

SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION

S.F. No. 720

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DATE	D-PG	OFFICIAL STATUS
01/31/2019		Introduction and first reading Referred to Health and Human Services Finance and Policy

1.1 A bill for an act

1.2 relating to health care; creating a MinnesotaCare Buy-In Option for individuals

1.3 with income greater than 400 percent of the federal poverty guidelines; proposing

1.4 coding for new law in Minnesota Statutes, chapter 256L.

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

1.6 Section 1. **[256L.29] MINNESOTACARE BUY-IN OPTION.**

1.7 Subdivision 1. **Request for federal authority.** (a) The commissioner of human services

1.8 shall seek all necessary federal waivers to establish the MinnesotaCare Buy-In Option under

1.9 this section.

1.10 (b) The commissioner shall also seek all necessary federal waivers to:

1.11 (1) offer the MinnesotaCare Buy-In Option through the MNsure website as a coverage

1.12 option and to be compared with qualified health plans offered through the MNsure website;

1.13 and

1.14 (2) maintain MinnesotaCare program requirements and funding mechanisms that provide

1.15 coverage to persons eligible under section 256L.04.

1.16 (c) The commissioner is exempt from the requirements in chapter 16C to contract for

1.17 actuarial services that satisfy the waiver submission requirements under this subdivision.

1.18 The commissioner may utilize existing contracts to satisfy the waiver submission

1.19 requirements of this subdivision.

1.20 Subd. 2. **Administration.** (a) The commissioner shall:

2.1 (1) coordinate administration of the MinnesotaCare Buy-In Option with the
2.2 MinnesotaCare program, as described in section 256L.04, to maximize efficiency and
2.3 improve continuity of care for enrollees;

2.4 (2) implement mechanisms to ensure the long-term financial sustainability of
2.5 MinnesotaCare and mitigate any adverse financial impacts to the state and MNsure and
2.6 mitigate any adverse financial impacts to the individual and group insurance markets. These
2.7 mechanisms must minimize adverse selection, state financial risk and contribution, and
2.8 negative impacts to premiums in the individual and group health insurance markets; and

2.9 (3) establish a cost allocation methodology to reimburse MNsure operations in lieu of
2.10 the premium withhold for qualified health plans under section 62V.05.

2.11 (b) An individual who is determined eligible for enrollment in a qualified health plan
2.12 according to Code of Federal Regulations, title 45, section 155.305, paragraph (a), and
2.13 whose income is greater than 400 percent of the federal poverty guidelines is eligible to
2.14 purchase and enroll in a MinnesotaCare Buy-In Option health plan.

2.15 (c) The MinnesotaCare Buy-In Option shall be considered the MinnesotaCare program
2.16 for purposes of the requirements for health maintenance organizations under section 62D.04,
2.17 subdivision 5, and providers under section 256B.0644.

2.18 (d) The commissioner has the authority to accept and expend all enrollee premiums and
2.19 federal funds made available under this section upon federal approval.

2.20 Subd. 3. **Establishment of health plans.** (a) The commissioner shall establish two
2.21 MinnesotaCare Buy-In Option health plans: one health plan shall provide benefits that are
2.22 actuarially equivalent to 70 percent of the full actuarial value of the benefits provided under
2.23 the health plan, and one health plan shall provide benefits that are actuarially equivalent to
2.24 80 percent of the full actuarial value of the benefits provided under the health plan. The
2.25 benefits of the health plans shall be based on the benefits provided in section 256L.03.

2.26 (b) The same annual open and special enrollment periods established for individual
2.27 health plans under section 62K.15 shall apply to enrolling in the MinnesotaCare Buy-In
2.28 Option health plans. The MinnesotaCare Buy-In Option health plans shall be offered through
2.29 the MNsure website as defined in section 62V.02, subdivision 13, and may be offered outside
2.30 of MNsure.

2.31 (c) The commissioner may contract with vendors to provide services consistent with
2.32 sections 256L.12 and 256L.121, or contract directly with health care providers.

3.1 Subd. 4. **Premium administration and payment.** The commissioner shall establish an
3.2 annual per-enrollee premium rate sufficient to cover state administrative costs and payments
3.3 by the state to participating entities under sections 256L.12 and 256L.121, or to health care
3.4 providers.

3.5 **EFFECTIVE DATE.** Health plans established under this section shall be offered
3.6 beginning January 1, 2021, or upon federal approval, whichever is later. The commissioner
3.7 of human services shall notify the revisor of statutes when federal approval is obtained.