

Minnesota Attorney General: Administrative Rules Proceedings

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Version 3
August 20, 2018

STATE OF MINNESOTA

Office of the Attorney General

TO : STEPHANIE L. SCHWARTZ
DHS

DATE : December 22, 1992

FROM : MARY JO MURRAY
Special Assistant
Attorney General

PHONE : 296-3258

SUBJECT : **In the Matter of the Adopted Emergency Rules Governing MinnesotaCare**

The above-referenced rule has been approved as to its legality by the Attorney General on December 19, 1992.

Enclosed is your copy of the approved rule. This office has already filed two copies with the Secretary of State, who will forward one copy to the Revisor of Statutes. The fourth is being retained by this division of the Attorney General's Office for its records.

Also enclosed are any petitions, requests, submissions or comments along with any extra copies of documents which you submitted to the Attorney General.

Your next step is to arrange for publication of the Notice of Adoption in the State Register. In a day or two, you should receive from the Revisor's Office three copies of the notice of adoption of your rule. You should submit two copies of the Notice of Adoption to the State Register for publication. A permanent rule without a hearing does not become effective until five days after a notice of adoption is published in the State Register in accordance with Minn. Stat. § 14.27. An emergency rule becomes effective five working days after approval by the Attorney General; however, the agency must publish a notice in the State Register in accordance with Minn. Stat. § 14.34.

If you have any questions in this regard, please contact me.

Enclosures
cc: Patricia A. Sonnenberg
William Brown, Chief Judge
MaryAnn Hruby

MJM:cr:rules.be9

Emergency Rule

MJM 12-10-92

RULE REVIEW CHECKLIST

File No. 1979

DATE RECEIVED 12-8-92

REVIEW DATE _____

DUE DATE 12-22-92 (10 work days under 14.29)

(~~DIS~~APPROVED 12.1992

WITHDRAWN _____

Docket No. 05.0009.0886

ADOPTED W/O HEARING _____

EMERGENCY RULE _____

TO REVISOR ON 12-10-92

REVISOR (DIS)APPROVED 12-11-92

FILED W/SEC. OF STATE _____

RETURNED TO AGENCY _____

✓ Rule as adopted (4 copies)

_____ Notice to Solicit Outside Information/Opinion (if applicable)

May 26, 1992 Date published in State Register

_____ Comments

_____ Petition for Adoption of a Rule

_____ Board's Authorizing Resolution

_____ Date adopted

✓ Proposed Rule

✓ Revisor's Certificate

✓ Notice of Intent to Adopt Rule

256.936 subd 3 Statutory Authority

✓ Small Business Statement

_____ Expenditure of public money statement

10-5-92 Signature

455 8285 Pat's Home phone number Pat Donnelly will be out call her at home

Fiscal Note

NA Statement of Need and Reasonableness (if applicable)

_____ Small Business Statement

✓ Fees - § 16A.128 - ~~doesn't have the letters~~ to house appropriations and Senate Finance

✓ Affidavit of Mailing Notice of Intent to Adopt Rule

Oct 7, 1992 Dated 30/25 days before adoption

✓ Notice attached indicates it is attached

_____ Copy of rule or summary attached

✓ Publication in State Register

Oct 12, 1992 Date 30/25 days before adoption

✓ 180-day deadline from:

_____ Effective date of law requiring rule (14.12) (both rules) amendments don't apply

✓ end of comment period (§ 14.26) (rules without hearing)

✓ effective date of statutory authority (§ 14.29) (emergency rules) - amendments

~~Resolution Adopting~~

_____ ~~Date adopted~~

✓ Findings of Fact, Conclusions & Order Adopting

Dec 3, 1992 Date

✓ Written Requests, Submissions or Comments

✓ Declaration of Attorney

Pat Donnelly Name of SAAG representing agency

✓ Notice of Submission to Attorney General (if applicable)

✓ Affidavit of Mailing Notice to Attorney General (if applicable)

Department of Human Services

Adopted Emergency Rules Governing MinnesotaCare

Rules as Adopted

9506.0010 [Emergency] DEFINITIONS.

Subpart 1. **Scope.** The terms used in parts 9506.0010 to 9506.0110 [Emergency] have the meanings given them in this part.

Subp. 2. **Aid to families with dependent children or AFDC.** "Aid to families with dependent children" or "AFDC" means the program authorized under title IV-A of the Social Security Act to provide financial assistance and services to needy families with dependent children.

Subp. 3. **Applicant.** "Applicant" means a person who submits a written application to the department for a determination of eligibility for ~~children's health plan plus~~ MinnesotaCare.

Subp. 4. **Child.** "Child" means a person who is less than 18 years of age.

Subp. 5. **Children's health plan.** "Children's health plan" means the program authorized under Minnesota Statutes 1990 and amended in 1991 Supplement, section 256.936, providing health care services to low-income children.

~~Subp. 6. Children's health plan plus. "Children's health plan plus" means the program authorized in Laws 1992, chapter 549, article 4, and recodified as Minnesota Statutes, section 256.9351, to provide appropriate covered health services for children and adults.~~

~~Subp. 7. Community health offices. "Community health offices" means department of health district offices, community health service agencies, or affiliated local public health nursing services under the authority of a community health board defined in Minnesota Statutes, section 145A.02, subdivision 5, a board of health defined in Minnesota Statutes, section 145A.02, subdivision 2, or a county board of commissioners defined in~~

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~~Minnesota-Statutes,-section-145A.02,-subdivision-8.~~

Subp. ~~8~~ 6. **Commissioner.** "Commissioner" means the commissioner of the Department of Human Services or the commissioner's designee.

Subp. 7. **Community health offices.** "Community health offices" means department of health district offices, community health service agencies, or affiliated local public health nursing services under the authority of a community health board defined in Minnesota Statutes, section 145A.02, subdivision 5, a board of health defined in Minnesota Statutes, section 145A.02, subdivision 2, or a county board of commissioners defined in Minnesota Statutes, section 145A.02, subdivision 8.

Subp. 9 8. **Covered health services.** "Covered health services" means the services listed in Minnesota Statutes, section 256.936, subdivision 2a, paragraphs (a) to (d).

Subp. ~~10~~ 9. **Department.** "Department" means the Department of Human Services.

Subp. ~~11~~ 10. **Dependent sibling.** "Dependent sibling" has the meaning given in Minnesota Statutes, section 256.936, subdivision 2b, paragraph (a).

Subp. ~~12~~ 11. **Eligible provider.** "Eligible provider" has the meaning given in Minnesota Statutes, section 256.936, subdivision 1, paragraph (a).

Subp. ~~13~~ 12. **Employer-subsidized health coverage.** "Employer-subsidized health coverage" means health coverage for which the employer pays at least 50 percent of the cost of coverage for the employee, excluding dependent coverage.

Subp. ~~14~~ 13. **Enrollee.** "Enrollee" means an applicant determined eligible by the department to receive covered health services under ~~children's-health-plan-plus~~ MinnesotaCare who has paid the required premium under part 9506.0050 [Emergency].

Subp. ~~15~~ 14. **Family.** "Family" means parents or stepparents and their birth or adopted children, or guardians and their wards who are children, and the children's dependent siblings residing in the same household, including children and dependent siblings temporarily absent from the household in

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settings such as schools, camps, or visitation as specified in Minnesota Statutes, sections 518.131, subdivision 1, paragraph (a), and 518.175. When a parent or parents and his, her, or their child or children, or a guardian and his or her ward who is a child, are residing with other relatives, and the parent, parents, or guardian apply for ~~children's health plan plus~~ MinnesotaCare, family means only the parent or parents and his, her, or their child or children, or the guardian and his or her ward who is a child.

Family includes an emancipated minor and, if the emancipated minor is married, the emancipated minor and his or her spouse. Beginning July 1, 1994, for households without children, family also includes spouses.

Subp. ~~16~~ 15. **General assistance medical care.** "General assistance medical care" has the meaning given in Minnesota Statutes, section 256D.02, subdivision 4a.

Subp. ~~17~~ 16. **Gross annual family income.** "Gross annual family income" means the total of items A and B. Before July 1, 1994, it includes income for all family members. Beginning July 1, 1994, gross annual family income for single individuals means the total of items A and B. In either case, if a guardian is applying for ~~children's health plan plus~~ MinnesotaCare, the guardian's income must be included.

A. For self-employed persons and wage earners, gross annual family income includes:

(1) for farm and nonfarm self-employed persons, income has the meaning given in Minnesota Statutes, section 256.936, subdivision 1, paragraph (c); and

(2) for wage earners, income means money earned before any deduction, disregard, or exclusion received in the four months immediately before application for ~~children's health plan plus~~ MinnesotaCare, multiplied by three to reflect a 12-month period.

B. For all applicants, gross annual family income includes the following money received in the four months immediately before the application, multiplied by three to

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reflect a 12-month period:

(1) supplemental security income under title XVI of the Social Security Act;

(2) social security benefits;

(3) veterans' administration benefits;

(4) unemployment benefits;

(5) workers' compensation benefits;

(6) child support;

(7) spousal maintenance or support payments; and

(8) income from any other source, including training stipends, grants, scholarships, and rent.

Subp. ~~18~~ 17. **Local social service agency.** "Local social service agency" means the local county agency under the authority of the county welfare or human services board or county board of commissioners that is responsible for human services.

Subp. ~~19~~ 18. **Medical assistance.** "Medical assistance" means the program authorized under title XIX of the Social Security Act and Minnesota Statutes, chapter 256B.

Subp. 19. **MinnesotaCare.** "MinnesotaCare" means the program authorized in Laws 1992, chapter 549, article 4, and recodified as Minnesota Statutes, section 256.9351, to provide appropriate covered health services for children and adults.

Subp. 20. **Other health coverage.**

A. "Other health coverage" means:

(1) basic hospital coverage;

(2) medical-surgical or major medical coverage;

(3) Medicare Part A and/or Part B coverage under title XVIII of the Social Security Act;

(4) supplemental Medicare coverage under Minnesota Statutes, sections 62A.31 to 62A.44;

(5) coverage through a health maintenance organization under Minnesota Statutes, chapter 62D;

(6) coverage through a health maintenance organization under Minnesota Statutes, chapter 62D, combined with Medicare benefits under title XVIII of the Social Security

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Act; or

(7) coverage through the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) under United States Code, title 10, chapter 55, sections 1079 and 1086.

B. "Other health coverage" does not mean:

(1) medical assistance under Minnesota Statutes, chapter 256B;

(2) general assistance medical care under Minnesota Statutes, section 256D.02, subdivision 4a;

(3) coverage under a regional demonstration project for the uninsured funded under Minnesota Statutes, section 256B.73;

(4) coverage under the Hennepin county assured care program; or

(5) coverage under the Group Health, Inc. community health plan.

Subp. 21. **Parent.** "Parent" means the birth, step, or adoptive mother or father of a child.

Subp. 22. **Permanent resident.** "Permanent resident" has the meaning given in Minnesota Statutes, section 256.936, subdivision 4c, paragraph (c).

Subp. 23. **Third party payer.** "Third party payer" has the meaning given in part 9505.0015, subpart 46.

Subp. 24. **WIC program.** "WIC program" means the Special Supplemental Food Program for Women, Infants and Children administered by the United States Department of Agriculture under United States Code, title 42, section 1786, providing nutritious food and nutrition education to low-income pregnant and postpartum women and their children.

9506.0020 [Emergency] ELIGIBILITY FOR ~~CHILDREN'S HEALTH PLAN PLUS~~ MINNESOTACARE.

Subpart 1. **Children enrolled in children's health plan or children whose children's health plan application is received on or before September 30, 1992.** Children enrolled in the children's health plan, or children whose children's health plan

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application is received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, on or before September 30, 1992, and who are found eligible for the children's health plan, will be enrolled in ~~children's health plan plus~~ MinnesotaCare if items A to C are met.

A. Eligibility.

(1) The children applying are at least one year of age or older, but less than 18 years of age.

(2) The children applying are permanent residents of Minnesota.

(3) The children applying are not eligible for medical assistance, including medical assistance for pregnant women, under Minnesota Statutes, chapter 256B.

(4) The child's family has a gross annual family income that does not exceed 185 percent of the federal poverty guidelines.

(5) The children applying are not otherwise insured for the covered health services.

B. Continuous eligibility. Children whose children's health plan application is received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, on or before September 30, 1992, and who are otherwise eligible for children's health plan, remain eligible for ~~children's health plan plus~~ MinnesotaCare:

(1) regardless of age;

(2) regardless of the presence or absence of other children in the same household; and

(3) even if their family's gross annual income after enrollment exceeds 185 percent of the federal poverty guidelines, subject to ~~children's health plan plus~~ MinnesotaCare premium under part 9506.0050 [Emergency], subpart 2, item A or B, as long as all other eligibility requirements of this part are met, and continuous enrollment in ~~children's health plan plus~~ MinnesotaCare or the medical assistance program is

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maintained.

If the requirements in this item are not met, children may apply for ~~children's health plan plus~~ MinnesotaCare under subpart 2.

C. Premium payments. Until July 1, 1993, children eligible for the children's health plan are exempt from paying ~~children's health plan plus~~ MinnesotaCare premiums under part 9506.0050 [Emergency], subpart 2, item A or B, but must pay the children's health plan enrollment fee under part 9506.0050 [Emergency], subpart 1. If the children's health plan application is received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, after September 30, 1992, applicants must pay the ~~children's health plan plus~~ MinnesotaCare premiums under part 9506.0050 [Emergency], subpart 2, item A or B, instead of the children's health plan enrollment fee under part 9506.0050 [Emergency], subpart 1, unless the commissioner accepts children's health plan applications after September 30, 1992, as provided by Laws 1992, chapter 549, article 4, section 17.

Subp. 2. **Families with children enrolled in children's health plan, emancipated minors enrolled in children's health plan, and families with children or emancipated minors whose ~~children's health plan plus~~ MinnesotaCare application is received after September 30, 1992.** Until January 1, 1993, families with children enrolled in the children's health plan, emancipated minors enrolled in the children's health plan, and families with children or emancipated minors whose ~~children's health plan plus~~ MinnesotaCare applications are received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, after September 30, 1992, will be enrolled in ~~children's health plan plus~~ MinnesotaCare if the requirements in items A to C are met.

A. Eligibility.

(1) The children applying are at least one year of age or older, but less than 18 years of age.

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(2) The family members applying are permanent residents.

(3) The family members applying are not eligible for medical assistance, including medical assistance for pregnant women, under Minnesota Statutes, chapter 256B.

(4) The family has a gross annual family income that does not exceed 185 percent of the federal poverty guidelines.

(5) The family members applying are not otherwise insured for the covered health services.

(6) The family members applying must not have access to subsidized health coverage through an employer, and must not have had access to employer-subsidized health coverage during the 18-month period immediately preceding the family member's application for ~~children's health plan plus~~ MinnesotaCare. The requirement in this subitem does not apply if:

(a) the subsidized health coverage was lost for reasons that would not disqualify the family member from receiving unemployment benefits under Minnesota Statutes, section 268.09; or

(b) the family member applying has not had access to employer-subsidized health coverage because of a layoff.

(7) If one child from the family applies, all children must apply, unless the child or the children not applying have other health coverage. Children and dependent siblings may apply even if their parents are not applying.

(8) Parents applying must also apply for their children and the children's dependent siblings, if the children and dependent siblings are eligible under this part.

(9) If one parent in the household applies, both parents must apply, unless the other parent has other health coverage.

B. Continuous eligibility. Individuals remain eligible for ~~children's health plan plus~~ MinnesotaCare:

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(1) regardless of age;

(2) regardless of the presence or absence of children in the same household; and

(3) even if their gross annual family income after enrollment exceeds 185 percent of the federal poverty guidelines, subject to ~~children's-health-plan-plus~~ MinnesotaCare premiums under part 9506.0050 [Emergency], subpart 2, item A or B, as long as all other eligibility requirements of this part are met, and continuous enrollment in ~~children's-health-plan plus~~ MinnesotaCare or the medical assistance program is maintained.

C. Premium payments. Family members eligible for ~~children's-health-plan-plus~~ MinnesotaCare must pay ~~children's health-plan-plus~~ MinnesotaCare premiums under part 9506.0050 [Emergency], subpart 2, item A or B.

Subp. 3. **Families with children and emancipated minors who apply for ~~children's-health-plan-plus~~ MinnesotaCare.** Beginning January 1, 1993, families with children and emancipated minors will be enrolled in ~~children's-health-plan-plus~~ MinnesotaCare if the requirements in items A to C are met.

A. Eligibility.

(1) The family members applying are permanent residents.

(2) The family members applying are not eligible for medical assistance, including medical assistance for pregnant women, under Minnesota Statutes, chapter 256B.

(3) The family's gross annual family income does not exceed the gross income limits in Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c).

(4) The family members applying must not have access to subsidized health coverage through an employer, and must not have had access to employer-subsidized health coverage during the 18-month period immediately preceding the family member's application for ~~children's-health-plan-plus~~ MinnesotaCare. The requirement in this subitem does not apply if:

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(a) the subsidized health coverage was lost for reasons that would not disqualify the family member from receiving unemployment benefits under Minnesota Statutes, section 268.09; or

(b) the family member applying has not had access to employer-subsidized health coverage because of a layoff.

(5) The family member applying has not had other health coverage for at least the four months immediately preceding the date of application.

(6) If one child from the family applies, all children must apply, unless the child or the children not applying have other health coverage. Children and dependent siblings may apply even if their parents are not applying.

(7) Parents applying must also apply for their children and dependent siblings, if the children and dependent siblings are eligible under this part.

(8) If one parent in the household applies, both parents must apply, unless the other parent has other health coverage.

B. Continuous eligibility. Individuals remain eligible for ~~children's health plan plus~~ MinnesotaCare:

(1) regardless of age; or

(2) regardless of the presence or absence of children in the same household;

(3) as long as they do not have other health coverage; and

(4) even though their income exceeds the limits in Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c), if:

(a) they initially enrolled in ~~children's health plan plus~~ MinnesotaCare;

(b) they pay the full cost of coverage; and

(c) all other eligibility requirements of this part are met and continuous enrollment in ~~children's health plan plus~~ MinnesotaCare or the medical assistance program is

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maintained.

