.2000]

Subd. 2. Limit on total assets. (a) Effective July 1, 2002, or upon federal approval, whichever is later, in order to be eligible for the MinnesotaCare program, a household of two or more persons must not own more than \$30,000 in total net assets, and a household of one person must not own more than \$15,000 in total net assets.

(b) For purposes of this subdivision, assets are determined according to section 256B.056, subdivision 3c.

[For text of subs 3 to 6, see M.S.2000]

History: 1Sp2001 c 9 art 2 s 67