

Subject Minnesota premium security plan
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Overview

This bill extends the Minnesota premium security plan (reinsurance) through the year 2027. It also makes a variety of changes to private and public health coverage and transfers and appropriates money. The bill also requires reports on service delivery and payment system models for MA and MinnesotaCare, and a public option for purchasing health coverage.

Summary

Section	Description
1	<p>Board of directors; organization. Amends § 62E.10, by adding subd. 1a.</p> <p>Changes the number and types of members of the board of directors of the Minnesota Comprehensive Health Association.</p>
2	<p>Operation. Amends § 62E.23, subd. 3.</p> <p>Sets payment parameters for 2023 to 2027 for the Minnesota premium security plan.</p> <p>Effective date. This section is effective upon federal approval of the continuation of the state innovation waiver.</p>
3	<p>Minimum levels. Amends § 62K.06, subd. 2.</p>

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Requires a health carrier that offers an individual catastrophic or bronze level health plan within a service area to also offer a platinum level health plan, in addition to a silver level and gold level health plan.

Effective date. This section is effective January 1, 2023, and applies to health plans offered, issued, or renewed on or after that date.

4 **Postnatal care.**

Adds § 62Q.521. (a) Defines “comprehensive postnatal visit.”

(b) Requires health plans to cover: a comprehensive postnatal visit not more than three weeks from the date of delivery; any postnatal visits recommended by a health care provider between three and 11 weeks from the date of delivery; and a comprehensive postnatal visit 12 weeks from the date of delivery.

(c) States that these requirements are separate from and cannot be met by a visit under § 62A.0411 (postdelivery care for certain maternity stays of less than a specified minimum duration).

Effective date. This section is effective January 1, 2023, and applies to health plans offered, issued, or renewed on or after that date.

5 **Prescription drug benefits.**

Amends § 62Q.81, by adding subd. 6.

(a) Requires that 25 percent of the individual health plans offered by an insurer apply a predeductible flat-dollar amount co-pay structure for prescription drugs.

(b) Requires that 25 percent of the small group health plans offered by an insurer apply a predeductible flat-dollar co-pay structure for prescription drugs.

(c) Limits the highest co-pay under this subdivision to 1/12 of the plan’s out-of-pocket maximum.

(d) Requires the co-pay structure for prescription drugs under this subdivision to be graduated and proportionate.

(e) Requires individual and small group health plans offered under this subdivision to be clearly named, marketed in the same way as other health plans, and offered for purchase to any individual or small group.

(f) Clarifies that this subdivision does not apply to catastrophic plans, grandfathered plans, large group health plans, health savings accounts (HSAs), qualified high

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deductible health benefit plans, limited health benefit plans, or short-term limited duration health insurance policies.

(g) Prohibits health plan companies and pharmacy benefit managers from delaying or dividing payment to a pharmacy or pharmacy provider, because of the copayment structure of a health plan offered pursuant to this subdivision.

(h) Requires health plans to meet the requirements of this subdivision separately for plans offered through MNsure under chapter 62V and plans offered outside of MNsure.

Effective date. This section is effective January 1, 2024, and applies to individual and small group health plans offered, issued, or renewed on or after that date.

6 Postnatal care.

Amends § 256B.0625, by adding subd. 3i. Provides MA coverage for comprehensive postnatal visits as defined in § 62Q.521.

Effective date. This section is effective January 1, 2023.

7 Cost-sharing.

Amends § 256L.03, subd. 5.

Requires MinnesotaCare to adjust cost-sharing for covered services to maintain an actuarial value of no less than 94 percent.

8 Minnesota premium security plan funding.

Amends Laws 2017, chapter 13, article 1, § 15, as further amended.

Transfers out funds remaining in the premium security plan account on June 30, 2029.

Effective date. This section is effective upon federal approval of the continuation of the state innovation waiver.

9 Plan year 2023 proposed rate filings for the individual market.

Amends Laws 2021, First Special Session chapter 7, article 15, § 3.

Sets rate filing deadline of July 9, 2022, for 2023 individual health plan rates. Requires health plan carriers, when filing rates for years 2023 to 2027, to include in their rate filings the impact the Minnesota premium security plan payments have on premiums.

Section	Description
	<p>Effective date. This section is effective upon federal approval of the continuation of the state innovation waiver.</p>
10	<p>Mental Health Parity and Substance Abuse Accountability Office.</p> <p>Establishes an office of mental health parity and substance use accountability within the Department of Commerce. The office must create and execute strategies to implement state and federal laws regarding mental health parity and substance use disorder coverage. The office may oversee compliance reviews, conduct and lead stakeholder engagement, review consumer and provider complaints, and service as a resource for ensuring health plan compliance with mental health and substance abuse requirements.</p>
11	<p>Delivery reform analysis report.</p> <p>Requires the commissioner of human services to present to the legislature, by January 15, 2024, a report comparing service delivery and payment models for MinnesotaCare and certain MA enrollees. Requires the current delivery model to be compared with at least two alternative models, which must include a state-based model in which the state bears insurance risk and may contract with a third-party administrator for claims processing and plan administration. Specifies other report requirements.</p>
12	<p>Proposal for a public option.</p> <p>Requires the commissioner of human services, in consultation with other entities, to develop a proposal for a public option program. Allows the proposal to consider multiple public option structures, at least one of which must incorporate expanded enrollment through MinnesotaCare. Specifies requirements for the public option and public option proposals. Requires the commissioner to report to the legislature by December 15, 2023.</p>
13	<p>Transfer.</p> <p>Requires the commissioner of management and budget to transfer \$42,465,000 from the general fund to the health care access fund by June 30, 2024, for state basic health plan costs related to the loss of federal revenue associated with the extension of the premium security plan through plan year 2023. This is a onetime transfer.</p> <p>Effective date. This section is effective January 1, 2023, but only if the continuation of the state innovation waiver is approved and results in a loss of federal revenue for the state basic health plan for plan year 2023.</p>

Section	Description
14	Appropriation. \$500,000 in fiscal year 2023 is appropriated from the general fund to the commissioner of commerce to create and operate the Mental Health Parity and Substance Abuse Accountability Office.
15	Repealer. Section 62E.10, subdivision 2, is repealed.



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