C. Premium payments. The family members applying must pay ~~children's-health-plan-plus~~ MinnesotaCare premiums under part 9506.0050 [Emergency], subpart 2, item A or B.

Subp. 4. **Single adults and households without children who apply for ~~children's-health-plan-plus~~ MinnesotaCare.** Beginning July 1, 1994, single adults and households without children will be enrolled in ~~children's-health-plan-plus~~ MinnesotaCare, in addition to families with children and emancipated minors eligible under subparts 1 to 3, if the requirements in items A to C are met.

A. Eligibility.

(1) The single adult or the family members applying are permanent residents.

(2) The single adult or the family members applying are not eligible for medical assistance, including medical assistance for pregnant women, under Minnesota Statutes, chapter 256B.

(3) The single adults or family members applying do not have gross annual family incomes exceeding the gross annual income limits of Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c).

(4) The single adults or family members applying must not have access to subsidized health coverage through an employer, and must not have had access to employer-subsidized health coverage during the 18-month period immediately preceding the single adult's or family member's application for ~~children's health-plan-plus~~ MinnesotaCare. The requirement in this subitem does not apply if:

(a) the subsidized health coverage was lost for reasons that would not disqualify the single adult or the family member of the household from receiving unemployment benefits under Minnesota Statutes, section 268.09; or

(b) the single adult or family member applying has not had access to the employer-subsidized health coverage because of a layoff.

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(5) The single adult or the family member applying does not have other health coverage and has not had other health coverage for at least the four months immediately preceding the date of application.

B. Continuous eligibility. The single adult or the family members remain eligible for ~~children's health plan plus~~ MinnesotaCare:

(1) as long as they do not have other health coverage; and

(2) even if their gross annual family income after enrollment exceeds the limits in Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c).

C. Premium payments. The single adult or the family members applying must pay ~~children's health plan plus~~ MinnesotaCare premiums under part 9506.0050 [Emergency], subpart 2, item A or B.

9506.0030 [Emergency] APPLICATION FOR ~~CHILDREN'S HEALTH PLAN PLUS~~ MINNESOTACARE.

Subpart 1. **Availability.** Applications for ~~children's health plan plus~~ MinnesotaCare will be made available by the department to appropriate referral sources. Appropriate referral sources include:

A. eligible provider offices;

B. local social service agencies;

C. school district offices;

D. public and private elementary schools in which 25 percent or more of the students receive free or reduced price lunches;

E. community health offices; and

F. WIC program sites.

The department shall establish a toll-free telephone number and a metropolitan area telephone number providing information about ~~children's health plan plus~~ MinnesotaCare. The department shall include these telephone numbers on department-published enrollment information. "Metropolitan area" has the meaning

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given in Minnesota Statutes, section 473.121, subdivision 2.

Subp. 2. **Children's health plan enrollment fees and ~~children's health plan plus~~ MinnesotaCare premium payments.** The appropriate referral sources under subpart 1 may:

A. accept applications and forward them to the department;

B. collect the children's health plan enrollment fee of $25, not to exceed $150 per family, under Minnesota Statutes, section 256.936, subdivision 4, and forward it to the department; and

C. collect the initial ~~children's health plan plus~~ MinnesotaCare premium payment under part 9506.0050 [Emergency], subpart 2, item A or B, and forward it to the department.

Subp. 3. **Necessary information for eligibility determination.** Applicants must provide all information necessary for the commissioner to determine eligibility under ~~children's health plan plus~~ MinnesotaCare and potential eligibility for medical assistance under Minnesota Statutes, chapter 256B. Necessary information includes:

A. social security number;

B. proof of permanent residency under Minnesota Statutes, section 256.936, subdivision 4c. The signature of an applicant on the application attesting to permanent residency meets the affidavit requirement under Minnesota Statutes, section 256.936, subdivision 4c, paragraph (d), clause (3);

C. household composition;

D. status of availability or lack of availability of other health coverage;

E. status of availability or lack of availability of access to employer-subsidized health coverage; and

F. ~~proof of~~ gross annual family income.

Upon the commissioner's request, applicants must provide additional necessary information.

Subp. 4. **Processing applications.** Before applicants are enrolled in ~~children's health plan plus~~ MinnesotaCare, a complete application must be received by the department,

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applicants must be determined eligible under part 9506.0020 [Emergency], and the initial premium under part 9506.0050 [Emergency], subpart 2, item A or B must be paid. Coverage begins according to part 9506.0040 [Emergency], subpart 1.

Subp. 5. **Screening for medical assistance eligibility.**

A. The commissioner shall refer applicants to the local social service agency if applicants are potentially eligible for the medical assistance program under Minnesota Statutes, chapter 256B. To determine potential eligibility, the commissioner shall use the following criteria:

(1) age of the applicant;

(2) income of the applicant;

(3) whether the applicant is pregnant; and

(4) whether the applicant has any illness, injury, or incapacity indicating a disability.

The commissioner shall not enroll applicants in ~~children's health plan plus~~ MinnesotaCare until they are determined ineligible for medical assistance under Minnesota Statutes, chapter 256B, by a local social service agency. The commissioner shall not enroll applicants who do not cooperate with the process of determining their eligibility for the medical assistance program.

B. The commissioner shall disenroll from ~~children's health plan plus~~ MinnesotaCare enrollees who are potentially eligible for medical assistance under Minnesota Statutes, chapter 256B, and who do not cooperate with the process of determining their eligibility for the medical assistance program.

C. The commissioner shall disenroll from ~~children's health plan plus~~ MinnesotaCare enrollees who are determined eligible for the medical assistance program under Minnesota Statutes, chapter 256B, by a local social service agency.

D. The commissioner shall delay ~~children's health plan plus~~ MinnesotaCare enrollment for otherwise eligible parents if the parents' child applicant is potentially eligible for the medical assistance program under Minnesota Statutes, chapter 256B. Parents eligible for ~~children's health plan plus~~

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MinnesotaCare may enroll in ~~children's health plan plus~~ MinnesotaCare upon a determination regarding their child's eligibility for the medical assistance program under Minnesota Statutes, chapter 256B, by a local social service agency and upon payment of ~~children's health plan plus~~ MinnesotaCare premium under part 9506.0050 [Emergency], subpart 2, item A or B. The commissioner shall not enroll parents in ~~children's health plan plus~~ MinnesotaCare if they do not cooperate in determining their child's eligibility for the medical assistance program under Minnesota Statutes, chapter 256B.

9506.0040 [Emergency] COVERED HEALTH SERVICES.

Subpart 1. **When coverage begins.** Coverage under ~~children's health plan plus~~ MinnesotaCare begins on the first day of the month following the month in which a complete application is entered by the department into the eligibility file and the initial premium payment is received by the department. However, if enrollees are hospitalized on the first day of coverage, coverage begins the day following discharge from the hospital.

Subp. 2. **Chemical dependency health services.** Enrollees who may need chemical dependency services under ~~children's health plan plus~~ MinnesotaCare must be assessed by a local social service agency as defined in Minnesota Statutes, section 254B.01, subdivision 5, under the assessment provisions of parts 9530.6600 to 9530.6655. Enrollees who are financially eligible for consolidated chemical dependency treatment fund services under Minnesota Statutes, chapter 254B, must receive chemical dependency treatment services under Minnesota Statutes, chapter 254B, if:

A. they have exhausted the covered chemical dependency health services under ~~children's health plan plus~~ MinnesotaCare; or

B. an assessment indicates that they need a level of care not provided under ~~children's health plan plus~~ MinnesotaCare.

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Subp. 3. **Workers' compensation benefits.** Covered health services do not include covered health services paid for by workers' compensation under Minnesota Statutes, chapter 176.

Subp. 4. **Cost avoidance.** Covered health services under parts 9506.0010 to 9506.0110 [Emergency] are secondary to other health coverage for which enrollees are eligible, except for chemical dependency health services under subpart 2. The department will not pay for covered health services until coverage is denied by all potential third party payers. The eligible provider must attempt to collect reimbursement from the other third party payers before billing the department for a covered health service. The commissioner shall use cost avoidance techniques to ensure benefit coordination for enrollees.

Subp. 5. **Subrogation.** When the department provides, pays for, or becomes liable for covered health services, it shall have a lien for the cost of care upon any and all causes of action accruing to the enrollee, or to the enrollee's legal representatives, as a result of injuries necessitating covered health services.

9506.0050 [Emergency] PREMIUM PAYMENTS.

Subpart 1. **Premium payment required.** Enrollees must pay premiums based on the sliding fee scale in subpart 2 before enrollment in ~~children's health plan plus~~ MinnesotaCare is complete and to maintain eligibility in ~~children's health plan plus~~ MinnesotaCare. Until July 1, 1993, enrollees in the children's health plan who are eligible for ~~children's health plan plus~~ MinnesotaCare under part 9506.0020 [Emergency], subpart 1, and whose ~~children's health plan plus~~ MinnesotaCare application was received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, on or before September 30, 1992, in lieu of the premium under subpart 2, must pay an enrollment fee of $25, not to exceed $150 per family.

Subp. 2. **Premium payments.**

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A. Beginning July 1, 1993, the sliding fee scale used to determine an enrollee's premium payment must comply with Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c). The premium shall be a percentage of an enrollee's gross annual family income during the previous four months.

B. Between October 1, 1992 and June 30, 1993, the commissioner will use a sliding fee scale that sets an enrollee's premium payment as a percentage of the enrollee's gross annual family income equal to two-thirds of the percentages specified under Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c).

C. An enrollee's premium payment table and an explanation for the premium payment table is available upon request from the department.

Subp. 3. **Premium payment adjustments.**

A. The commissioner shall adjust enrollees' premium payments upon receipt of the information required under part 9506.0080 [Emergency], subpart 1. Adjustments to enrollees' premium payments become effective on the first day of the month following issuance by the department of an adjusted premium invoice.

B. To ensure that expenditures remain within the limits of available revenues under Minnesota Statutes, section 256.936, subdivision 2, the commissioner may:

~~(1)~~ decrease the premium subsidy by ten percent for families with gross annual family income above 200 percent of the federal poverty guidelines~~; and~~.

~~(2)~~ If this decrease in the premium subsidy does not ensure that expenditures remain within the limits of available revenues, the commissioner may decrease the premium subsidy by ten percent for families with gross annual family income at or below 200 percent.

Subp. 4. **Premiums paid monthly or quarterly.** Applicants must choose to pay premiums on a monthly or a quarterly basis.

Subp. 5. **Premium payment due date.**

A. The initial premium must be received by the

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department within four months of the date on an applicant's first premium notice for ~~children's health plan plus~~ MinnesotaCare, otherwise applicants must submit a new ~~children's health plan plus~~ MinnesotaCare application.

B. Subsequent monthly premiums must be received by the department by the 15th of the month preceding the month for which the premium is paid; subsequent quarterly premiums must be received by the department by the 15th of the month preceding the beginning of the quarter for which the premium is paid.

Subp. 6. **Late premium payments.** If a premium is not received by the due date in subpart 5, the department must send a written notice to the enrollee informing the enrollee the required premium has not been received and the required premium must be received by the department before the first day of the next month, for premiums paid on a monthly basis, or before the first day of the first month of the next quarter, for premiums paid on a quarterly basis.

Subp. 7. **Premium payments not received.** If a monthly premium is not received by the department by the last day of the month in which coverage is provided, coverage ends and the enrollee is disenrolled from ~~children's health plan plus~~ MinnesotaCare. If a quarterly premium is not received by the last day of the first month following the quarter for which the last premium was paid, coverage ends and the enrollee is disenrolled from ~~children's health plan plus~~ MinnesotaCare.

Disenrolled enrollees must wait four calendar months before reenrolling for ~~children's health plan plus~~ MinnesotaCare and must comply with parts 9506.0010 to 9506.0110 [Emergency]. When enrollees reenroll for ~~children's health plan plus~~ MinnesotaCare, their premium payment must include the unpaid premium for any month in which coverage was provided.

Subp. 8. **Billing notices.**

A. For monthly premiums, the department will send out premium payment notices by the first of each month preceding the month for which coverage will be provided.

B. For quarterly premiums, the department will send

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out premium payment notices by the first of the month immediately preceding the first month of the next quarter for which coverage will be provided.

9506.0060 [Emergency] COPAYMENTS AND ELIGIBLE PROVIDER REIMBURSEMENT.

Subpart 1. **Copayments required.** Enrollees must pay to eligible providers ~~children's health plan plus~~ MinnesotaCare copayments under Minnesota Statutes, section 256.936, subdivision 2a, paragraph (f).

Subp. 2. **Eligible provider reimbursement.** The commissioner will reimburse eligible providers for the lesser of:

A. the eligible provider's usual and customary fees, minus ~~children's health plan plus~~ MinnesotaCare copayments required under subpart 1; or

B. the maximum allowable medical assistance rate specified in part 9505.0445, minus ~~children's health plan plus~~ MinnesotaCare copayments required under subpart 1.

Subp. 3. **Reimbursement for covered health services.** Covered health services are reimbursed at the same rate and under the same conditions for medical assistance, with the exceptions listed in Minnesota Statutes, section 256.936, subdivision 2a, paragraphs (a) to (d) and (f).

Subp. 4. **Copayments not paid.** The commissioner shall not reimburse eligible providers at the full medical assistance rate if eligible providers cannot or do not collect ~~children's health plan plus~~ MinnesotaCare copayments from enrollees.

9506.0070 [Emergency] ANNUAL REDETERMINATION OF ELIGIBILITY.

Subpart 1. **Annual redetermination required.** The commissioner shall perform an annual redetermination of continued ~~children's health plan plus~~ MinnesotaCare eligibility for each enrollee.

Subp. 2. **Enrollee cooperation with annual redetermination.** Enrollees must provide information to the department in order for the commissioner to redetermine eligibility for ~~children's health plan plus~~ MinnesotaCare. The information must be

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provided so the redetermination can occur before the anniversary date that eligibility began under part 9506.0040 [Emergency], subpart ~~2~~ 1. Enrollees who do not provide information to the department in order for the commissioner to redetermine eligibility are disenrolled from ~~children's health plan plus~~ MinnesotaCare. For purposes of this subpart, anniversary date means the annual occurrence of the first day of the month following the date of department approval of eligibility for ~~children's health plan plus~~ MinnesotaCare.

9506.0080 [Emergency] QUALITY CONTROL.

Subpart 1. **Changes.** As soon as identified, enrollees must report the following changes to the department:

A. address;

B. household composition;

C. employment status;

D. a recurring change of more than $50 per month of gross ~~annual family~~ earned or unearned income;

E. availability of other health coverage;

F. onset of disability or change in disability; and

G. initiation of legal action to collect money for an accident or an injury.

Subp. 2. **Random audits.** The commissioner will verify enrollees' gross annual family income and ~~children's health plan plus~~ MinnesotaCare eligibility by performing random audits. For purposes of this part, random audits mean a review of ~~children's health plan plus~~ MinnesotaCare eligibility of randomly selected enrollees. During the review appropriate additional income and eligibility information shall be collected. Appropriate additional income and eligibility information includes the following:

A. federal income tax returns;

B. federal W2 forms;

C. employment check stubs;

D. family composition;

E. residency;

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by Revisor _____

F. period uninsured; and

G. status of availability or lack of availability of access to employer-subsidized coverage.

Enrollees who do not provide requested additional income and eligibility information are disenrolled from ~~children's health plan plus~~ MinnesotaCare.

Subp. 3. **Redetermination.** When the commissioner receives additional income and eligibility information regarding an enrollee, the commissioner shall redetermine the enrollee's ~~children's health plan plus~~ MinnesotaCare eligibility. Upon the commissioner's request, enrollees must provide additional income and eligibility information.

Under Minnesota Statutes, section 256.936, subdivision 3, the commissioner may execute data sharing arrangements with the Department of Revenue, the Department of Jobs and Training, and any other governmental agency in order to perform income verification related to ~~children's health plan plus~~ MinnesotaCare eligibility.

Subp. 4. **Commissioner's access to enrollee medical records.** The commissioner shall be allowed access to an enrollee's personal medical records in order to monitor compliance with the requirements of parts 9506.0010 to 9506.0110 [Emergency] for the purposes of identifying fraud, theft, or abuse in the administration of ~~children's health plan plus~~ MinnesotaCare.

9506.0090 [Emergency] COORDINATION OF ~~CHILDREN'S HEALTH PLAN PLUS~~ MINNESOTACARE AND MEDICAL ASSISTANCE.

Subpart 1. **Coordination of ~~children's health plan plus~~ MinnesotaCare hospital inpatient services and enrollee eligibility under medical assistance spend down.** Under Minnesota Statutes, section 256.936, subdivision 2a, paragraph (e), the commissioner shall coordinate the provision of hospital inpatient services in ~~children's health plan plus~~ MinnesotaCare with enrollee eligibility under the medical assistance spend down. For purposes of this part, spend down has the meaning

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given in part 9505.0015, subpart 44.

Subp. 2. **Coordination of ~~children's-health-plan-plus~~ MinnesotaCare coinsurance and medical assistance spend down.** Enrollees who would be eligible for medical assistance under Minnesota Statutes, chapter 256B, with a spend down must pay the coinsurance amount under Minnesota Statutes, section 256.936, subdivision 2a, paragraph (f), up to the spend down limit or the coinsurance amount, whichever is less.

Subp. 3. **Covered health services for pregnant enrollees.** The commissioner shall refer pregnant enrollees who are potentially eligible for the medical assistance program under Minnesota Statutes, chapter 256B, to a local social service agency for a determination of medical assistance eligibility and shall disenroll enrollees who are determined eligible from ~~children's-health-plan-plus~~ MinnesotaCare.

9506.0100 [Emergency] ~~CHILDREN'S-HEALTH-PLAN-PLUS~~ MINNESOTACARE ADMINISTRATION.

To comply with Minnesota Statutes, section 256.936, subdivision 2, the commissioner shall:

A. manage ~~children's-health-plan-plus~~ MinnesotaCare spending;

B. make a quarterly assessment of the expected expenditures for the covered health services for the fiscal years 1993 and 1994; and

C. make necessary adjustments by following Minnesota Statutes, section 256.936, subdivision 2, to ensure that expenditures remain within the limits of available revenues.

9506.0110 [Emergency] APPEALS.

