

SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 2265

(SENATE AUTHORS: WIKLUND)

DATE
03/01/2023

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Introduction and first reading
Referred to Health and Human Services

OFFICIAL STATUS

1.1 A bill for an act

1.2 relating to human services; establishing procedures for the commissioner of human

1.3 services related to the transition from the public health emergency; providing

1.4 continuous medical assistance eligibility for children; establishing a state-funded

1.5 cost-sharing reduction program; appropriating money; amending Minnesota Statutes

1.6 2022, section 256B.056, subdivision 7; Laws 2020, First Special Session chapter

1.7 7, section 1, subdivision 1, as amended; Laws 2021, First Special Session chapter

1.8 7, article 1, section 36; proposing coding for new law in Minnesota Statutes, chapter

1.9 62V.

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

1.11 Section 1. **[62V.12] STATE-FUNDED COST-SHARING REDUCTIONS.**

1.12 Subdivision 1. **Establishment.** (a) The board must develop and administer a state-funded

1.13 cost-sharing reduction program for eligible persons who enroll in a silver-level qualified

1.14 health plan through MNsure. The board must implement the program for plan years beginning

1.15 on or after January 1, 2024.

1.16 (b) For purposes of this section, an "eligible person" is an individual who meets the

1.17 eligibility criteria to receive a cost-sharing reduction under Code of Federal Regulations,

1.18 title 45, section 155.305(g).

1.19 Subd. 2. **Reduction in cost-sharing.** The program must use state funds to reduce enrollee

1.20 cost-sharing by increasing the actuarial value of silver plans for eligible persons beyond the

1.21 73 percent value established in Code of Federal Regulations, title 45, section

1.22 156.420(a)(3)(ii), to an actuarial value of 87 percent. This increase in actuarial value is in

1.23 addition to the increase in actuarial value required under federal cost-sharing reductions.

1.24 Subd. 3. **Administration.** The board, when administering the program, must:

2.1 (1) allow eligible persons to enroll in a silver-level plan with a state-funded cost-sharing
 2.2 reduction;

2.3 (2) modify the MNsure shopping tool to display the total cost-sharing reduction benefit
 2.4 available to individuals eligible under this section; and

2.5 (3) reimburse health carriers on a quarterly basis for the cost to the health carrier of
 2.6 providing the state-funded cost-sharing reductions.

2.7 Sec. 2. Minnesota Statutes 2022, section 256B.056, subdivision 7, is amended to read:

2.8 Subd. 7. **Period of eligibility.** (a) Eligibility is available for the month of application
 2.9 and for three months prior to application if the person was eligible in those prior months.
 2.10 A redetermination of eligibility must occur every 12 months.

2.11 (b) Notwithstanding any other law to the contrary:

2.12 (1) a child six years of age and older but under 21 years of age who is determined eligible
 2.13 for medical assistance must remain eligible for a period of 12 months; and

2.14 (2) a child under six years of age who is determined eligible for medical assistance must
 2.15 remain eligible through the month in which the child reaches six years of age.

2.16 (c) A child's eligibility under paragraph (b) may be terminated earlier if:

2.17 (1) the child or the child's representative requests voluntary termination of eligibility;

2.18 (2) the child ceases to be a resident of this state;

2.19 (3) the child dies; or

2.20 (4) the agency determines eligibility was erroneously granted at the most recent eligibility
 2.21 determination due to agency error or fraud, abuse, or perjury attributed to the child or the
 2.22 child's representative.

2.23 ~~(b)~~ (d) For a person eligible for an insurance affordability program as defined in section
 2.24 256B.02, subdivision 19, who reports a change that makes the person eligible for medical
 2.25 assistance, eligibility is available for the month the change was reported and for three months
 2.26 prior to the month the change was reported, if the person was eligible in those prior months.

2.27 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,
 2.28 whichever is later. The commissioner of human services shall notify the revisor of statutes
 2.29 when federal approval is obtained.

3.1 Sec. 3. Laws 2020, First Special Session chapter 7, section 1, subdivision 1, as amended
3.2 by Laws 2021, First Special Session chapter 7, article 2, section 71, and Laws 2022, chapter
3.3 98, article 4, section 49, is amended to read:

3.4 Subdivision 1. **Waivers and modifications; federal funding extension.** When the
3.5 peacetime emergency declared by the governor in response to the COVID-19 outbreak
3.6 expires, is terminated, or is rescinded by the proper authority, the following waivers and
3.7 modifications to human services programs issued by the commissioner of human services
3.8 pursuant to Executive Orders 20-11 and 20-12 may remain in effect for the time period set
3.9 out in applicable federal law or, for the time period set out in any applicable federally
3.10 approved waiver or state plan amendment, or as provided in this subdivision, whichever is
3.11 later:

3.12 (1) CV15: allowing telephone or video visits for waiver programs;

3.13 (2) CV17: preserving health care coverage for Medical Assistance and MinnesotaCare
3.14 as needed to comply with federal guidance from the Centers for Medicare and Medicaid
3.15 Services, and until the enrollee's first renewal following the resumption of medical assistance
3.16 and MinnesotaCare renewals after March 31, 2023;

