

1.1 A bill for an act

1.2 relating to human services; offering supplemental hospital coverage under the
1.3 MinnesotaCare program; amending Minnesota Statutes 2008, sections 256L.03,
1.4 subdivision 3, by adding a subdivision; 256L.12, subdivision 6; Minnesota
1.5 Statutes 2009 Supplement, section 256L.03, subdivision 5.

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

1.7 Section 1. Minnesota Statutes 2008, section 256L.03, subdivision 3, is amended to read:

1.8 Subd. 3. **Inpatient hospital services.** (a) Covered health services shall include
1.9 inpatient hospital services, including inpatient hospital mental health services and inpatient
1.10 hospital and residential chemical dependency treatment, subject to those limitations
1.11 necessary to coordinate the provision of these services with eligibility under the medical
1.12 assistance spenddown. The inpatient hospital benefit for adult enrollees who qualify under
1.13 section 256L.04, subdivision 7, or who qualify under section 256L.04, subdivisions 1 and
1.14 2, with family gross income that exceeds 200 percent of the federal poverty guidelines or
1.15 215 percent of the federal poverty guidelines on or after July 1, 2009, and who are not
1.16 pregnant, is subject to an annual limit of \$10,000, unless supplemental hospital coverage
1.17 has been purchased under subdivision 3b.

1.18 (b) Admissions for inpatient hospital services paid for under section 256L.11,
1.19 subdivision 3, must be certified as medically necessary in accordance with Minnesota
1.20 Rules, parts 9505.0500 to 9505.0540, except as provided in clauses (1) and (2):

1.21 (1) all admissions must be certified, except those authorized under rules established
1.22 under section 254A.03, subdivision 3, or approved under Medicare; and

1.23 (2) payment under section 256L.11, subdivision 3, shall be reduced by five percent
1.24 for admissions for which certification is requested more than 30 days after the day of

2.1 admission. The hospital may not seek payment from the enrollee for the amount of the
2.2 payment reduction under this clause.

2.3 EFFECTIVE DATE. This section is effective January 1, 2011, or upon federal
2.4 approval, whichever is later.

2.5 Sec. 2. Minnesota Statutes 2008, section 256L.03, is amended by adding a subdivision
2.6 to read:

2.7 Subd. 3b. Supplemental hospital coverage. (a) Effective January 1, 2011, or upon
2.8 federal approval, whichever is later, the commissioner shall offer all MinnesotaCare
2.9 applicants, and all enrollees during the open enrollment periods specified in paragraph
2.10 (b), the opportunity to purchase at full cost, supplemental hospital coverage to cover
2.11 inpatient hospital expenses in excess of the inpatient hospital annual limit established
2.12 under subdivision 3. Premiums for this coverage may vary only for age and shall be
2.13 collected by the commissioner using the procedures established for the sliding scale
2.14 premium determined under section 256L.15.

2.15 (b) The commissioner shall notify all persons submitting applications of the option
2.16 to purchase this coverage at the time of application. The commissioner shall provide
2.17 enrollees with the opportunity to purchase this supplemental coverage at renewal.

2.18 Sec. 3. Minnesota Statutes 2009 Supplement, section 256L.03, subdivision 5, is
2.19 amended to read:

2.20 Subd. 5. **Co-payments and coinsurance.** (a) Except as provided in paragraphs (b)
2.21 and (c), the MinnesotaCare benefit plan shall include the following co-payments and
2.22 coinsurance requirements for all enrollees:

2.23 (1) ten percent of the paid charges for inpatient hospital services for adult enrollees,
2.24 subject to an annual inpatient out-of-pocket maximum of \$1,000 per individual;

2.25 (2) \$3 per prescription for adult enrollees;

2.26 (3) \$25 for eyeglasses for adult enrollees;

2.27 (4) \$3 per nonpreventive visit. For purposes of this subdivision, a "visit" means an
2.28 episode of service which is required because of a recipient's symptoms, diagnosis, or
2.29 established illness, and which is delivered in an ambulatory setting by a physician or
2.30 physician ancillary, chiropractor, podiatrist, nurse midwife, advanced practice nurse,
2.31 audiologist, optician, or optometrist; and

2.32 (5) \$6 for nonemergency visits to a hospital-based emergency room.

2.33 (b) Paragraph (a), clause (1), does not apply to parents and relative caretakers of
2.34 children under the age of 21.

3.1 (c) Paragraph (a) does not apply to pregnant women and children under the age of 21.

3.2 (d) Paragraph (a), clause (4), does not apply to mental health services.

3.3 (e) Adult enrollees with family gross income that exceeds 200 percent of the federal
3.4 poverty guidelines or 215 percent of the federal poverty guidelines on or after July 1,
3.5 2009, and who are not pregnant shall be financially responsible for the coinsurance
3.6 amount, if applicable, and if supplemental hospital coverage has not been purchased under
3.7 subdivision 3b, amounts which exceed the \$10,000 inpatient hospital benefit limit.

3.8 (f) When a MinnesotaCare enrollee becomes a member of a prepaid health plan,
3.9 or changes from one prepaid health plan to another during a calendar year, any charges
3.10 submitted towards the \$10,000 annual inpatient benefit limit, and any out-of-pocket
3.11 expenses incurred by the enrollee for inpatient services, that were submitted or incurred
3.12 prior to enrollment, or prior to the change in health plans, shall be disregarded.

3.13 **EFFECTIVE DATE.** This section is effective January 1, 2011, or upon federal
3.14 approval, whichever is later.

3.15 Sec. 4. Minnesota Statutes 2008, section 256L.12, subdivision 6, is amended to read:

3.16 Subd. 6. **Co-payments and benefit limits.** Enrollees are responsible for all
3.17 co-payments in sections 256L.03, subdivision 5, and 256L.035, and shall pay co-payments
3.18 to the managed care plan or to its participating providers. The enrollee is also responsible
3.19 for payment of inpatient hospital charges which exceed the MinnesotaCare benefit limit,
3.20 unless supplemental hospital coverage has been purchased under subdivision 3b.

3.21 **EFFECTIVE DATE.** This section is effective January 1, 2011, or upon federal
3.22 approval, whichever is later.