If the commissioner suspends, reduces, or ends eligibility for ~~children's-health-plan-plus~~ MinnesotaCare, or for covered services, the commissioner shall provide notification according to the provisions in Minnesota Statutes, chapter 256B, and Minnesota Rules, chapter 9505. Applicants or enrollees aggrieved by a determination of the commissioner may appeal the determination according to Minnesota Statutes, section 256.045.

Approved
by Revisor _____

RECODIFYING. The references to Minnesota Statutes, section 256.936, shall be recodified as directed in Laws 1992, chapter 549, article 4, section 19.

Approved
by Revisor _____

APPROVED AS TO FORM AND LEGALITY

_____ 19__

HUBERT H. HUMPHREY, III
ATTORNEY GENERAL

BY _____
SPECIAL ASSISTANT ATTORNEY GENERAL

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED

DEC 23 1992

Joan Anderson
Secretary of State

Set letters for fees

Stat Auth 256.936 subd 2
The commissioner may adopt rules to administer this section.

end of comment period November 6, 1992
no statement on tendering of
received requests for Notice of
submission to A 6 - did an affadavit

Fees where are letters
have promission from Finance
but no letters to House appropriation
and Senate Finance

12-16-92 - Called Stephanie Schwartz from
Human Services and told her I needed
the letters from House Appropriation
and Senate Finance - if she can't
find them she will do an
affadavit
Set letters — have letters

State of Minnesota
Department of Human Services
Human Services Building
444 Lafayette Road
St. Paul, Minnesota 55155

TO: Patricia Nolte, Legal Assistant
Public Finance Division
525 Park Street, Suite 500

FROM: Stephanie L. Schwartz, Rules Division

SUBJECT: Attorney General's Review of Emergency Rule

Enclosed are the documents required to be submitted under Minnesota Rules, part 2010.0400 for your review of an emergency rule for the above entitled matter.

Official documents in this submitted material include:

1. A copy or photocopy of the notice of solicitation of outside information or opinions as published in the State Register.

2. A copy of the proposed rule with a certificate of approval as to form by the revisor of statutes attached.

3. The notice of intent to adopt an emergency rule as mailed.

4. The affidavit of mailing the notice of intent to adopt an emergency rule. The affidavits state that the mailing list maintained by the agency pursuant to Minnesota Statutes, sections 14.30, is accurate, complete, and current and that the notice of intent to adopt the emergency rule was mailed to all persons and groups whose names appear on the list.

5. A copy or photocopy of the notice of intent to adopt the emergency rule as published in the State Register.

6. Four copies of the emergency rule as adopted. Any modification made to the proposed rule is reflected on the rule as adopted and is approved as to form by the revisor of statutes.

7. The findings of fact, conclusions, and order adopting the emergency rule, and the supplemental findings of fact.

8. All written requests, submissions, or comments on the rule received by the agency except requests solely for copies of the rule.

9. The declaration of the attorney in the attorney general's office who represents the agency.

10. The notice of submission of the rule to the attorney general.

11. The affidavit of mailing notice of submission of the rule to the attorney general.

If you have any questions on this submitted material, please call me at 297-4302.

State of Minnesota
Department of Human Services
Human Services Building
444 Lafayette Road
St. Paul, Minnesota 55155

September 30, 1992

The Honorable Wayne Simoneau, Chairman
House Appropriations Committee
365 State Office Building
St. Paul, Minnesota 55155

Dear Representative Simoneau:

Re: Fiscal Note on Proposed Rule

Minnesota Statutes, section 15.065 requires the Department of Human Services to submit to your office a fiscal note on rules that will have a fiscal impact on state and local spending of more than $100,000 in either of the first two years following promulgation of the rule.

The Department of Human Services is now proposing an emergency rule governing the administration of Children's Health Plan Plus (interim name), Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency], that would have a fiscal impact on state and local spending exceeding $100,000 during the two years following promulgation of the emergency rule. Attached is the Fiscal Note, the Commissioner of Finance's Approval of Fees, the proposed emergency rule and the rulemaking notice.

On October 5, 1992 the Department of Human Services will publish in the State Register a Notice of Intent to Adopt an Emergency Rule.

If you have any questions about the Fiscal Note please contact Stephanie Schwartz, Rules Division at 297-4302.

Sincerely,

NATALIE HAAS STEFFEN
Commissioner

Enclosures

Post-it™ brand fax transmittal memo 7671	# of pages ▸ 5
To Patti Nolte	From Stephanie Schwartz
Co.	Co. DHS, Rules Div.
Dept. A 6. Public Financ	Phone # 297-4302
Fax # 7-2576	Fax #

AN EQUAL OPPORTUNITY EMPLOYER

12-16-92 09:37AM HUMAN SERVI 160184 P01/05

State of Minnesota
Department of Human Services
Human Services Building
444 Lafayette Road
St. Paul, Minnesota 55155

October 2, 1992

John Gunyou, Commissioner
Minnesota Department of Finance
4th Floor
Centennial Office Building
658 Cedar Street
St. Paul, Minnesota 55155

Dear Commissioner Gunyou:

Re: Fiscal Note on Proposed Rule

Minnesota Statutes, section 15.065 requires the Department of Human Services to submit to the House Appropriations Committee and the Senate Finance Committee a fiscal note on rules that will have a fiscal impact on state and local spending of more than $100,000 in either of the first two years following promulgation of the rule. The Department is proposing an emergency rule governing the administration of MnCare (formally "HealthRight"), Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency] that will have a fiscal impact of over $100,000 in the first two years following promulgation. For your information, enclosed are copies of the materials sent to the House Appropriations Committee and the Senate Finance Committee on September 30, 1992.

If you have any questions about the fiscal note please contact Stephanie Schwartz, Rules Division at 297-4302.

Sincerely,

NATALIE HAAS STEFFEN
Commissioner

Enclosures

AN EQUAL OPPORTUNITY EMPLOYER

12-16-92 09:39AM HUMAN SERVI 160184 P05/05

State of Minnesota
Department of Human Services
Human Services Building
444 Lafayette Road
St. Paul, Minnesota 55155

September 30, 1992

The Honorable Gene Merriam, Chairman
Senate Finance Committee
122 Capitol Building
St. Paul, Minnesota 55155

Dear Senator Merriam:

Re: Submission of Proposed Rule

Minnesota Statutes, section 16A.128 requires that state agencies submit to your office for rules that set or adjust fees the Notice of Intent to Adopt Rules and the proposed rule before submitting these documents to the State Register.

Enclosed are the above documents for the Department of Human Services emergency rule governing administration of Children's Health Plan Plus (interim name), Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency].

If you have any questions about the enclosed documents please contact Stephanie Schwartz, Rules Division at 297-4302.

Sincerely,

NATALIE HAAS STEFFEN
Commissioner

Enclosures

AN EQUAL OPPORTUNITY EMPLOYER

12-16-92 09:39AM HUMAN SERVI 160184 P04/05

State of Minnesota
Department of Human Services
Human Services Building
444 Lafayette Road
St. Paul, Minnesota 55155

September 30, 1992

The Honorable Wayne Simoneau, Chairman
House Appropriations Committee
365 State Office Building
St. Paul, Minnesota 55155

Dear Representative Simoneau:

Re: Submission of Proposed Rule

Minnesota Statutes, section 16A.128 requires that state agencies submit to your office for rules that set or adjust fees the Notice of Intent to Adopt Rules and the proposed rule before submitting these documents to the State Register.

Enclosed are the above documents for the Department of Human Services emergency rule governing administration of Children's Health Plan Plus (interim name), Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency].

If you have any questions about the enclosed documents please contact Stephanie Schwartz, Rules Division at 297-4302.

Sincerely,

NATALIE HAAS STEFFEN
Commissioner

Enclosures

AN EQUAL OPPORTUNITY EMPLOYER

12-16-92 09:38AM HUMAN SERVI 160184 P03/05

State of Minnesota
Department of Human Services
Human Services Building
444 Lafayette Road
St. Paul, Minnesota 55155

September 30, 1992

The Honorable Gene Merriam, Chairman
Senate Finance Committee
122 Capitol Building
St. Paul, Minnesota 55155

Dear Senator Merriam:

Re: Fiscal Note on Proposed Rule

Minnesota Statutes, section 15.065 requires the Department of Human Services to submit to your office a fiscal note on rules that will have a fiscal impact on state and local spending of more than $100,000 in either of the first two years following promulgation of the rule.

The Department of Human Services is now proposing an emergency rule governing the administration of Children's Health Plan Plus (interim name), Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency], that would have a fiscal impact on state and local spending exceeding $100,000 during the two years following promulgation of the emergency rule. Attached is the Fiscal Note, the Commissioner of Finance's Approval of Fees, the proposed emergency rule and the rulemaking notice.

On October 5, 1992 the Department of Human Services will publish in the State Register a Notice of Intent to Adopt an Emergency Rule.

If you have any questions about the Fiscal Note please contact Stephanie Schwartz, Rules Division at 297-4302.

Sincerely,

NATALIE HAAS STEFFEN
Commissioner

Enclosures

AN EQUAL OPPORTUNITY EMPLOYER

12-16-92 09:38AM HUMAN SERVI 160184 P02/05

Emergency Rules

Proposed Emergency Rules
According to Minn. Stat. of 1984, §§14.29-14.30, state agencies may propose adoption of emergency rules if: 1) expressly required; 2) authorized by statute; or 3) if the manner permitted by a directive (given by statute, federal law or court order) does not allow for compliance with sections 14.14-14.28. The agency must, however, publish a notice of intent to adopt emergency rules, along with the rules themselves, in the *State Register*. The notice must advise the public:

1) that a free copy of the proposed emergency rule is available upon request from the agency;
2) that notice of the date that the rule is submitted to the attorney general will be mailed to persons requesting notification;
3) that the public has at least 25 days after publication of the proposed emergency rule to submit data and views in writing; and
4) that the emergency rule may be modified if the data and views submitted support such modification.

Adopted Emergency Rules
Emergency rules take effect five working days after approval by the attorney general, and after compliance with Minn. Stat. §§14.29-14.365. As soon as possible, emergency rules are published in the *State Register* in the manner provided for in section 14.18.

Emergency rules are effective for the period stated in the notice of intent to adopt emergency rules. This may not exceed 180 days.

Continued/Extended Emergency Rules
Adopted emergency rules may be continued in effect (extended) for an additional 180 days. To do this, the agency must give notice by: 1) publishing notice in the *State Register*: and 2) mailing the same notice to all persons who requested notification on rulemaking. No emergency rule may remain in effect 361 days after its original effective date. At that point, permanent rules adopted according to Minn. Stat. 14.14-14.28 supercede emergency rules.

Department of Human Services

Proposed Emergency Rules Governing Children's Health Plan Plus

Notice of Intent to Adopt an Emergency Rule

NOTICE IS HEREBY GIVEN that the State Department of Human Services intends to adopt the above-entitled emergency rule. The statutory authority to adopt the emergency rule is contained in *Minnesota Statutes*, section 256.936, subdivision 2 (*Laws* 1992, chapter 549, article 4, section 3). The agency, in adopting the rule, is following the procedures set forth in the Administrative Procedure Act for adopting emergency rules in *Minnesota Statutes*, sections 14.29 to 14.36.

All persons have 25 days or until 4:30 p.m. on November 6, 1992 after publication to submit data and views on the proposed emergency rule or any part or subpart of the rule in writing. Any comments must be submitted to:

Stephanie L. Schwartz
Minnesota Department of Human Services
444 Lafayette Road
St. Paul, Minnesota 55155-3816
(612) 297-4302

A copy of the proposed emergency rule is attached to this notice.

A free copy of the proposed emergency rule is available by contacting Stephanie L. Schwartz at the address and telephone number above.

The proposed emergency rule may be modified if the modifications are supported by data and views submitted to the agency and does not result in a substantial change in the proposed emergency rule as noticed.

Upon adoption of the emergency rule by the agency, the emergency rule as adopted and its supporting documents will be delivered to the Attorney General for reviews as to legality and form to the extent form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to Stephanie L. Schwartz at the address and telephone number above.

The emergency rule will take effect five working days after approval by the Attorney General and be effective for 720 days.

The adoption of this emergency rule will increase aggregate local public body spending by over $100,000 in the two fiscal years

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." **ADOPTED RULES SECTION** — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

following the rule's adoption. See the fiscal note attached to this notice which contains the Department's reasonable estimate of the total cost to all local public bodies in the state to implement the rule for the two fiscal years following adoption of the rule.

Dated: 4 September 1992

Natalie Haas Steffen
Commissioner

Fiscal Note

I. **NET FISCAL IMPACT OF RULE***

	FY '93	FY '94**
Local	$201,972	$227,546
State	$ 14,766	$ 78,423
TOTAL	$216,738	$305,969

*See Part III for Methodology and Summary Explanation of Costs

II. **BACKGROUND INFORMATION ON RULE AND FUNDING SOURCES**

A. Purpose of Rule

This rule, known informally as Emergency Rule 100, governs the administration of Children's Health Plan Plus (interim name), formally known as "HealthRight."

The purpose of the emergency rule is to: 1) establish eligibility for the plan; 2) specify the application process and where applications are available; 3) specify when covered services begin and what those services are; 4) require that covered health services are secondary to other health coverage for which enrollees are eligible; 5) specify premium payments, when premiums are due and the consequences if premiums are received late or not at all; 6) require the commissioner to manage the plan's spending, to make a quarterly assessment of expected expenditures for covered health services, and make necessary adjustments to ensure that expenditures remain within the limits of available revenues; 7) require copayments from enrollees; 8) require the commissioner to perform an annual redetermination of continued eligibility and require enrollees to cooperate in this redetermination; 9) require enrollees to report changes in income, address, size of family, etc. to the Department; 10) require the commissioner to verify enrollees' gross annual family incomes by performing random audits; 11) require the commissioner to coordinate the plan with the medical assistance (MA) program; 12) require the commissioner to reimburse eligible providers; and 13) allow enrollees to appeal the suspension, reduction, or termination of covered services/eligibility.

**Normally, Fiscal Notes detail the impact of the proposed rule or rule amendments for the two calendar years following promulgation. If so, this Fiscal Note would project anticipated costs until January of 1995. However, available Department calculations are based on FY '93 (July 1, 1992 to June 30, 1993) and FY '94 (July 1, 1993 to June 30, 1994) calculations. Therefore, the reader is asked to keep in mind that the Department's numbers are based on calculations following fiscal years, not calendar years.

B. Statutory Authority

The proposed emergency rule is authorized by *Minnesota Statutes*, section 256.936, subdivision 2 (*Laws 1992*, chapter 549, article 4, section 3), which gives the commissioner authority to "adopt the emergency rules to govern implementation" of Children's Health Plan Plus. When promulgated, this legislation requires that this emergency rule will be in effect for 720 days, or until approximately December 22, 1994.

C. Reasons for Adoption of Emergency Rule

In *Laws 1992*, chapter 549, article 4, sections 2 to 11, the 1992 legislature expanded the Department's Children's Health Plan (CHP), the program providing health care services to low income children, to also cover families of these low income children (and, in coming years, single adults and households without children). During the legislative session, this expanded health care package was named "HealthRight."

This proposed emergency rule is necessary to administer "HealthRight," renamed Children's Health Plan Plus, and to comply with *Minnesota Statutes*, section 256.936, as noted above.

D. Background and Funding Source

Currently, 27,877 children are receiving covered health services, defined as services reimbursed under MA (with specific exceptions), through the CHP. For FY '92, the cost to the state for CHP was $8,270,978; for FY '93, it is estimated that it will cost $13,195,341.

The department anticipates that by 1997, 158,000 people will be enrolled in Children's Health Plan Plus and that it will cost the state $91,951,497 to administer the plan through FY '94.

Pursuant to the requirements set out in the "HealthRight" legislation, there will be costs to the state and to counties. For example,

there will be costs associated with the required annual redetermination of plan eligibility and the random audits; with coordination of the plan with MA; and with appeals heard by the Department. These costs were figured into the Finance Department's Fiscal Note dated April 8, 1992 and discussed during the 1992 legislative session.

There are also expected to be costs for the state and counties where this proposed emergency rule sets out requirements not specifically required by statute. These are detailed in Part III, below.

There are three funding sources for Children's Health Plan Plus.

- Beginning July 1, 1992, a 5¢ increase on cigarette tax effective until end of FY 1994; expected to raise approximately $26,000,000 to provide start up and reserve funds. Beginning in FY '95, these revenues will go to the General Fund.
- 2% tax on hospitals and health care providers; will be phased in over two year period.
- premiums and enrollment fees; expected to raise approximately $22,187,047 through FY '94. These payments will only cover 21.01% of costs in FY '93 and 19.30% of costs in FY '94. The remainder will be paid for from the first two sources.

All funds will be collected by the Health Care Access Fund, established by the State Treasury.

III. **METHODOLOGY AND EXPLANATION OF COSTS**

Because this rule administers Children's Health Plan Plus, there are some costs to the state and to counties that were not considered during the 1992 legislative session.

A. Proposed part 9506.0030, subpart 5, item A

This proposed subpart requires the commissioner to refer applicants to the local social service agency if applicants may be eligible for MA. The commissioner must consider, at a minimum, the age of the applicant, the income of the applicant, whether the applicant is pregnant, and whether the applicant is disabled.

Referring applicants to the county level is expected to result in increases in MA. Increases are also anticipated in the numbers of general assistance medical care (GAMC) recipients, because often the parents of MA-eligible children are eligible for GAMC. These increases will result in increased administrative costs for counties.

The projected caseload impact of Children's Health Plan Plus on MA and GAMC is an increment of the impact of the CHP. Before the 1992 "HealthRight" legislation, the Department's February 1992 forecast projected that 63 MA enrollees and 50 GAMC enrollees would be added for every 100 additional CHP enrollees. The change from the CHP to Children's Health Plan Plus is expected to generate additional enrollment in MA and GAMC, above the level calculated in February 1992.