3.17 (3) CV18: implementation of federal changes to the Supplemental Nutrition Assistance
3.18 Program;

3.19 (4) CV20: eliminating cost-sharing for COVID-19 diagnosis and treatment;

3.20 (5) CV24: allowing telephone or video use for targeted case management visits;

3.21 (6) CV30: expanding telemedicine in health care, mental health, and substance use
3.22 disorder settings;

3.23 (7) CV37: implementation of federal changes to the Supplemental Nutrition Assistance
3.24 Program;

3.25 (8) CV39: implementation of federal changes to the Supplemental Nutrition Assistance
3.26 Program;

3.27 (9) CV42: implementation of federal changes to the Supplemental Nutrition Assistance
3.28 Program;

3.29 (10) CV43: expanding remote home and community-based waiver services;

3.30 (11) CV44: allowing remote delivery of adult day services;

3.31 (12) CV59: modifying eligibility period for the federally funded Refugee Cash Assistance
3.32 Program;

4.1 (13) CV60: modifying eligibility period for the federally funded Refugee Social Services
4.2 Program; and

4.3 (14) CV109: providing 15 percent increase for Minnesota Food Assistance Program and
4.4 Minnesota Family Investment Program maximum food benefits.

4.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

4.6 Sec. 4. Laws 2021, First Special Session chapter 7, article 1, section 36, is amended to
4.7 read:

4.8 **Sec. 36. RESPONSE TO COVID-19 PUBLIC HEALTH EMERGENCY.**

4.9 (a) Notwithstanding Minnesota Statutes, section 256B.057, subdivision 9, ~~256L.06,~~
4.10 ~~subdivision 3,~~ or any other provision to the contrary, the commissioner shall not collect any
4.11 unpaid premium for a coverage month that occurred during the COVID-19 public health
4.12 emergency declared by the United States Secretary of Health and Human Services and
4.13 through the month prior to an enrollee's first renewal following the resumption of medical
4.14 assistance renewals after March 31, 2023.

4.15 (b) Notwithstanding any provision to the contrary, periodic data matching under
4.16 Minnesota Statutes, section 256B.0561, subdivision 2, may be suspended for up to ~~six~~ 12
4.17 ~~months following the last day of the COVID-19 public health emergency declared by the~~
4.18 ~~United States Secretary of Health and Human Services~~ resumption of medical assistance
4.19 and MinnesotaCare renewals after March 31, 2023.

4.20 (c) Notwithstanding any provision to the contrary, the requirement for the commissioner
4.21 of human services to issue an annual report on periodic data matching under Minnesota
4.22 Statutes, section 256B.0561, is suspended for one year following the last day of the
4.23 COVID-19 public health emergency declared by the United States Secretary of Health and
4.24 Human Services.

4.25 (d) For individuals enrolled in medical assistance as of March 31, 2023, who are subject
4.26 to the asset limits established by Minnesota Statutes, section 256B.056, subdivision 3,
4.27 paragraph (a), assets in excess of the limits established by Minnesota Statutes, section
4.28 256B.056, subdivision 3, paragraph (a), must be disregarded until the individual's second
4.29 annual renewal occurring following the resumption of renewals after March 31, 2023.

4.30 (e) The commissioner may temporarily adjust medical assistance eligibility verification
4.31 requirements as needed to comply with federal guidance and ensure a timely renewal process
4.32 for the period during which enrollees are subject to their first annual renewal following

5.1 March 31, 2023. The commissioner must implement sufficient controls to monitor the
5.2 effectiveness of verification adjustments and ensure program integrity.

5.3 (f) Notwithstanding any provision to the contrary, the commissioner of human services
5.4 may temporarily extend the time frame permitted to take final administrative action on fair
5.5 hearing requests from medical assistance recipients under Minnesota Statutes, section
5.6 256.045, until the end of the 23rd month after the end of the month in which the public
5.7 health emergency for COVID-19, as declared by the United States Secretary of Health and
5.8 Human Services, ends. During this period, the commissioner must:

5.9 (1) not delay resolving expedited fair hearings described in Code of Federal Regulations,
5.10 title 42, chapter IV, subchapter C, part 431, subpart E, section 431.224, paragraph (a);

5.11 (2) provide medical assistance benefits, pending the outcome of a fair hearing decision,
5.12 to any medical assistance recipient who requests a fair hearing within the time provided
5.13 under Minnesota Statutes, section 256.045, subdivision 3, paragraph (i), and regardless of
5.14 whether the recipient has requested benefits pending the outcome of the recipient's fair
5.15 hearing;

5.16 (3) reinstate medical assistance benefits back to the date of action, if the recipient requests
5.17 a fair hearing after the date of action and within the time provided under Minnesota Statutes,
5.18 section 256.045, subdivision 3, paragraph (i);

