

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 3097

DATE: March 9, 2006

Version: As introduced

Authors: Walker and others

Subject: Expansion of Fee-for-Service Health Care

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Overview

This bill eliminates prepaid health care delivery under MA, GAMC, and MinnesotaCare effective January 1, 2008, and also eliminates the use of prior authorization and utilization controls on that date.

Section

1 Expansion of fee-for-service health care delivery. Adds § 256.0135.

Subd. 1. Definitions. Defines terms. "State health care program" is defined as the MA, GAMC, and MinnesotaCare programs.

Subd. 2. Expansion of fee-for-service. Requires the commissioner of human services, beginning January 1, 2008, to deliver health care services to state health care program enrollees receiving services through a state managed care program as of December 31, 2007, through a fee-for-service system. Prohibits the commissioner from contracting with prepaid health plans to provide health care services to these enrollees after December 31, 2007.

Subd. 3. Elimination of prior authorization and utilization controls. Prohibits the commissioner, beginning January 1, 2008, from using prior authorization or other utilization controls when providing health care services under the fee-for-service system to state health care program enrollees. Provides that this prohibition does not apply to: (1) the coverage and provision of prescription drugs; (2) preadmission screening for nursing facility admission; and (3) utilization control activities required

Section

by federal law.

Subd. 4. Exemption for county-based purchasing. Exempts county-based purchasing projects from this section.

- 2 Recommendations on transition to expanded fee-for-service system.** Requires the commissioner of human services to present to the legislature, by December 15, 2006, recommendations and draft legislation for any changes in the operation of state health care programs necessary to comply with and implement section 1.
- 3 Revisor's instruction.** (a) Requires the revisor to prepare draft legislation for the 2007 legislature containing any additional repealers and conforming changes necessary to terminate health care delivery through state managed care programs and to eliminate the use of prior authorization and other utilization controls. Requires the draft legislation to repeal section 256D.03, subdivision 4, paragraph (c).
- (b) Requires the revisor to correct internal cross-references to sections that are repealed and to make other technical changes.
- 4 Repealer.** Repeals statutory provisions related to prepaid health care delivery under MA, GAMC, and MinnesotaCare, effective January 1, 2008.