Total new (since February 1992) county administrative costs are calculated as follows:

	FY '93	FY '94
Additional MA recipients	915	1,031
County share administrative cost/case*	$ 150	$ 150
Total county share cost for added MA cases	$137,250	$154,650
Additional GAMC recipients	966	1,088
County share administrative costs/case	$ 67	$ 67
Total county share costs for added GAMC cases	$ 64,722	$ 72,896
TOTAL COUNTY SHARE COSTS FOR ADDED MA & GAMC CASES	$201,972	$227,546

*county administrative costs are calculated as follows: FY '91 annual county figures for total MA administrative costs ÷ total number of FY '91 MA cases

Therefore, for FY '93, this proposed subpart will cost each county approximately $2,322.00, and for FY '94, approximately $2,616.00.

B. Proposed part 9506.0050, subpart 6

This proposed subpart requires that if an enrollee's premium payment is not received by the due date, the Department must send a notice to the enrollee. This will result in costs to the Department.

Total costs are calculated as follows:

	FY '93	FY '94
projected average enrolled households →	2,675	14,207
households × 12 premium notices/year →	32,100	170,484

assumption that 15%* will require late notices →	4,815	25,573
cost of sending late notices at 40¢/notice	$1,926	$10,229
TOTAL	$1,926	$10,229

*15% based on 10% actual CHP late notices + 5% extra "cushion"

C. Proposed part 9506.0050, subpart 8

This proposed part requires the Department to send out premium billing notices. For monthly premiums, the Department must send out the notices by the first of each month preceding the month for which coverage will be provided. For quarterly premiums, the Department must send out the notices by the first of the month immediately preceding the first month of the next quarter for which coverage will be provided. *Minnesota Statutes*, section 256.936, subdivision 4, paragraph (c) (*Laws 1992*, chapter 549, article 4, section 7) allows payment of premiums monthly or quarterly. Sending out notices will result in costs to the Department.

Using the numbers from Item B, above, total costs are calculated as follows:

	FY '93	FY '94
projected average enrolled households →	2,675	14,207
households × 12 premium notices/year (used for ease in calculation) →	32,100	170,484
cost of sending notices at 40¢/notice	$12,840	$68,194
TOTAL	$12,840	$68,194

TOTAL COSTS

	FY '93	FY '94
1. cost to counties of additional MA and GAMC recipients	$201,972	$227,546
2. cost to state to send late premium notices	$ 1,926	$ 10,229
3. cost to state to send premium notices	$ 12,840	$ 68,194
TOTAL	$216,738	$305,969

Dated: 4 September 1992

Natalie Haas Steffen
Commissioner

Rules as Proposed (all new material)

9506.0010 [Emergency] DEFINITIONS.

Subpart 1. **Scope.** The terms used in parts 9506.0010 to 9506.0110 [Emergency] have the meanings given them in this part.

Subp. 2. **Aid to families with dependent children or AFDC.** "Aid to families with dependent children" or "AFDC" means the program authorized under title IV-A of the Social Security Act to provide financial assistance and services to needy families with dependent children.

Subp. 3. **Applicant.** "Applicant" means a person who submits a written application to the department for a determination of eligibility for children's health plan plus.

Subp. 4. **Child.** "Child" means a person who is less than 18 years of age.

Subp. 5. **Children's health plan.** "Children's health plan" means the program authorized under *Minnesota Statutes* 1990 and amended in 1991 Supplement, section 256.936, providing health care services to low-income children.

Subp. 6. **Children's health plan plus.** "Children's health plan plus" means the program authorized in *Laws 1992*, chapter 549, article 4, and recodified as *Minnesota Statutes*, section 256.9351, to provide appropriate covered health services for children and adults.

Subp. 7. **Community health offices.** "Community health offices" means department of health district offices, community health service agencies, or affiliated local public health nursing services under the authority of a community health board defined in *Minnesota Statutes*, section 145A.02, subdivision 5, a board of health defined in *Minnesota Statutes*, section 145A.02, subdivision 2, or a county

board of commissioners defined in *Minnesota Statutes*, section 145A.02, subdivision 8.

Subp. 8. **Commissioner.** "Commissioner" means the commissioner of the Department of Human Services or the commissioner's designee.

Subp. 9. **Covered health services.** "Covered health services" means the services listed in *Minnesota Statutes*, section 256.936, subdivision 2a, paragraphs (a) to (d).

Subp. 10. **Department.** "Department" means the Department of Human Services.

Subp. 11. **Dependent sibling.** "Dependent sibling" has the meaning given in *Minnesota Statutes*, section 256.936, subdivision 2b, paragraph (a).

Subp. 12. **Eligible provider.** "Eligible provider" has the meaning given in *Minnesota Statutes*, section 256.936, subdivision 1, paragraph (a).

Subp. 13. **Employer-subsidized health coverage.** "Employer-subsidized health coverage" means health coverage for which the employer pays at least 50 percent of the cost of coverage for the employee, excluding dependent coverage.

Subp. 14. **Enrollee.** "Enrollee" means an applicant determined eligible by the department to receive covered health services under children's health plan plus who has paid the required premium under part 9506.0050 [Emergency].

Subp. 15. **Family.** "Family" means parents or stepparents and their birth or adopted children, or guardians and their wards who are children, and the children's dependent siblings residing in the same household, including children and dependent siblings temporarily absent from the household in settings such as schools, camps, or visitation as specified in *Minnesota Statutes*, sections 518.131, subdivision 1, paragraph (a), and 518.175. When a parent or parents and his, her, or their child or children, or a guardian and his or her ward who is a child, are residing with other relatives, and the parent, parents, or guardian apply for children's health plan plus, family means only the parent or parents and his, her, or their child or children, or the guardian and his or her ward who is a child.

Family includes an emancipated minor and, if the emancipated minor is married, the emancipated minor and his or her spouse. Beginning July 1, 1994, for households without children, family also includes spouses.

Subp. 16. **General assistance medical care.** "General assistance medical care" has the meaning given in *Minnesota Statutes*, section 256D.02, subdivision 4a.

Subp. 17. **Gross annual family income.** "Gross annual family income" means the total of items A and B. Before July 1, 1994, it includes income for all family members. Beginning July 1, 1994, gross annual family income for single individuals means the total of items A and B. In either case, if a guardian is applying for children's health plan plus, the guardian's income must be included.

A. For self-employed persons and wage earners, gross annual family income includes:

(1) for farm and nonfarm self-employed persons, income has the meaning given in *Minnesota Statutes*, section 256.936, subdivision 1, paragraph (c); and

(2) for wage earners, income means money earned before any deduction, disregard, or exclusion received in the four months immediately before application for children's health plan plus, multiplied by three to reflect a 12-month period.

B. For all applicants, gross annual family income includes the following money received in the four months immediately before the application, multiplied by three to reflect a 12-month period:

(1) supplemental security income under title XVI of the Social Security Act;

(2) social security benefits;

(3) veterans' administration benefits;

(4) unemployment benefits;

(5) workers' compensation benefits;

(6) child support;

(7) spousal maintenance or support payments; and

(8) income from any other source, including training stipends, grants, scholarships, and rent.

Subp. 18. **Local social service agency.** "Local social service agency" means the local county agency under the authority of the county welfare or human services board or county board of commissioners that is responsible for human services.

Subp. 19. **Medical assistance.** "Medical assistance" means the program authorized under title XIX of the Social Security Act and *Minnesota Statutes*, chapter 256B.

Subp. 20. **Other health coverage.**

A. "Other health coverage" means:

(1) basic hospital coverage;

(2) medical-surgical or major medical coverage;

(3) Medicare Part A and/or Part B coverage under title XVIII of the Social Security Act;

(4) supplemental Medicare coverage under *Minnesota Statutes*, sections 62A.31 to 62A.44;

(5) coverage through a health maintenance organization under *Minnesota Statutes*, chapter 62D;

(6) coverage through a health maintenance organization under *Minnesota Statutes*, chapter 62D, combined with Medicare benefits under title XVIII of the Social Security Act; or

(7) coverage through the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) under *United States Code*, title 10, chapter 55, sections 1079 and 1086.

B. "Other health coverage" does not mean:

(1) medical assistance under *Minnesota Statutes*, chapter 256B;

(2) general assistance medical care under *Minnesota Statutes*, section 256D.02, subdivision 4a;

(3) coverage under a regional demonstration project for the uninsured funded under *Minnesota Statutes*, section 256B.73;

(4) coverage under the Hennepin county assured care program; or

(5) coverage under the Group Health, Inc. community health plan.

Subp. 21. **Parent.** "Parent" means the birth, step, or adoptive mother or father of a child.

Subp. 22. **Permanent resident.** "Permanent resident" has the meaning given in *Minnesota Statutes*, section 256.936, subdivision 4c, paragraph (c).

Subp. 23. **Third party payer.** "Third party payer" has the meaning given in part 9505.0015, subpart 46.

Subp. 24. **WIC program.** "WIC program" means the Special Supplemental Food Program for Women, Infants and Children administered by the United States Department of Agriculture under *United States Code*, title 42, section 1786, providing nutritious food and nutrition education to low-income pregnant and postpartum women and their children.

9506.0020 [Emergency] ELIGIBILITY FOR CHILDREN'S HEALTH PLAN PLUS.

Subpart 1. **Children enrolled in children's health plan or children whose children's health plan application is received on or before September 30, 1992.** Children enrolled in the children's health plan, or children whose children's health plan application is received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, on or before September 30, 1992, and who are found eligible for the children's health plan, will be enrolled in children's health plan plus if items A to C are met.

A. Eligibility.

(1) The children applying are at least one year of age or older, but less than 18 years of age.

(2) The children applying are permanent residents of Minnesota.

(3) The children applying are not eligible for medical assistance, including medical assistance for pregnant women, under *Minnesota Statutes*, chapter 256B.

(4) The child's family has a gross annual family income that does not exceed 185 percent of the federal poverty guidelines.

(5) The children applying are not otherwise insured for the covered health services.

B. Continuous eligibility. Children whose children's health plan application is received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, on or before September 30, 1992, and who are otherwise eligible for children's health plan, remain eligible for children's health plan plus:

(1) regardless of age;

(2) regardless of the presence or absence of other children in the same household; and

(3) even if their family's gross annual income after enrollment exceeds 185 percent of the federal poverty guidelines, subject to children's health plan plus premium under part 9506.0050 [Emergency], subpart 2, item A or B, as long as all other eligibility requirements of this part are met, and continuous enrollment in children's health plan plus or the medical assistance program is maintained.

If the requirements in this item are not met, children may apply for children's health plan plus under subpart 2.

C. Premium payments. Until July 1, 1993, children eligible for the children's health plan are exempt from paying children's health plan plus premiums under part 9506.0050 [Emergency], subpart 2, item A or B, but must pay the children's health plan

enrollment fee under part 9506.0050 [Emergency], subpart 1. If the children's health plan application is received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, after September 30, 1992, applicants must pay the children's health plan plus premiums under part 9506.0050 [Emergency], subpart 2, item A or B, instead of the children's health plan enrollment fee under part 9506.0050 [Emergency], subpart 1, unless the commissioner accepts children's health plan applications after September 30, 1992, as provided by *Laws 1992*, chapter 549, article 4, section 17.

Subp. 2. **Families with children enrolled in children's health plan, emancipated minors enrolled in children's health plan, and families with children or emancipated minors whose children's health plan plus application is received after September 30, 1992.** Until January 1, 1993, families with children enrolled in the children's health plan, emancipated minors enrolled in the children's health plan, and families with children or emancipated minors whose children's health plan plus applications are received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, after September 30, 1992, will be enrolled in children's health plan plus if the requirements in items A to C are met.

A. Eligibility.

(1) The children applying are at least one year of age or older, but less than 18 years of age.

(2) The family members applying are permanent residents.

(3) The family members applying are not eligible for medical assistance, including medical assistance for pregnant women, under *Minnesota Statutes*, chapter 256B.

(4) The family has a gross annual family income that does not exceed 185 percent of the federal poverty guidelines.

(5) The family members applying are not otherwise insured for the covered health services.

(6) The family members applying must not have access to subsidized health coverage through an employer, and must not have had access to employer-subsidized health coverage during the 18-month period immediately preceding the family member's application for children's health plan plus. The requirement in this subitem does not apply if:

(a) the subsidized health coverage was lost for reasons that would not disqualify the family member from receiving unemployment benefits under *Minnesota Statutes*, section 268.09; or

(b) the family member applying has not had access to employer-subsidized health coverage because of a layoff.

(7) If one child from the family applies, all children must apply, unless the child or the children not applying have other health coverage. Children and dependent siblings may apply even if their parents are not applying.

(8) Parents applying must also apply for their children and the children's dependent siblings, if the children and dependent siblings are eligible under this part.

(9) If one parent in the household applies, both parents must apply, unless the other parent has other health coverage.

B. Continuous eligibility. Individuals remain eligible for children's health plan plus:

(1) regardless of age;

(2) regardless of the presence or absence of children in the same household; and

(3) even if their gross annual family income after enrollment exceeds 185 percent of the federal poverty guidelines, subject to children's health plan plus premiums under part 9506.0050 [Emergency], subpart 2, item A or B, as long as all other eligibility requirements of this part are met, and continuous enrollment in children's health plan plus or the medical assistance program is maintained.

C. Premium payments. Family members eligible for children's health plan plus must pay children's health plan plus premiums under part 9506.0050 [Emergency], subpart 2, item A or B.

Subp. 3. **Families with children and emancipated minors who apply for children's health plan plus.** Beginning January 1, 1993, families with children and emancipated minors will be enrolled in children's health plan plus if the requirements in items A to C are met.

A. Eligibility.

(1) The family members applying are permanent residents.

(2) The family members applying are not eligible for medical assistance, including medical assistance for pregnant women, under *Minnesota Statutes*, chapter 256B.

(3) The family's gross annual family income does not exceed the gross income limits in *Minnesota Statutes*, section 256.936, subdivision 4b, paragraph (c).

(4) The family members applying must not have access to subsidized health coverage through an employer, and must not have had access to employer-subsidized health coverage during the 18-month period immediately preceding the family member's

application for children's health plan plus. The requirement in this subitem does not apply if:

(a) the subsidized health coverage was lost for reasons that would not disqualify the family member from receiving unemployment benefits under *Minnesota Statutes*, section 268.09; or

(b) the family member applying has not had access to employer-subsidized health coverage because of a layoff.

(5) The family member applying has not had other health coverage for at least the four months immediately preceding the date of application.

(6) If one child from the family applies, all children must apply, unless the child or the children not applying have other health coverage. Children and dependent siblings may apply even if their parents are not applying.

(7) Parents applying must also apply for their children and dependent siblings, if the children and dependent siblings are eligible under this part.

(8) If one parent in the household applies, both parents must apply, unless the other parent has other health coverage.

B. Continuous eligibility. Individuals remain eligible for children's health plan plus:

(1) regardless of age; or

(2) regardless of the presence or absence of children in the same household;

(3) as long as they do not have other health coverage; and

(4) even though their income exceeds the limits in *Minnesota Statutes*, section 256.936, subdivision 4b, paragraph (c), if:

(a) they initially enrolled in children's health plan plus;

(b) they pay the full cost of coverage; and

(c) all other eligibility requirements of this part are met and continuous enrollment in children's health plan plus or the medical assistance program is maintained.

C. Premium payments. The family members applying must pay children's health plan plus premiums under part 9506.0050 [Emergency], subpart 2, item A or B.

Subp. 4. **Single adults and households without children who apply for children's health plan plus.** Beginning July 1, 1994, single adults and households without children will be enrolled in children's health plan plus, in addition to families with children and emancipated minors eligible under subparts 1 to 3, if the requirements in items A to C are met.

A. Eligibility.

(1) The single adult or the family members applying are permanent residents.

(2) The single adult or the family members applying are not eligible for medical assistance, including medical assistance for pregnant women, under *Minnesota Statutes*, chapter 256B.

(3) The single adults or family members applying do have gross annual family incomes exceeding the gross annual income limits of *Minnesota Statutes*, section 256.936, subdivision 4b, paragraph (c).

(4) The single adults or family members applying must not have access to subsidized health coverage through an employer, and must not have had access to employer-subsidized health coverage during the 18-month period immediately preceding the single adult's or family member's application for children's health plan plus. The requirement in this subitem does not apply if:

(a) the subsidized health coverage was lost for reasons that would not disqualify the single adult or the family member of the household from receiving unemployment benefits under *Minnesota Statutes*, section 268.09; or

(b) the single adult or family member applying has not had access to the employer-subsidized health coverage because of a layoff.

(5) The single adult or the family member applying does not have other health coverage and has not had other health coverage for at least the four months immediately preceding the date of application.

B. Continuous eligibility. The single adult or the family members remain eligible for children's health plan plus:

(1) as long as they do not have other health coverage; and

(2) even if their gross annual family income after enrollment exceeds the limits in *Minnesota Statutes*, section 256.936, subdivision 4b, paragraph (c).

C. Premium payments. The single adult or the family members applying must pay children's health plan plus premiums under part 9506.0050 [Emergency], subpart 2, item A or B.

9506.0030 [Emergency] APPLICATION FOR CHILDREN'S HEALTH PLAN PLUS.

Subpart 1. **Availability.** Applications for children's health plan plus will be made available by the department to appropriate referral sources. Appropriate referral sources include:

A. eligible provider offices;

B. local social service agencies;

C. school district offices;

D. public and private elementary schools in which 25 percent or more of the students receive free or reduced price lunches;

E. community health offices; and

F. WIC program sites.

The department shall establish a toll-free telephone number and a metropolitan area telephone number providing information about children's health plan plus. The department shall include these telephone numbers on department-published enrollment information. "Metropolitan area" has the meaning given in *Minnesota Statutes*, section 473.121, subdivision 2.

Subp. 2. **Children's health plan enrollment fees and children's health plan plus premium payments.** The appropriate referral sources under subpart 1 may:

A. accept applications and forward them to the department;

B. collect the children's health plan enrollment fee of $25, not to exceed $150 per family, under *Minnesota Statutes*, section 256.936, subdivision 4, and forward it to the department; and

C. collect the initial children's health plan plus premium payment under part 9506.0050 [Emergency], subpart 2, item A or B, and forward it to the department.