5.19 (4) take final administrative action within the maximum 90 days permitted under Code
5.20 of Federal Regulations, title 42, chapter IV, subchapter C, part 431, subpart E, section
5.21 431.244, paragraph (f)(1), for fair hearing requests where medical assistance benefits cannot
5.22 be provided pending the outcome of the fair hearing, such as a fair hearing challenging a
5.23 denial of eligibility for an applicant;

5.24 (5) not recoup or recover from the recipient the cost of medical assistance benefits
5.25 provided pending final administrative action, even if the agency's action is sustained by the
5.26 hearing decision; and

5.27 (6) not use this authority as justification to delay taking final action, and only exceed
5.28 the 90 days permitted for taking final agency action under Code of Federal Regulations,
5.29 title 42, section 431.244, paragraph (f)(1), to the extent to which the commissioner is unable
5.30 to take timely final agency action on a given fair hearing request.

5.31 (g) Notwithstanding Minnesota Statutes, section 256L.06, subdivision 3; 256L.15,
5.32 subdivision 2, or any other provision to the contrary, the commissioner must not collect any

6.1 unpaid premium for a coverage month that occurred during the COVID-19 public health
6.2 emergency declared by the United States Secretary of Health and Human Services.

6.3 **EFFECTIVE DATE.** This section is effective the day following final enactment, or
6.4 upon federal approval, whichever is later. The commissioner of human services shall notify
6.5 the revisor of statutes when federal approval is obtained.

6.6 **Sec. 5. DEPARTMENT OF HUMAN SERVICES APPROPRIATIONS.**

6.7 Subdivision 1. **Central office; operations.** (a) \$6,859,000 in fiscal year 2024 and \$32,000
6.8 in fiscal year 2025 are appropriated from the general fund to the commissioner of human
6.9 services for the state share of technology systems costs related to changes in this act. The
6.10 general fund base for this appropriation is \$442,000 in fiscal year 2026 and \$442,000 in
6.11 fiscal year 2027.

6.12 (b) \$1,052,000 in fiscal year 2024 and \$865,000 in fiscal year 2025 are appropriated
6.13 from the general fund to the commissioner of human services for staffing costs related to
6.14 changes in this act. The general fund base for this appropriation is \$153,000 in fiscal year
6.15 2026 and \$153,000 in fiscal year 2027.

6.16 Subd. 2. **Central office; children and families.** \$1,000,000 in fiscal year 2024 and
6.17 \$1,000,000 in fiscal year 2025 are appropriated from the general fund to the commissioner
6.18 of human services for contract costs relating to children and families. The general fund base
6.19 for this appropriation is \$1,000,000 in fiscal year 2026 and \$1,000,000 in fiscal year 2027.

6.20 Subd. 3. **Central office; health care.** (a) \$10,439,000 in fiscal year 2024 and \$500,000
6.21 in fiscal year 2025 are appropriated from the general fund to the commissioner of human
6.22 services for contract costs relating to health care. The general fund base for this appropriation
6.23 is \$1,000,000 in fiscal year 2026 and \$1,000,000 in fiscal year 2027.

6.24 (b) \$6,158,000 in fiscal year 2024 and \$895,000 in fiscal year 2025 are appropriated
6.25 from the general fund to the commissioner of human services for health care staffing costs
6.26 related to changes in this act. The general fund base for this appropriation is \$461,000 in
6.27 fiscal year 2026 and \$461,000 in fiscal year 2027.

6.28 Subd. 4. **Central office; community supports.** \$183,000 in fiscal year 2024 is
6.29 appropriated from the general fund to the commissioner of human services for community
6.30 supports staffing costs related to changes in this act.

6.31 Subd. 5. **MinnesotaCare.** \$1,936,000 in fiscal year 2023 and \$1,064,000 in fiscal year
6.32 2024 are appropriated from the general fund to the commissioner of human services for the
6.33 MinnesotaCare program.

7.1 Subd. 6. **Medical assistance.** \$351,000 in fiscal year 2023, \$4,168,000 in fiscal year
7.2 2024, and \$18,016,000 in fiscal year 2025 are appropriated from the general fund to the
7.3 commissioner of human services for the medical assistance program. Any amount
7.4 unexpended in fiscal year 2023 carries over to fiscal year 2024.

7.5 Subd. 7. **Health care grants.** \$36,000,000 in fiscal year 2024 is appropriated from the
7.6 general fund to the commissioner of human services for grants to counties to assist with
7.7 unwinding the public health emergency.

7.8 Subd. 8. **Other health care grants.** \$5,000,000 in fiscal year 2024 is appropriated from
7.9 the general fund to the commissioner of human services for outreach efforts related to
7.10 unwinding the public health emergency.

7.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

7.12 Sec. 6. **MNSURE APPROPRIATIONS.**

7.13 \$16,006,000 in fiscal year 2024 and \$30,066,000 in fiscal year 2025 are appropriated
7.14 from the general fund to the Board of Directors of MNsure for cost-sharing reduction
7.15 subsidies. The general fund base for this appropriation is \$30,066,000 in fiscal year 2026
7.16 and \$30,066,000 in fiscal year 2027.