Subp. 3. **Necessary information for eligibility determination.** Applicants must provide all information necessary for the commissioner to determine eligibility under children's health plan plus and potential eligibility for medical assistance under *Minnesota Statutes*, chapter 256B. Necessary information includes:

A. social security number;

B. proof of permanent residency under *Minnesota Statutes*, section 256.936, subdivision 4c. The signature of an applicant on the application attesting to permanent residency meets the affidavit requirement under *Minnesota Statutes*, section 256.936, subdivision 4c, paragraph (d), clause (3);

C. household composition;

D. status of availability or lack of availability of other health coverage;

E. status of availability or lack of availability of access to employer-subsidized health coverage; and

F. proof of gross annual family income.

Upon the commissioner's request, applicants must provide additional necessary information.

Subp. 4. **Processing applications.** Before applicants are enrolled in children's health plan plus, a complete application must be received by the department, applicants must be determined eligible under part 9506.0020 [Emergency], and the initial premium under part 9506.0050 [Emergency], subpart 2, item A or B must be paid. Coverage begins according to part 9506.0040 [Emergency], subpart 1.

Subp. 5. **Screening for medical assistance eligibility.**

A. The commissioner shall refer applicants to the local social service agency if applicants are potentially eligible for the medical assistance program under *Minnesota Statutes*, chapter 256B. To determine potential eligibility, the commissioner shall use the following criteria:

(1) age of the applicant;

(2) income of the applicant;

(3) whether the applicant is pregnant; and

(4) whether the applicant has any illness, injury, or incapacity indicating a disability.

The commissioner shall not enroll applicants in children's health plan plus until they are determined ineligible for medical assistance under *Minnesota Statutes*, chapter 256B, by a local social service agency. The commissioner shall not enroll applicants who do not cooperate with the process of determining their eligibility for the medical assistance program.

B. The commissioner shall disenroll from children's health plan plus enrollees who are potentially eligible for medical assistance

under *Minnesota Statutes*, chapter 256B, and who do not cooperate with the process of determining their eligibility for the medical assistance program.

C. The commissioner shall disenroll from children's health plan plus enrollees who are determined eligible for the medical assistance program under *Minnesota Statutes*, chapter 256B, by a local social service agency.

D. The commissioner shall delay children's health plan plus enrollment for otherwise eligible parents if the parents' child applicant is potentially eligible for the medical assistance program under *Minnesota Statutes*, chapter 256B. Parents eligible for children's health plan plus may enroll in children's health plan plus upon a determination regarding their child's eligibility for the medical assistance program under *Minnesota Statutes*, chapter 256B, by a local social service agency and upon payment of children's health plan plus premium under part 9506.0050 [Emergency], subpart 2, item A or B. The commissioner shall not enroll parents in children's health plan plus if they do not cooperate in determining their child's eligibility for the medical assistance program under *Minnesota Statutes*, chapter 256B.

9506.0040 [Emergency] COVERED HEALTH SERVICES.

Subpart 1. **When coverage begins.** Coverage under children's health plan plus begins on the first day of the month following the month in which a complete application is entered by the department into the eligibility file and the initial premium payment is received by the department. However, if enrollees are hospitalized on the first day of coverage, coverage begins the day following discharge from the hospital.

Subp. 2. **Chemical dependency health services.** Enrollees who may need chemical dependency services under children's health plan plus must be assessed by a local social service agency as defined in *Minnesota Statutes*, section 254B.01, subdivision 5, under the assessment provisions of parts 9530.6600 to 9530.6655. Enrollees who are financially eligible for consolidated chemical dependency treatment fund services under *Minnesota Statutes*, chapter 254B, must receive chemical dependency treatment services under *Minnesota Statutes*, chapter 254B, if:

A. they have exhausted the covered chemical dependency health services under children's health plan plus; or

B. an assessment indicates that they need a level of care not provided under children's health plan plus.

Subp. 3. **Workers' compensation benefits.** Covered health services do not include covered health services paid for by workers' compensation under *Minnesota Statutes*, chapter 176.

Subp. 4. **Cost avoidance.** Covered health services under parts 9506.0010 to 9506.0110 [Emergency] are secondary to other health coverage for which enrollees are eligible, except for chemical dependency health services under subpart 2. The department will not pay for covered health services until coverage is denied by all potential third party payers. The eligible provider must attempt to collect reimbursement from the other third party payers before billing the department for a covered health service. The commissioner shall use cost avoidance techniques to ensure benefit coordination for enrollees.

Subp. 5. **Subrogation.** When the department provides, pays for, or becomes liable for covered health services, it shall have a lien for the cost of care upon any and all causes of action accruing to the enrollee, or to the enrollee's legal representatives, as a result of injuries necessitating covered health services.

9506.0050 [Emergency] PREMIUM PAYMENTS.

Subpart 1. **Premium payment required.** Enrollees must pay premiums based on the sliding fee scale in subpart 2 before enrollment in children's health plan plus is complete and to maintain eligibility in children's health plan plus. Until July 1, 1993, enrollees in the children's health plan who are eligible for children's health plan plus under part 9506.0020 [Emergency], subpart 1, and whose children's health plan plus application was received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, on or before September 30, 1992, in lieu of the premium under subpart 2, must pay an enrollment fee of $25, not to exceed $150 per family.

Subp. 2. **Premium payments.**

A. Beginning July 1, 1993, the sliding fee scale used to determine an enrollee's premium payment must comply with *Minnesota Statutes*, section 256.936, subdivision 4b, paragraph (c). The premium shall be a percentage of an enrollee's gross annual family income during the previous four months.

B. Between October 1, 1992 and June 30, 1993, the commissioner will use a sliding fee scale that sets an enrollee's premium payment as a percentage of the enrollee's gross annual family income equal to two-thirds of the percentages specified under *Minnesota Statutes*, section 256.936, subdivision 4b, paragraph (c).

C. An enrollee's premium payment table and an explanation for the premium payment table is available upon request from the department.

Subp. 3. **Premium payment adjustments.**

A. The commissioner shall adjust enrollees' premium payments upon receipt of the information required under part 9506.0080

[Emergency], subpart 1. Adjustments to enrollees' premium payments become effective on the first day of the month following issuance by the department of an adjusted premium invoice.

B. Under *Minnesota Statutes*, section 256.936, subdivision 2, the commissioner may:

(1) decrease the premium subsidy by ten percent for families with gross annual family income above 200 percent of the federal poverty guidelines; and

(2) decrease the premium subsidy by ten percent for families with gross annual family income at or below 200 percent.

Subp. 4. **Premiums paid monthly or quarterly.** Applicants must choose to pay premiums on a monthly or a quarterly basis.

Subp. 5. **Premium payment due date.**

A. The initial premium must be received by the department within four months of the date on an applicant's first premium notice for children's health plan plus, otherwise applicants must submit a new children's health plan plus application.

B. Subsequent monthly premiums must be received by the department by the 15th of the month preceding the month for which the premium is paid; subsequent quarterly premiums must be received by the department by the 15th of the month preceding the beginning of the quarter for which the premium is paid.

Subp. 6. **Late premium payments.** If a premium is not received by the due date in subpart 5, the department must send a written notice to the enrollee informing the enrollee the required premium has not been received and the required premium must be received by the department before the first day of the next month, for premiums paid on a monthly basis, or before the first day of the first month of the next quarter, for premiums paid on a quarterly basis.

Subp. 7. **Premium payments not received.** If a monthly premium is not received by the department by the last day of the month in which coverage is provided, coverage ends and the enrollee is disenrolled from children's health plan plus. If a quarterly premium is not received by the last day of the first month following the quarter for which the last premium was paid, coverage ends and the enrollee is disenrolled from children's health plan plus.

Disenrolled enrollees must wait four calendar months before reenrolling for children's health plan plus and must comply with parts 9506.0010 to 9506.0110 [Emergency]. When enrollees reenroll for children's health plan plus, their premium payment must include the unpaid premium for any month in which coverage was provided.

Subp. 8. **Billing notices.**

A. For monthly premiums, the department will send out premium payment notices by the first of each month preceding the month for which coverage will be provided.

B. For quarterly premiums, the department will send out premium payment notices by the first of the month immediately preceding the first month of the next quarter for which coverage will be provided.

9506.0060 [Emergency] COPAYMENTS AND ELIGIBLE PROVIDER REIMBURSEMENT.

Subpart 1. **Copayments required.** Enrollees must pay to eligible providers children's health plan plus copayments under *Minnesota Statutes*, section 256.936, subdivision 2a, paragraph (f).

Subp. 2. **Eligible provider reimbursement.** The commissioner will reimburse eligible providers for the lesser of:

A. the eligible provider's usual and customary fees, minus children's health plan plus copayments required under subpart 1; or

B. the maximum allowable medical assistance rate specified in part 9505.0445, minus children's health plan plus copayments required under subpart 1.

Subp. 3. **Reimbursement for covered health services.** Covered health services are reimbursed at the same rate and under the same conditions for medical assistance, with the exceptions listed in *Minnesota Statutes*, section 256.936, subdivision 2a, paragraphs (a) to (d) and (f).

Subp. 4. **Copayments not paid.** The commissioner shall not reimburse eligible providers at the full medical assistance rate if eligible providers cannot or do not collect children's health plan plus copayments from enrollees.

9506.0070 [Emergency] ANNUAL REDETERMINATION OF ELIGIBILITY.

Subpart 1. **Annual redetermination required.** The commissioner shall perform an annual redetermination of continued children's health plan plus eligibility for each enrollee.

Subp. 2. **Enrollee cooperation with annual redetermination.** Enrollees must provide information to the department in order for the commissioner to redetermine eligibility for children's health plan plus. The information must be provided so the redetermination can occur before the anniversary date that eligibility began under part 9506.0040 [Emergency], subpart 2. Enrollees who do not provide information to the department in order for the commissioner to redetermine eligibility are disenrolled from children's health plan plus. For purposes of this subpart, anniversary date means the annual occurrence of the first day of the month following the date of department approval of eligibility for children's health plan plus.

9506.0080 [Emergency] QUALITY CONTROL.

Subpart 1. **Changes.** As soon as identified, enrollees must report the following changes to the department:

A. address;

B. household composition;

C. employment status;

D. gross annual family income;

E. availability of other health coverage;

F. onset of disability or change in disability; and

G. initiation of legal action to collect money for an accident or an injury.

Subp. 2. **Random audits.** The commissioner will verify enrollees' gross annual family income and children's health plan plus eligibility by performing random audits. For purposes of this part, random audits mean a review of children's health plan plus eligibility of randomly selected enrollees. During the review appropriate additional income and eligibility information shall be collected. Appropriate additional income and eligibility information includes the following:

A. federal income tax returns;

B. federal W2 forms;

C. employment check stubs;

D. family composition;

E. residency;

F. period uninsured; and

G. status of availability or lack of availability of access to employer-subsidized coverage.

Enrollees who do not provide requested additional income and eligibility information are disenrolled from children's health plan plus.

Subp. 3. **Redetermination.** When the commissioner receives additional income and eligibility information regarding an enrollee, the commissioner shall redetermine the enrollee's children's health plan plus eligibility. Upon the commissioner's request, enrollees must provide additional income and eligibility information.

Under *Minnesota Statutes*, section 256.936, subdivision 3, the commissioner may execute data sharing arrangements with the Department of Revenue, the Department of Jobs and Training, and any other governmental agency in order to perform income verification related to children's health plan plus eligibility.

Subp. 4. **Commissioner's access to enrollee medical records.** The commissioner shall be allowed access to an enrollee's personal medical records in order to monitor compliance with the requirements of parts 9506.0010 to 9506.0110 [Emergency] for the purposes of identifying fraud, theft, or abuse in the administration of children's health plan plus.

9506.0090 [Emergency] COORDINATION OF CHILDREN'S HEALTH PLAN PLUS AND MEDICAL ASSISTANCE.

Subpart 1. **Coordination of children's health plan plus hospital inpatient services and enrollee eligibility under medical assistance spend down.** Under *Minnesota Statutes*, section 256.936, subdivision 2a, paragraph (e), the commissioner shall coordinate the provision of hospital inpatient services in children's health plan plus with enrollee eligibility under the medical assistance spend down. For purposes of this part, spend down has the meaning given in part 9505.0015, subpart 44.

Subp. 2. **Coordination of children's health plan plus coinsurance and medical assistance spend down.** Enrollees who would be eligible for medical assistance under *Minnesota Statutes*, chapter 256B, with a spend down must pay the coinsurance amount under *Minnesota Statutes*, section 256.936, subdivision 2a, paragraph (f), up to the spend down limit or the coinsurance amount, whichever is less.

Subp. 3. **Covered health services for pregnant enrollees.** The commissioner shall refer pregnant enrollees who are potentially eligible for the medical assistance program under *Minnesota Statutes*, chapter 256B, to a local social service agency for a determination of medical assistance eligibility and shall disenroll enrollees who are determined eligible from children's health plan plus.

9506.0100 [Emergency] CHILDREN'S HEALTH PLAN PLUS ADMINISTRATION.

To comply with *Minnesota Statutes*, section 256.936, subdivision 2, the commissioner shall:

A. manage children's health plan plus spending;

B. make a quarterly assessment of the expected expenditures for the covered health services for the fiscal years 1993 and 1994;

and

C. make necessary adjustments by following *Minnesota Statutes*, section 256.936, subdivision 2, to ensure that expenditures remain within the limits of available revenues.

9506.0110 [Emergency] APPEALS.

If the commissioner suspends, reduces, or ends eligibility for children's health plan plus, or for covered services, the commissioner shall provide notification according to the provisions in *Minnesota Statutes*, chapter 256B, and *Minnesota Rules*, chapter 9505. Applicants or enrollees aggrieved by a determination of the commissioner may appeal the determination according to *Minnesota Statutes*, section 256.045.

RECODIFYING. The references to *Minnesota Statutes*, section 256.936, shall be recodified as directed in *Laws 1992*, chapter 549, article 4, section 19.

Official Notices

Pursuant to the provisions of Minnesota Statutes § 14.10, an agency, in preparing proposed rules, may seek information or opinion from sources outside the agency. Notices of intent to solicit outside opinion must be published in the *State Register* and all interested persons afforded the opportunity to submit data or views on the subject, either orally or in writing.

The *State Register* also publishes other official notices of state agencies, notices of meetings, and matters of public interest.

Department of Administration

State Building Codes and Standards Division

Notice of Intent to Solicit Outside Opinion Regarding the Proposed Adoption of the 1993 National Electrical Code (NEC) by Reference

NOTICE IS HEREBY GIVEN that the State Building Codes and Standards Division is seeking information or opinions from sources outside the agency in preparing to adopt the 1993 National Electrical Code (NEC) by reference, with the proposed effective enforcement date of July 1, 1993. The promulgation of these rules is authorized by *Minnesota Statutes*, Section 16B.61 and 16B.64, which permits the agency to amend the Minnesota State Building Code.

The State Building Codes and Standards Division requests information and comments concerning the subject matter of the rule. Interested or affected persons or groups may submit statements of information or comment in writing. Written statements should be addressed to:

Peggi White
Building Codes and Standards Division
408 Metro Square Building
121 East 7th Place
St. Paul, Minnesota 55101

All statements of information and comments shall be accepted until November 20, 1992 at 4:30 p.m. Any written material received by the State Building Codes and Standards Division shall become part of the rulemaking record in the event the rule is adopted.

Thomas R. Joachim
State Building Inspector

Department of Commerce

Maximum Lawful Rate of Interest for Mortgages and Contracts for Deed for the Month of November 1992

NOTICE IS HEREBY GIVEN that pursuant to *Minnesota Statutes*, Section 47.20, Subdivision 4a, the maxium lawful rate of interest for conventional home mortgages and contracts for deed for the month of November 1992 is eleven and seventy-two one-hundredths (11.72) percentage points.

Dated: October 1992

Bert J. McKasy
Commissioner of Commerce

issue its revenue bond under *Minnesota Statutes*, Chapter 41C, in order to finance the purchase of farmland and building repairs located in Section 14 & 23 Maywood Township, Benton County, Minnesota on behalf of Joseph L. Ratka, a single person (the Borrowers). The maximum aggregate face amount of the proposed bond issue is $100,000. The revenue bond will be a limited obligation of the Authority, payable solely from the revenue pledged to the payment thereof. No holder of such revenue bond will ever have the right to compel any exercise of the taxing power of the State of Minnesota to pay the bond or the interest hereon, nor to enforce payment against any property of the Authority or the State of Minnesota, except the revenues specifically pledged to the payment thereof. Before issuing the revenue bond, the Authority will enter into an agreement with the Borrower whereby the Borrower will be obligated to make payments at least sufficient at all times to pay the principal of and interest on such revenue bond when due.

All persons interested may appear and be heard at the time and place set forth above, or may file written comments with the Executive Director of the Authority prior to the date of the hearing set forth above.

Dated: 11 May 1992

LaVonne Nicolai
RFA Executive Director

Executive Council
State Board of Investment
Land Exchange Board
Investment Advisory Council

Meeting Notices

The Executive Council, State Board of Investment and the Land Exchange Board will meet on Wednesday, June 3, 1992 at 8:30 a.m. in Room 125, State Capitol, Saint Paul, MN.

The Investment Advisory Council will meet on Tuesday, June 2, 1992 at 2:00 p.m. in Suite 105, 55 Sherburne Avenue, St. Paul, MN.

Department of Human Services

Health Care Management Division

Notice of Solicitation of Outside Information or Opinions Regarding Proposed Emergency Rule Governing the Minnesota Health Right Plan

NOTICE IS HEREBY GIVEN that the State Department of Human Services is seeking information or opinions from sources outside the agency in preparing to propose the adoption of the emergency rule governing the Minnesota Health Right Plan. The adoption of the emergency rule is authorized by *Minnesota Statutes*, section 256.936, subdivision 2 (*Laws of Minnesota 1992*, chapter 549, article 4, section 3), which permits the agency to adopt emergency rules to govern implementation of the Minnesota Health Right Plan.

The emergency rule will expand the Minnesota Children's Health Plan (CHP) to cover eligible adults and older dependent siblings. Health coverage will include all the benefits currently covered under CHP and will add up to 10 hours of outpatient treatment per year of alcohol or drug dependency, inpatient hospital services with a dollar limit and co-pay for adults, and emergency medical transportation. Other elements of the emergency rule will include: a requirement that the commissioner coordinate the provision of hospital inpatient services under the plan with enrollee eligibility under a medical assistance spenddown and apply for any necessary federal waivers or approvals; a requirement that households pay a monthly premium determined by a sliding fee; criteria for premiums and subsidized premiums based on a sliding fee, including a requirement that Health Right coverage is contingent upon payment of the premium; a requirement that households with gross monthly income above a specific limit are not eligible for the plan; a requirement that adult enrollees must pay copayments; measures to maintain expenditures within the limits of available revenues; eligibility criteria; phased-in eligibility of targeted populations for the plan; application procedures; a requirement that enrollees be permanent residents of Minnesota; a provision that an applicant or enrollee may appeal the commissioner's determination; and a provision that the commissioner must inform enrollees of the future availability of premium discounts for healthy lifestyles.

The State Department of Human Services requests information and opinions concerning the subject matter of the emergency rule. Interested persons or groups may submit data or views on the subject matter of concern in writing or orally. Written statements should be addressed to: Stephanie L. Schwartz, Department of Human Services, Rules and Bulletins Division, 444 Lafayette Road, St. Paul,

Minnesota 55155-3816. Oral statements will be received during regular business hours over the telephone at (612) 297-4302 and in person at the above address.

All statements of information and opinions shall be accepted until further notice is published in the *State Register* or the Notice of Hearing or Notice of Intent to Adopt Rules Without a Hearing is published in the *State Register.* Any written material received by the State Department of Human Services shall become part of the rulemaking record to be submitted to the attorney general or administrative law judge in the event that the rule is accepted.

Dated: 18 April 1992

Stephanie L. Schwartz
Rules and Bulletins Division

Department of Human Services

Rules and Bulletins Division

Notice of Solicitation of Outside Information or Opinions Regarding Proposed Rules Governing Uniform Licensing Requirements for Programs Licensed by the Department of Human Services

NOTICE IS HEREBY GIVEN that the State Department of Human Services is seeking information or opinions from sources outside the agency in preparing to propose the adoption of a single, generic rule governing licensing requirements for programs licensed by the Department of Human Services. The adoption of the rule is authorized by *Minnesota Statutes,* section 245A.09, which directs the Commissioner to adopt rules under *Minnesota Statutes,* chapter 14 to govern the operation, maintenance, and licensure of programs subject to licensure under *Minnesota Statutes,* sections 245A.01 to 245A.16.

The Department proposes to adopt a single, generic licensing rule governing administrative licensing requirements for programs licensed by the Department. The goal of the licensing rule is to: provide greater administrative consistency between programs licensed by the Department; reduce administrative complexity by developing uniform licensing requirements; eliminate inconsistent, duplicative, and unnecessary licensing requirements; and simplify the licensing process. Existing administrative licensing requirements in Department rules will be deleted and replaced with a cross-reference to the generic rule.

The State Department of Human Services requests information and opinions concerning the subject matter of the rule. Interested persons or groups may submit data or views on the subject matter of concern in writing or orally. Written statements should be addressed to: Jim Schmidt, Rules and Bulletins Division, Department of Human Services, 444 Lafayette Road, St. Paul, Minnesota 55155-3816. Oral statements will be received during regular business hours over the telephone at (612) 296-7815 and in person at the above address.

All statements of information and opinions shall be accepted until further notice is published in the *State Register* or the Notice of Hearing or Notice of Intent to Adopt Rules Without a Hearing is published in the *State Register.* Any written material received by the State Department of Human Services shall become part of the rulemaking record to be submitted to the attorney general or administrative law judge in the event that the rule is adopted.

Dated: 18 May 1992

Jim Schmidt, Rulemaker
Department of Human Services

Metropolitan Council

Notice of Preliminary Schedule for Revising the Housing Chapter of the *Metropolitan Development Guide*

The Metropolitan Council has set up a preliminary schedule to update and revise its housing policy. The Housing Chapter of the *Metropolitan Development Guide* is the Council's chief policy document in the area of housing. Its purpose is to identify the main regional housing issues and set forth policy directions to address special housing needs, guide the production of housing in the region and respond to market changes. The following steps and dates are anticipated:

- Data collection and update — Through July 1992
- Issue identification phase: will involve a series of meetings with a variety of housing interest groups — May-August 1992

DEPARTMENT OF HUMAN SERVICES

October 5, 1992

To: Commissioner Steffen
Deputy Commissioner Steiner

From: Eleanor Weber

Re: REASON FOR NEW NOTICE ABOUT PROPOSED EMERGENCY RULES RELATED TO MINNCARE

The State Register received the proposed emergency rule and notice as required for timely publication on October 5.

Because the State Register misplaced the materials, the proposed emergency rule and notice were not published in the October 5 issue.

A corrected notice is necessary to revise the last day for submission of comments about the proposed emergency, which is 25 days after the date of publication, the minimum time interval set forth in Minnesota Statutes, section 14.30.

The revised notice, proposed emergency rule, and fiscal note will be mailed to all persons who received the original mailing. The costs related to this second mailing will be borne by the Print Communications Division of the Department of Administration.

▸ NOTE NEW 25-DAY COMMENT PERIOD ◂

Department of Human Services

In the Matter of the Proposed Adoption of Emergency Rule of the State Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency]

NOTICE OF INTENT TO ADOPT AN EMERGENCY RULE

(1) Notice is hereby given that the State Department of Human Services intends to adopt the above-entitled emergency rule. The statutory authority to adopt the emergency rule is contained in Minnesota Statutes, section 256.936, subdivision 2 (Laws 1992, chapter 549, article 4, section 3). The agency, in adopting the rule, is following the procedures set forth in the Administrative Procedure Act for adopting emergency rules in Minnesota Statutes, sections 14.29 to 14.36.

(2) All persons have 25 days or until 4:30 p.m. on November 6, 1992 after publication to submit data and views on the proposed emergency rule or any part or subpart of the rule in writing. Any comments must be submitted to:

(4) (0) (3)
Stephanie L. Schwartz
Minnesota Department of Human Services
444 Lafayette Road
St. Paul, Minnesota 55155-3816
(612) 297-4302

(4) A copy of the proposed emergency rule is attached to this notice.

(3) A free copy of the proposed emergency rule is available by contacting Stephanie L. Schwartz at the address and telephone number above.

(6) The proposed emergency rule may be modified if the modifications are supported by data and views submitted to the agency and does not result in a substantial change in the proposed emergency rule as noticed.

(9) Upon adoption of the emergency rule by the agency, the emergency rule as adopted and its supporting documents will be delivered to the Attorney General for reviews as to legality and form to the extent form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to Stephanie L. Schwartz at the address and telephone number above.

(8)

The emergency rule will take effect five working days after approval by the Attorney General and be effective for 720 days.

The adoption of this emergency rule will increase aggregate local public body spending by over $100,000 in the two fiscal years following the rule's adoption. See the fiscal note attached to this notice which contains the Department's reasonable estimate of the total cost to all local public bodies in the state to implement the rule for the two fiscal years following adoption of the rule. (9)

Date: 10/5/92

for NATALIE HAAS STEFFEN
Commissioner

Department of Human Services

In the Matter of the Proposed Adoption of Emergency Rule of the State Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency]

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Stephanie L. Schwartz
Minnesota Department of Human Services
444 Lafayette Road
St. Paul, Minnesota 55155-3816
(612) 297-4302

A copy of the proposed emergency rule is attached to this notice.

A free copy of the proposed emergency rule is available by contacting Stephanie L. Schwartz at the address and telephone number above.

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Date: September 4, 1992

for G Steffen
NATALIE HAAS STEFFEN
Commissioner

STATE OF MINNESOTA

DEPARTMENT OF HUMAN SERVICES

In the Matter of the Proposed Adoption of Emergency Rule of the State Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, Parts 9506.0010 to 9506.0110

AFFIDAVIT OF MAILING

Joyce Pederson, being first duly sworn, deposes and says:

That on the 7th day of October, 1992, at the City of St. Paul, County of Ramsey, State of Minnesota, I mailed the attached Notices by depositing in the State of Minnesota Central Mail System for first class mailing, a copy thereof, properly enveloped, with postage prepaid, to all persons and associations who have requested that their names be placed on file with the Department of Human Services for the purpose of receiving notice of hearing by this Department.

KATH[illegible]
NOTARY PUBLIC-MI[illegible]
RAMSEY COUNTY
My Comm. Expires Oct. 15, 1992

Joyce Pederson

Subscribed and sworn to before me
this 8th day of October, 1992
Kathy Ann McDonough

▸ NOTE NEW 25-DAY COMMENT PERIOD ◂

Department of Human Services

In the Matter of the Proposed Adoption of Emergency Rule of the State Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency]

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Stephanie L. Schwartz
Minnesota Department of Human Services
444 Lafayette Road
St. Paul, Minnesota 55155-3816
(612) 297-4302

A copy of the proposed emergency rule is attached to this notice.

A free copy of the proposed emergency rule is available by contacting Stephanie L. Schwartz at the address and telephone number above.

The proposed emergency rule may be modified if the modifications are supported by data and views submitted to the agency and does not result in a substantial change in the proposed emergency rule as noticed.

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Date: 10/5/92

NATALIE HAAS STEFFEN
Commissioner

STATE OF MINNESOTA

DEPARTMENT OF HUMAN SERVICES

In the Matter of the Proposed Adoption of Emergency Rule of the State Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, Parts 9506.0010 to 9506.0110

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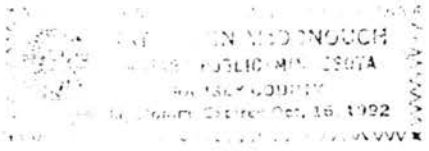

Joyce Pederson

Subscribed and sworn to before me

this 30th day of September, 1992

Kathy Ann McDonough

Department of Human Services

In the Matter of the Proposed Adoption of Emergency Rule of the State Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency]

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Stephanie L. Schwartz
Minnesota Department of Human Services
444 Lafayette Road
St. Paul, Minnesota 55155-3816
(612) 297-4302

A copy of the proposed emergency rule is attached to this notice.

A free copy of the proposed emergency rule is available by contacting Stephanie L. Schwartz at the address and telephone number above.

The proposed emergency rule may be modified if the modifications are supported by data and views submitted to the agency and does not result in a substantial change in the proposed emergency rule as noticed.

Upon adoption of the emergency rule by the agency, the emergency rule as adopted and its supporting documents will be delivered to the Attorney General for reviews as to legality and form to the extent form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to Stephanie L. Schwartz at the address and telephone number above.

The emergency rule will take effect five working days after approval by the Attorney General and be effective for 720 days.

The adoption of this emergency rule will increase aggregate local public body spending by over $100,000 in the two fiscal years following the rule's adoption. See the fiscal note attached to this notice which contains the Department's reasonable estimate of the total cost to all local public bodies in the state to implement the rule for the two fiscal years following adoption of the rule.

Date: September 4, 1992

for NATALIE HAAS STEFFEN
Commissioner

STATE OF MINNESOTA

DEPARTMENT OF HUMAN SERVICES

In the Matter of the Proposed Adoption of Emergency Rule of the State Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, Parts 9506.0010 to 9506.0110

AFFIDAVIT OF ADDITIONAL MAILING

Joyce Pederson, being first duly sworn, deposes and says:

That on the 7th day of October, 1992, at the City of St. Paul, County of Ramsey, State of Minnesota, I mailed the attached Notice by depositing in the State of Minnesota Central Mail System for first class mailing, a copy thereof, properly enveloped, with postage prepaid to the following parties:

- The 87 Minnesota County Human Services Agencies
- 28 Advisory Committee Members
- 2 Additional Mailings

KATHY ANN McDONOUGH
NOTARY PUBLIC-MINNESOTA
RAMSEY COUNTY
My Comm. Exp. Oct. 16, 1992

Joyce Pederson

Subscribed and sworn to before me
this 8th day of October, 1992

Kathy Ann McDonough

▸ NOTE NEW 25-DAY COMMENT PERIOD ◂

Department of Human Services

In the Matter of the Proposed Adoption of Emergency Rule of the State Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency]

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All persons have 25 days or until 4:30 p.m. on November 6, 1992 after publication to submit data and views on the proposed emergency rule or any part or subpart of the rule in writing. Any comments must be submitted to:

Stephanie L. Schwartz
Minnesota Department of Human Services
444 Lafayette Road
St. Paul, Minnesota 55155-3816
(612) 297-4302

A copy of the proposed emergency rule is attached to this notice.

A free copy of the proposed emergency rule is available by contacting Stephanie L. Schwartz at the address and telephone number above.

The proposed emergency rule may be modified if the modifications are supported by data and views submitted to the agency and does not result in a substantial change in the proposed emergency rule as noticed.

Upon adoption of the emergency rule by the agency, the emergency rule as adopted and its supporting documents will be delivered to the Attorney General for reviews as to legality and form to the extent form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to Stephanie L. Schwartz at the address and telephone number above.

The emergency rule will take effect five working days after approval by the Attorney General and be effective for 720 days.

The adoption of this emergency rule will increase aggregate local public body spending by over $100,000 in the two fiscal years following the rule's adoption. See the fiscal note attached to this notice which contains the Department's reasonable estimate of the total cost to all local public bodies in the state to implement the rule for the two fiscal years following adoption of the rule.

Date: 10/5/92

for NATALIE HAAS STEFFEN
Commissioner

STATE OF MINNESOTA

DEPARTMENT OF HUMAN SERVICES

In the Matter of the Proposed Adoption of Emergency Rule of the State Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, Parts 9506.0010 to 9506.0110

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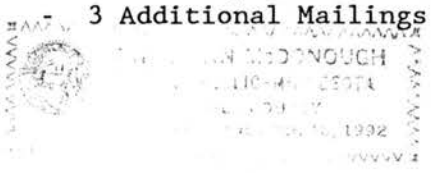
That on the 30th day of September, 1992, at the City of St. Paul, County of Ramsey, State of Minnesota, I mailed the attached Notice by depositing in the State of Minnesota Central Mail System for first class mailing, a copy thereof, properly enveloped, with postage prepaid to the following parties:

- The 87 Minnesota County Human Services Agencies
- The 87 Chairs of Minnesota County Commissioners
- 28 Advisory Committee Members
- 3 Additional Mailings



Joyce Pederson

Subscribed and sworn to before me
this 30th day of September, 1992

Kathy Ann McDonough

Department of Human Services

In the Matter of the Proposed Adoption of Emergency Rule of the State Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency]

NOTICE OF INTENT TO ADOPT AN EMERGENCY RULE

Notice is hereby given that the State Department of Human Services intends to adopt the above-entitled emergency rule. The statutory authority to adopt the emergency rule is contained in Minnesota Statutes, section 256.936, subdivision 2 (Laws 1992, chapter 549, article 4, section 3). The agency, in adopting the rule, is following the procedures set forth in the Administrative Procedure Act for adopting emergency rules in Minnesota Statutes, sections 14.29 to 14.36.

All persons have 25 days or until 4:30 p.m. on October 30, 1992 after publication to submit data and views on the proposed emergency rule or any part or subpart of the rule in writing. Any comments must be submitted to:

Stephanie L. Schwartz
Minnesota Department of Human Services
444 Lafayette Road
St. Paul, Minnesota 55155-3816
(612) 297-4302

A copy of the proposed emergency rule is attached to this notice.

A free copy of the proposed emergency rule is available by contacting Stephanie L. Schwartz at the address and telephone number above.

The proposed emergency rule may be modified if the modifications are supported by data and views submitted to the agency and does not result in a substantial change in the proposed emergency rule as noticed.

Upon adoption of the emergency rule by the agency, the emergency rule as adopted and its supporting documents will be delivered to the Attorney General for reviews as to legality and form to the extent form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to Stephanie L. Schwartz at the address and telephone number above.

The emergency rule will take effect five working days after approval by the Attorney General and be effective for 720 days.

The adoption of this emergency rule will increase aggregate local public body spending by over $100,000 in the two fiscal years following the rule's adoption. See the fiscal note attached to this notice which contains the Department's reasonable estimate of the total cost to all local public bodies in the state to implement the rule for the two fiscal years following adoption of the rule.

Date: September 4, 1992

for G. Steiner
NATALIE HAAS STEFFEN
Commissioner

STATE OF MINNESOTA

DEPARTMENT OF HUMAN SERVICES

In the Matter of the Proposed Adoption of Emergency Rule of the State Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, parts 9506.0010 to 9506.0110

AFFIDAVIT OF MAILING THE NOTICE OF INTENT TO ADOPT AN EMERGENCY RULE AND CERTIFICATE OF MAILING LIST

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

Joyce Pederson, being sworn says:

I hereby certify that the list of persons and associations who have requested, pursuant to Minnesota Statutes, sections 14.14, subdivision 1a and 14.22 or 14.30, that their names be placed on the State Department of Human Services rulemaking mailing list is accurate, complete, and current as of this 7th day of October, 1992.

That on the 7th day of October, 1992, at the City of St. Paul, County of Ramsey, State of Minnesota, I mailed the attached Notice of Intent to Adopt an Emergency Rule by depositing in the State of Minnesota Central Mail System for United States mailing, a copy thereof, with postage prepaid, to all persons and associations on the aforementioned mailing list.

KATHY ANN McDONOUGH
NOTARY PUBLIC-MINNESOTA
RAMSEY COUNTY
My Comm. Exp. Oct. 16, 1992

Joyce Pederson

Subscribed and sworn to before me
this 8th day of October, 1992

Kathy Ann McDonough

▸ NOTE NEW 25-DAY COMMENT PERIOD ◂

Department of Human Services

In the Matter of the Proposed Adoption of Emergency Rule of the State Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency]

NOTICE OF INTENT TO ADOPT AN EMERGENCY RULE

Notice is hereby given that the State Department of Human Services intends to adopt the above-entitled emergency rule. The statutory authority to adopt the emergency rule is contained in Minnesota Statutes, section 256.936, subdivision 2 (Laws 1992, chapter 549, article 4, section 3). The agency, in adopting the rule, is following the procedures set forth in the Administrative Procedure Act for adopting emergency rules in Minnesota Statutes, sections 14.29 to 14.36.

All persons have 25 days or until 4:30 p.m. on November 6, 1992 after publication to submit data and views on the proposed emergency rule or any part or subpart of the rule in writing. Any comments must be submitted to:

Stephanie L. Schwartz
Minnesota Department of Human Services
444 Lafayette Road
St. Paul, Minnesota 55155-3816
(612) 297-4302

A copy of the proposed emergency rule is attached to this notice.

A free copy of the proposed emergency rule is available by contacting Stephanie L. Schwartz at the address and telephone number above.

The proposed emergency rule may be modified if the modifications are supported by data and views submitted to the agency and does not result in a substantial change in the proposed emergency rule as noticed.

Upon adoption of the emergency rule by the agency, the emergency rule as adopted and its supporting documents will be delivered to the Attorney General for reviews as to legality and form to the extent form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to Stephanie L. Schwartz at the address and telephone number above.

The emergency rule will take effect five working days after approval by the Attorney General and be effective for 720 days.

The adoption of this emergency rule will increase aggregate local public body spending by over $100,000 in the two fiscal years following the rule's adoption. See the fiscal note attached to this notice which contains the Department's reasonable estimate of the total cost to all local public bodies in the state to implement the rule for the two fiscal years following adoption of the rule.

Date: 10/5/92

for NATALIE HAAS STEFFEN
Commissioner

STATE OF MINNESOTA

DEPARTMENT OF HUMAN SERVICES

In the Matter of the Proposed Adoption of Emergency Rule of the Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, Parts 9506.0010 to 9506.0110

CERTIFICATE OF MAILING LIST

I hereby certify that the list of persons, associations and other interested groups who have requested, pursuant to Minnesota Statutes, section 14.14, subdivision 1a, and 14.22 or 14.30, that their names be placed on the State Department of Human Services rulemaking mailing list is accurate, complete, and current as of this 7th day of October, 1992.

Joyce Pederson

STATE OF MINNESOTA

DEPARTMENT OF HUMAN SERVICES

In the Matter of the Proposed Adoption of Emergency Rule of the State Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, parts 9506.0010 to 9506.0110

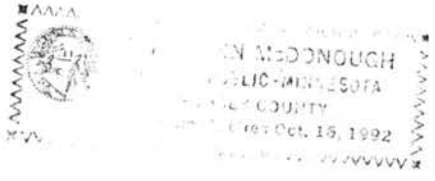
AFFIDAVIT OF MAILING THE NOTICE OF INTENT TO ADOPT AN EMERGENCY RULE AND CERTIFICATE OF MAILING LIST

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

Joyce Pederson, being sworn says:

I hereby certify that the list of persons and associations who have requested, pursuant to Minnesota Statutes, sections 14.14, subdivision 1a and 14.22 or 14.30, that their names be placed on the State Department of Human Services rulemaking mailing list is accurate, complete, and current as of this 30th day of September, 1992.

That on the 30th day of September, 1992, at the City of St. Paul, County of Ramsey, State of Minnesota, I mailed the attached Notice of Intent to Adopt an Emergency Rule by depositing in the State of Minnesota Central Mail System for United States mailing, a copy thereof, with postage prepaid, to all persons and associations on the aforementioned mailing list.



Joyce Pederson

Subscribed and sworn to before me this 30th day of September, 1992.

Kathy Ann McDonough

Department of Human Services

In the Matter of the Proposed Adoption of Emergency Rule of the State Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency]

NOTICE OF INTENT TO ADOPT AN EMERGENCY RULE

Notice is hereby given that the State Department of Human Services intends to adopt the above-entitled emergency rule. The statutory authority to adopt the emergency rule is contained in Minnesota Statutes, section 256.936, subdivision 2 (Laws 1992, chapter 549, article 4, section 3). The agency, in adopting the rule, is following the procedures set forth in the Administrative Procedure Act for adopting emergency rules in Minnesota Statutes, sections 14.29 to 14.36.

All persons have 25 days or until 4:30 p.m. on October 30, 1992 after publication to submit data and views on the proposed emergency rule or any part or subpart of the rule in writing. Any comments must be submitted to:

Stephanie L. Schwartz
Minnesota Department of Human Services
444 Lafayette Road
St. Paul, Minnesota 55155-3816
(612) 297-4302

A copy of the proposed emergency rule is attached to this notice.

A free copy of the proposed emergency rule is available by contacting Stephanie L. Schwartz at the address and telephone number above.

The proposed emergency rule may be modified if the modifications are supported by data and views submitted to the agency and does not result in a substantial change in the proposed emergency rule as noticed.

Upon adoption of the emergency rule by the agency, the emergency rule as adopted and its supporting documents will be delivered to the Attorney General for reviews as to legality and form to the extent form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to Stephanie L. Schwartz at the address and telephone number above.

The emergency rule will take effect five working days after approval by the Attorney General and be effective for 720 days.

The adoption of this emergency rule will increase aggregate local public body spending by over $100,000 in the two fiscal years following the rule's adoption. See the fiscal note attached to this notice which contains the Department's reasonable estimate of the total cost to all local public bodies in the state to implement the rule for the two fiscal years following adoption of the rule.

Date: September 4, 1992

for NATALIE HAAS STEFFEN
Commissioner

STATE OF MINNESOTA

DEPARTMENT OF HUMAN SERVICES

In the Matter of the Proposed Adoption of Emergency Rule of the Department of Human Services Governing the Administration of Children's Health Plan Plus, Minnesota Rules, Parts 9506.0010 to 9506.0110

CERTIFICATE OF MAILING LIST

I hereby certify that the list of persons, associations and other interested groups who have requested, pursuant to Minnesota Statutes, section 14.14, subdivision 1a, and 14.22 or 14.30, that their names be placed on the State Department of Human Services rulemaking mailing list is accurate, complete, and current as of this 30th day of September, 1992.

Joyce Pederson

STATE OF MINNESOTA

DEPARTMENT OF HUMAN SERVICES

In the Matter of the Proposed
Emergency Rule of Department of Human
Services Governing the Administration
of Children's Health Plan Plus,
Minnesota Rules, parts 9506.0010
to 9506.0110 [Emergency]

FISCAL NOTE

I. NET FISCAL IMPACT OF RULE*

	FY '93	FY '94**
Local	$201,972	$227,546
State	$ 14,766	$ 78,423
TOTAL	$216,738	$305,969

*See Part III for Methodology and Summary Explanation of Costs

II. BACKGROUND INFORMATION ON RULE AND FUNDING SOURCES

A. Purpose of Rule

This rule, known informally as Emergency Rule 100, governs the administration of Children's Health Plan Plus (interim name), formally known as "HealthRight."

The purpose of the emergency rule is to: 1) establish eligibility for the plan; 2) specify the application process and where applications are available; 3) specify when covered services begin and what those services are; 4) require that covered health services are secondary to other health coverage for which enrollees are eligible; 5) specify premium payments, when premiums are due and the consequences if premiums are received late or not at all; 6) require the commissioner to manage the plan's spending, to make a quarterly assessment of expected expenditures for covered health services, and make necessary adjustments to ensure that expenditures remain within the limits of available revenues; 7) require copayments from enrollees; 8) require the commissioner to perform an annual redetermination of continued eligibility and require enrollees to cooperate in this redetermination; 9) require enrollees to report changes in income, address, size of family, etc. to the Department; 10) require the commissioner to verify enrollees' gross annual family incomes by performing random audits; 11) require the commissioner to coordinate the plan with the

** Normally, Fiscal Notes detail the impact of the proposed rule or rule amendments for the two calendar years following promulgation. If so, this Fiscal Note would project anticipated costs until January of 1995. However, available Department calculations are based on FY '93 (July 1, 1992 to June 30, 1993) and FY '94 (July 1, 1993 to June 30, 1994) calculations. Therefore, the reader is asked to keep in mind that the Department's numbers are based on calculations following fiscal years, not calendar years.

medical assistance (MA) program; 12) require the commissioner to reimburse eligible providers; and 13) allow enrollees to appeal the suspension, reduction, or termination of covered services/eligibility.

B. Statutory Authority

The proposed emergency rule is authorized by Minnesota Statutes, section 256.936, subdivision 2 (Laws 1992, chapter 549, article 4, section 3), which gives the commissioner authority to "adopt emergency rules to govern implementation" of Children's Health Plan Plus. When promulgated, this legislation requires that this emergency rule will be in effect for 720 days, or until approximately December 22, 1994.

C. Reasons for Adoption of Emergency Rule

In Laws 1992, chapter 549, article 4, sections 2 to 11, the 1992 legislature expanded the Department's Children's Health Plan (CHP), the program providing health care services to low income children, to also cover families of these low income children (and, in coming years, single adults and households without children). During the legislative session, this expanded health care package was named "HealthRight."

This proposed emergency rule is necessary to administer "HealthRight," renamed Children's Health Plan Plus, and to comply with Minnesota Statutes, section 256.936, as noted above.

D. Background and Funding Source

Currently, 27,877 children are receiving covered health services, defined as services reimbursed under MA (with specific exceptions), through the CHP. For FY '92, the cost to the state for CHP was $8,270,978; for FY '93, it is estimated that it will cost $13,195,341.

The Department anticipates that by 1997, 158,000 people will be enrolled in Children's Health Plan Plus and that it will cost the state $91,951,497 to administer the plan through FY '94.

Pursuant to the requirements set out in the "HealthRight" legislation, there will be costs to the state and to counties. For example, there will be costs associated with the required annual redetermination of plan eligibility and the random audits; with coordination of the plan with MA; and with appeals heard by the Department. These costs were figured into the Finance Department's Fiscal Note dated April 8, 1992 and discussed during the 1992 legislative session.

There are also expected to be costs for the state and counties where this proposed emergency rule sets out requirements not specifically required by statute. These are detailed in Part III, below.

There are three funding sources for Children's Health Plan Plus.

- Beginning July 1, 1992, a 5¢ increase on cigarette tax effective until end of FY 1994; expected to raise approximately $26,000,000 to provide start up and reserve funds. Beginning in FY '95, these revenues will go to the General Fund.

- 2% tax on hospitals and health care providers; will be phased in over two year period.

- premiums and enrollment fees; expected to raise approximately $22,187,047 through FY '94. These payments will only cover 21.01% of costs in FY '93 and 19.30% of costs in FY '94. The remainder will be paid for from the first two sources.

All funds will be collected by the Health Care Access Fund, established by the State Treasury.

III. METHODOLOGY AND EXPLANATION OF COSTS

Because this rule administers Children's Health Plan Plus, there are some costs both to the state and to counties that were not considered during the 1992 legislative session.

A. Proposed part 9506.0030, subpart 5, item A

This proposed subpart requires the commissioner to refer applicants to the local social service agency if applicants may be eligible for MA. The commissioner must consider, at a minimum, the age of the applicant, the income of the applicant, whether the applicant is pregnant, and whether the applicant is disabled.

Referring applicants to the county level is expected to result in increases in MA. Increases are also anticipated in the numbers of general assistance medical care (GAMC) recipients, because often the parents of MA-eligible children are eligible for GAMC. These increases will result in increased administrative costs for counties.

The projected caseload impact of Children's Health Plan Plus on MA and GAMC is an increment of the impact of the CHP. Before the 1992 "HealthRight" legislation, the Department's February 1992 forecast projected that 63 MA enrollees and 50 GAMC enrollees would be added for every 100 additional CHP enrollees. The change from the CHP to Children's Health Plan Plus is expected to generate additional enrollment in MA and GAMC, above the level calculated in February 1992.

Total new (since February 1992) county administrative costs are calculated as follows:

	FY '93	FY '94
Additional MA recipients	915	1,031
Co. share administrative cost/case*	$150	$150
Total co. share cost for added MA cases	$137,250	$154,650
Additional GAMC recipients	966	1,088
Co. share administrative costs/case	$67	$67
Total co. share costs for added GAMC cases	$64,722	$72,896
TOTAL COUNTY SHARE COSTS FOR ADDED MA & GAMC CASES	$201,972	$227,546

* county administrative costs are calculated as follows: FY '91 annual county figures for total MA administrative costs ÷ total number of FY '91 MA cases

Therefore, for FY '93, this proposed subpart will cost each county approximately $2,322.00, and for FY '94, approximately $2616.00.

B. Proposed part 9506.0050, subpart 6

This proposed subpart requires that if an enrollee's premium payment is not received by the due date, the Department must send a notice to the enrollee. This will result in costs to the Department.

Total costs are calculated as follows:

	FY '93	FY '94
projected average enrolled households	2,675	14,207
→		
households x 12 premium notices/year	32,100	170,484
→		
assumption that 15%* will require late notices	4,815	25,573
→		
cost of sending late notices at 40¢/notice	$1,926	$10,229
TOTAL	$1,926	$10,229

* 15% based on 10% actual CHP late notices + 5% extra "cushion"

C. Proposed part 9506.0050, subpart 8

This proposed part requires the Department to send out premium billing notices. For monthly premiums, the Department must send out the notices by the first of each month preceding the month for which coverage will be provided. For quarterly premiums, the Department must send out the notices by the first of the month immediately preceding the first month of the next quarter for which coverage will be provided. Minnesota Statutes, section 256.936, subdivision 4, paragraph (c) (Laws 1992, chapter 549, article 4, section 7) allows payment of premiums monthly or quarterly. Sending out notices will result in costs to the Department.

Using the numbers from Item B, above, total costs are calculated as follows:

	FY '93	FY '94
projected average enrolled households	2,675	14,207
→		
households x 12 premium notices/year (used for ease in calculations)	32,100	170,484
→		
cost of sending notices at 40¢/notice	$12,840	$68,194
TOTAL	$12,840	$68,194

TOTAL COSTS

		FY '93	FY '94
1.	cost to counties of additional MA and GAMC recipients	$201,972	$227,546
2.	cost to state to send late premium notices	$ 1,926	$ 10,229
3.	cost to state to send premium notices	$ 12,840	$ 68,194
	TOTAL	$216,738	$305,969

Date: September 4, 1992

for NATALIE HAAS STEFFEN
Commissioner

Attachment #1

COMMISSIONER OF FINANCE'S
APPROVAL FOR
ESTABLISHMENT OR ADJUSTMENT OF FEES

Administration of the Minnesota State Health Right Plan, Minnesota Rules, parts 9506.0010 to 9506.0100 [Emergency] sets fees for: 1) premiums and enrollments; and 2) enrollee copayments.

I hereby approve the Department of Human Services' proposed establishment or adjustment of fees for the above proposed emergency rule.

Dated: 8-27-92

for John Gunyou
Commissioner of Finance

STATE OF MINNESOTA

DEPARTMENT OF HUMAN SERVICES

In the Matter of the Proposed Adoption of the Rule of the State Department of Human Services Governing the Administration of MinnesotaCare, Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency]

FINDINGS OF FACT, CONCLUSIONS, AND ORDER ADOPTING EMERGENCY RULE

(1) Notice of the Commissioner's intent to adopt the above-entitled emergency rule was published in the State Register on Monday, October 12, 1992 and was sent by United States mail to all persons on the list maintained by the agency pursuant to Minnesota Statutes, section 14.30 on October 8, 1992.

(2) All persons were given the opportunity to submit written comment on the rule for at least 25 days after notice of proposed rulemaking. The Department received only one letter, from the Children's Defense Fund-Minnesota (CDF-MN), requesting language changes.

Based on the comments and evidence in the record before the agency, I find the following:

1. MinnesotaCare (name change)

(3) In the published proposed emergency rule, the universal health insurance program that is the subject of this rule was called "Children's Health Plan Plus." Since the time of publication, "Children's Health Plan Plus" has been replaced with "MinnesotaCare," and therefore, throughout the proposed rule the program name must be changed to "MinnesotaCare."

2. Part 9506.0020, subpart 4, item A, subitem (3)

Proposed part 9506.0020, subpart 4, item A states:

> Subp. 4. **Single adults and households without children who apply for children's health plan plus.** Beginning July 1,

1994, single adults and households without children will be enrolled in children's health plan plus, in addition to families with children and emancipated minors eligible under subparts 1 to 3, if the requirements in items A to C are met.

A. Eligibility.

(3) The single adults or family members applying do have gross annual family incomes exceeding the gross annual income limits of Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c).

As proposed, subitem (3) left out the word "not," which makes the subitem incorrect as a matter of law. In order to follow state law, it is necessary and reasonable to amend subitem (3) to state that single adults or family members applying do <u>not</u> have gross annual family incomes exceeding the gross annual income limits of the statute cited.

Minnesota Statutes, section 256.936, subdivision 2b, paragraph (e) states that individuals and households without children whose income is greater than the limits established in Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c) may not enroll in MinnesotaCare. Conversely, these people are eligible for MinnesotaCare if they <u>do not</u> have gross annual family incomes greater than the limits in Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c).

This is not a substantial change because it merely clarifies what the rule should have required when proposed.

Therefore, proposed part 9506.0020, subpart 4, item A is amended to read:

Subp. 4. **Single adults and households without children who apply for children's health plan plus.** Beginning July 1, 1994, single adults and households without children will be enrolled in children's health plan plus, in addition to families with children and emancipated minors eligible under subparts 1 to 3, if the requirements in items A to C are met.

A. Eligibility.

(3) The single adults or family members applying do not have gross annual family incomes exceeding the gross annual income limits of Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c).

3. Part 9506.0030, subpart 3, item F

Proposed part 9506.0030, subpart 3 states:

> Subp. 3. **Necessary information for eligibility determination.** Applicants must provide all information necessary for the commissioner to determine eligibility under children's health plan plus and potential eligibility for medical assistance under Minnesota Statutes, chapter 256B. Necessary information includes:
>
> F. proof of gross annual family income.

In its letter, CDF-MN requests that "proof of" be deleted, as MinnesotaCare applicants should not have to prove gross annual family income, but merely supply the figures. As pointed out by CDF-MN, in practice, the Department will only require proof of gross annual family income because an applicant has trouble filling out the application form or because the department runs a random audit and redetermination. Everyday department procedure will not be to require proof of gross annual family income.

The Department accepts the CDF-MN amendment request, and will delete the words "proof of" from item F. This change is necessary because it is current Department practice not to require proof of gross annual family income, and the change is reasonable because it eases the paperwork the proposed rule language requires applicants to submit.

This is not a substantial change because less paperwork will be required of applicants, and because this change was requested by advocates for MinnesotaCare applicants.

Therefore, proposed part 9506.0030, subpart 3, item F is amended to read:

Subp. 3. **Necessary information for eligibility determination.** Applicants must provide all information necessary for the commissioner to determine eligibility under children's health plan plus and potential eligibility for medical assistance under Minnesota Statutes, chapter 256B. Necessary information includes:

F. ~~proof of~~ gross annual family income.

4. Part 9506.0050, subpart 3, item B

Proposed part 9506.0050, subpart 3 states:

Subp. 3. **Premium payment adjustments.**

B. Under Minnesota Statutes, section 256.936, subdivision 2, the commissioner may:

(1) decrease the premium subsidy by ten percent for families with gross annual family income above 200 percent of the federal poverty guidelines; and

(2) decrease the premium subsidy by ten percent for families with gross annual family income at or below 200 percent.

CDF-MN points out that Minnesota Statutes, section 256.936, subdivision 2 requires the commissioner to adjust the MinnesotaCare premiums to ensure that program expenditures remain within the limits of available resources, but in a specific order. That is, the commissioner must decrease the premium subsidy by ten percent for families with a gross annual family income above 200% of the federal poverty guidelines before decreasing the premium subsidies for families with a gross annual family income at or below 200% of the federal poverty guidelines. As proposed, subpart 3 does not make this order clear. CDF-MN proposes amending the subpart to clarify the proper order.

The Department accepts the suggestion of CDF-MN and will make clear that subitem (1) must take place before the

commissioner implements subitem (2). This amendment is necessary and reasonable as it simply clarifies what is required in Minnesota Statutes, section 256.936, subdivision 2. It is not a substantial change because both subitem (1) and subitem (2) may still occur, but in a specific order.

Therefore, proposed part 9506.0050, subpart 3, item B is amended to read:

Subp. 3. **Premium payment adjustments.**

B. To ensure that expenditures remain within the limits of available revenues under Minnesota Statutes, section 256.936, subdivision 2, the commissioner may~~:~~

~~(1)~~ decrease the premium subsidy by ten percent for families with gross annual family income above 200 percent of the federal poverty guidelines~~; and~~.

~~(2)~~ If this decrease in the premium subsidy does not ensure that expenditures remain within the limits of available revenues, the commissioner may decrease the premium subsidy by ten percent for families with gross annual family income at or below 200 percent.

5. Part 9506.0080, subpart 1

Proposed part 9506.0080, subpart 1 states:

Subpart 1. **Changes.** As soon as identified, enrollees must report the following changes to the department:

A. address;
B. household composition;
C. employment status;
D. gross annual family income;
E. availability of other health coverage;
F. onset of disability or change in disability; and

G. initiation of legal action to collect money for an accident or an injury.

CDF-MN makes two points regarding subpart 1. First, it comments that "this subpart does not give any time frame within which these changes must be reported." CDF-MN suggests that the phrase "as soon as identified" be deleted and replaced by the medical assistance standard found in the Department's *Combined Certification Manual, §7.15* ("Unscheduled Reporting of Changes") -- changes must be reported within ten days of the date of change.

The Department declines to make this change. Requiring enrollees to report changes within ten days may not be possible for all enrollees. The Department believes it is better to allow enrollees some leeway in reporting changes ("as soon as identified"). And, changes, even if not reported "as soon as identified," will eventually be picked up by the Department at the time of annual reapplication.

Secondly, regarding item D, CDF-MN notes that "there is no standard set forth for the amount of change in gross annual family income that must occur for the change to be reported." CDF-MN suggests that for recurring small changes in gross annual family income, requiring notification to the Department would be an "administrative burden."

The point is well taken. It is not the intent of the Department to require that enrollees report small changes in gross annual family income. Therefore, it is necessary that some base amount triggering reporting is included in the proposed rule language.

It is reasonable to look to current Department policy. The medical assistance program has no baseline amount, but for the AFDC program, the Department's *Combined Certification Manual, §7.15* requires reporting of recurring changes of more than $50.00 per month. See also the AFDC rule, part 9500.2700, subpart 7, item C ("[A] recipient must report changes in . . . a recurring change of more than $50 per month of net earned or unearned income.").

Therefore, proposed part 9506.0080, subpart 1 is amended to read:

> Subpart 1. **Changes.** As soon as identified, enrollees must report the following changes to the department:

A. address;
B. household composition;
C. employment status;
D. a recurring change of more than $50 per month of gross ~~annual family~~ earned or unearned income;
E. availability of other health coverage;
F. onset of disability or change in disability; and
G. initiation of legal action to collect money for an accident or an injury.

This amendment is reasonable because it eases the administrative work of the Department and reduces the paperwork load for enrollees. Further, $50 is the smallest incremental change that will reflect a change in an enrollee's premium amount.

This is not a substantial change because the Department is still requiring that enrollees report the changes in items A to G; the amount of reporting item D would have required is simply reduced.

(5) NOW, THEREFORE, IT IS ORDERED that the rule identified as Governing the Administration of MinnesotaCare, Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency] (as modified) is adopted this 3rd day of December, 1992, pursuant to authority vested in me by Minnesota Statutes, section 256.9352, subdivision 4.

NATALIE HAAS STEFFEN
Commissioner

STATE OF MINNESOTA

DEPARTMENT OF HUMAN SERVICES

In the Matter of the Proposed Adoption of the Rule of the State Department of Human Services Governing the Administration of MinnesotaCare, Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency]

SUPPLEMENTAL FINDINGS OF FACT, CONCLUSIONS, AND ORDER ADOPTING EMERGENCY RULE

Notice of the Commissioner's intent to adopt the above-entitled emergency rule was published in the State Register on Monday, October 12, 1992 and was sent by United States mail to all persons on the list maintained by the agency pursuant to Minnesota Statutes, section 14.30 on October 8, 1992.

All persons were given the opportunity to submit written comment on the rule for at least 25 days after notice of proposed rulemaking. The Department received only one letter, from the Children's Defense Fund-Minnesota, requesting language changes. Please refer to the Findings of Fact, Conclusions, and Order Adopting Emergency Rule for the Department's response to the Children's Defense Fund-Minnesota.

Based on the comments and evidence in the record before the agency, I find the following:

1. Part 9506.0070, subpart 2

Proposed part 9506.0070, subpart 2 states:

> Subp. 2. **Enrollee cooperation with annual redetermination.** Enrollees must provide information to the department in order for the commissioner to redetermine eligibility for children's health plan plus. The information must be provided so the redetermination can occur before the anniversary date that eligibility began under part 9506.0040 [Emergency], subpart 2. Enrollees who do not provide information to the department in order for the commissioner to redetermine eligibility are disenrolled from children's health plan plus. For

purposes of this subpart, anniversary date means the annual occurrence of the first day of the month following the date of department approval of eligibility for children's health plan plus.

This subpart incorrectly cites to proposed part 9506.0040, subpart 2, when it should cite to proposed part 9506.0040, subpart 1 (when coverage begins). In order to correctly cite to part 9506.0040, subpart 1, it is necessary and reasonable to amend proposed part 9506.0070, subpart 2. This is not a substantial change because it merely corrects a typographical error.

Therefore, proposed part 9506.0070, subpart 2 is amended to read:

Subp. 2. **Enrollee cooperation with annual redetermination.** Enrollees must provide information to the department in order for the commissioner to redetermine eligibility for children's health plan plus. The information must be provided so the redetermination can occur before the anniversary date that eligibility began under part 9506.0040 [Emergency], subpart ~~2~~ 1. Enrollees who do not provide information to the department in order for the commissioner to redetermine eligibility are disenrolled from children's health plan plus. For purposes of this subpart, anniversary date means the annual occurrence of the first day of the month following the date of department approval of eligibility for children's health plan plus.

NOW, THEREFORE, IT IS ORDERED that the rule identified as Governing the Administration of MinnesotaCare, Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency] (as modified) is adopted this 3rd day of December, 1992, pursuant to authority vested in me by Minnesota Statutes, section 256.9352, subdivision 4.

George Steffen

for NATALIE HAAS STEFFEN
Commissioner

Department of Human Services

Proposed Emergency Rules Governing Children's Health Plan Plus

Rules as Proposed (all new material)

9506.0010 [Emergency] DEFINITIONS.

Subpart 1. **Scope.** The terms used in parts 9506.0010 to 9506.0110 [Emergency] have the meanings given them in this part.

Subp. 2. **Aid to families with dependent children or AFDC.** "Aid to families with dependent children" or "AFDC" means the program authorized under title IV-A of the Social Security Act to provide financial assistance and services to needy families with dependent children.

Subp. 3. **Applicant.** "Applicant" means a person who submits a written application to the department for a determination of eligibility for children's health plan plus.

Subp. 4. **Child.** "Child" means a person who is less than 18 years of age.

Subp. 5. **Children's health plan.** "Children's health plan" means the program authorized under Minnesota Statutes 1990 and amended in 1991 Supplement, section 256.936, providing health care services to low-income children.

Subp. 6. **Children's health plan plus.** "Children's health plan plus" means the program authorized in Laws 1992, chapter 549, article 4, and recodified as Minnesota Statutes, section 256.9351, to provide appropriate covered health services for children and adults.

Subp. 7. **Community health offices.** "Community health offices" means department of health district offices, community health service agencies, or affiliated local public health nursing services under the authority of a community health board defined in Minnesota Statutes, section 145A.02, subdivision 5, a board of health defined in Minnesota Statutes, section 145A.02, subdivision 2, or a county board of commissioners defined in Minnesota Statutes, section 145A.02, subdivision 8.

Approved by Revisor

Subp. 8. **Commissioner.** "Commissioner" means the commissioner of the Department of Human Services or the commissioner's designee.

Subp. 9. **Covered health services.** "Covered health services" means the services listed in Minnesota Statutes, section 256.936, subdivision 2a, paragraphs (a) to (d).

Subp. 10. **Department.** "Department" means the Department of Human Services.

Subp. 11. **Dependent sibling.** "Dependent sibling" has the meaning given in Minnesota Statutes, section 256.936, subdivision 2b, paragraph (a).

Subp. 12. **Eligible provider.** "Eligible provider" has the meaning given in Minnesota Statutes, section 256.936, subdivision 1, paragraph (a).

Subp. 13. **Employer-subsidized health coverage.** "Employer-subsidized health coverage" means health coverage for which the employer pays at least 50 percent of the cost of coverage for the employee, excluding dependent coverage.

Subp. 14. **Enrollee.** "Enrollee" means an applicant determined eligible by the department to receive covered health services under children's health plan plus who has paid the required premium under part 9506.0050 [Emergency].

Subp. 15. **Family.** "Family" means parents or stepparents and their birth or adopted children, or guardians and their wards who are children, and the children's dependent siblings residing in the same household, including children and dependent siblings temporarily absent from the household in settings such as schools, camps, or visitation as specified in Minnesota Statutes, sections 518.131, subdivision 1, paragraph (a), and 518.175. When a parent or parents and his, her, or their child or children, or a guardian and his or her ward who is a child, are residing with other relatives, and the parent, parents, or guardian apply for children's health plan plus, family means only the parent or parents and his, her, or their child or children, or the guardian and his or her ward who is a child.

Family includes an emancipated minor and, if the

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emancipated minor is married, the emancipated minor and his or her spouse. Beginning July 1, 1994, for households without children, family also includes spouses.

Subp. 16. **General assistance medical care.** "General assistance medical care" has the meaning given in Minnesota Statutes, section 256D.02, subdivision 4a.

Subp. 17. **Gross annual family income.** "Gross annual family income" means the total of items A and B. Before July 1, 1994, it includes income for all family members. Beginning July 1, 1994, gross annual family income for single individuals means the total of items A and B. In either case, if a guardian is applying for children's health plan plus, the guardian's income must be included.

A. For self-employed persons and wage earners, gross annual family income includes:

(1) for farm and nonfarm self-employed persons, income has the meaning given in Minnesota Statutes, section 256.936, subdivision 1, paragraph (c); and

(2) for wage earners, income means money earned before any deduction, disregard, or exclusion received in the four months immediately before application for children's health plan plus, multiplied by three to reflect a 12-month period.

B. For all applicants, gross annual family income includes the following money received in the four months immediately before the application, multiplied by three to reflect a 12-month period:

(1) supplemental security income under title XVI of the Social Security Act;

(2) social security benefits;

(3) veterans' administration benefits;

(4) unemployment benefits;

(5) workers' compensation benefits;

(6) child support;

(7) spousal maintenance or support payments; and

(8) income from any other source, including training stipends, grants, scholarships, and rent.

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Subp. 18. **Local social service agency.** "Local social service agency" means the local county agency under the authority of the county welfare or human services board or county board of commissioners that is responsible for human services.

Subp. 19. **Medical assistance.** "Medical assistance" means the program authorized under title XIX of the Social Security Act and Minnesota Statutes, chapter 256B.

Subp. 20. **Other health coverage.**

A. "Other health coverage" means:

(1) basic hospital coverage;

(2) medical-surgical or major medical coverage;

(3) Medicare Part A and/or Part B coverage under title XVIII of the Social Security Act;

(4) supplemental Medicare coverage under Minnesota Statutes, sections 62A.31 to 62A.44;

(5) coverage through a health maintenance organization under Minnesota Statutes, chapter 62D;

(6) coverage through a health maintenance organization under Minnesota Statutes, chapter 62D, combined with Medicare benefits under title XVIII of the Social Security Act; or

(7) coverage through the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) under United States Code, title 10, chapter 55, sections 1079 and 1086.

B. "Other health coverage" does not mean:

(1) medical assistance under Minnesota Statutes, chapter 256B;

(2) general assistance medical care under Minnesota Statutes, section 256D.02, subdivision 4a;

(3) coverage under a regional demonstration project for the uninsured funded under Minnesota Statutes, section 256B.73;

(4) coverage under the Hennepin county assured care program; or

(5) coverage under the Group Health, Inc.

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community health plan.

Subp. 21. **Parent.** "Parent" means the birth, step, or adoptive mother or father of a child.

Subp. 22. **Permanent resident.** "Permanent resident" has the meaning given in Minnesota Statutes, section 256.936, subdivision 4c, paragraph (c).

Subp. 23. **Third party payer.** "Third party payer" has the meaning given in part 9505.0015, subpart 46.

Subp. 24. **WIC program.** "WIC program" means the Special Supplemental Food Program for Women, Infants and Children administered by the United States Department of Agriculture under United States Code, title 42, section 1786, providing nutritious food and nutrition education to low-income pregnant and postpartum women and their children.

9506.0020 [Emergency] ELIGIBILITY FOR CHILDREN'S HEALTH PLAN PLUS.

Subpart 1. **Children enrolled in children's health plan or children whose children's health plan application is received on or before September 30, 1992.** Children enrolled in the children's health plan, or children whose children's health plan application is received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, on or before September 30, 1992, and who are found eligible for the children's health plan, will be enrolled in children's health plan plus if items A to C are met.

A. Eligibility.

(1) The children applying are at least one year of age or older, but less than 18 years of age.

(2) The children applying are permanent residents of Minnesota.

(3) The children applying are not eligible for medical assistance, including medical assistance for pregnant women, under Minnesota Statutes, chapter 256B.

(4) The child's family has a gross annual family income that does not exceed 185 percent of the federal poverty

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guidelines.

(5) The children applying are not otherwise insured for the covered health services.

B. Continuous eligibility. Children whose children's health plan application is received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, on or before September 30, 1992, and who are otherwise eligible for children's health plan, remain eligible for children's health plan plus:

(1) regardless of age;

(2) regardless of the presence or absence of other children in the same household; and

(3) even if their family's gross annual income after enrollment exceeds 185 percent of the federal poverty guidelines, subject to children's health plan plus premium under part 9506.0050 [Emergency], subpart 2, item A or B, as long as all other eligibility requirements of this part are met, and continuous enrollment in children's health plan plus or the medical assistance program is maintained.

If the requirements in this item are not met, children may apply for children's health plan plus under subpart 2.

C. Premium payments. Until July 1, 1993, children eligible for the children's health plan are exempt from paying children's health plan plus premiums under part 9506.0050 [Emergency], subpart 2, item A or B, but must pay the children's health plan enrollment fee under part 9506.0050 [Emergency], subpart 1. If the children's health plan application is received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, after September 30, 1992, applicants must pay the children's health plan plus premiums under part 9506.0050 [Emergency], subpart 2, item A or B, instead of the children's health plan enrollment fee under part 9506.0050 [Emergency], subpart 1, unless the commissioner accepts children's health plan applications after September 30, 1992, as provided by Laws 1992, chapter 549, article 4, section 17.

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Subp. 2. **Families with children enrolled in children's health plan, emancipated minors enrolled in children's health plan, and families with children or emancipated minors whose children's health plan plus application is received after September 30, 1992.** Until January 1, 1993, families with children enrolled in the children's health plan, emancipated minors enrolled in the children's health plan, and families with children or emancipated minors whose children's health plan plus applications are received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, after September 30, 1992, will be enrolled in children's health plan plus if the requirements in items A to C are met.

A. Eligibility.

(1) The children applying are at least one year of age or older, but less than 18 years of age.

(2) The family members applying are permanent residents.

(3) The family members applying are not eligible for medical assistance, including medical assistance for pregnant women, under Minnesota Statutes, chapter 256B.

(4) The family has a gross annual family income that does not exceed 185 percent of the federal poverty guidelines.

(5) The family members applying are not otherwise insured for the covered health services.

(6) The family members applying must not have access to subsidized health coverage through an employer, and must not have had access to employer-subsidized health coverage during the 18-month period immediately preceding the family member's application for children's health plan plus. The requirement in this subitem does not apply if:

(a) the subsidized health coverage was lost for reasons that would not disqualify the family member from receiving unemployment benefits under Minnesota Statutes, section 268.09; or

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(b) the family member applying has not had access to employer-subsidized health coverage because of a layoff.

(7) If one child from the family applies, all children must apply, unless the child or the children not applying have other health coverage. Children and dependent siblings may apply even if their parents are not applying.

(8) Parents applying must also apply for their children and the children's dependent siblings, if the children and dependent siblings are eligible under this part.

(9) If one parent in the household applies, both parents must apply, unless the other parent has other health coverage.

B. Continuous eligibility. Individuals remain eligible for children's health plan plus:

(1) regardless of age;

(2) regardless of the presence or absence of children in the same household; and

(3) even if their gross annual family income after enrollment exceeds 185 percent of the federal poverty guidelines, subject to children's health plan plus premiums under part 9506.0050 [Emergency], subpart 2, item A or B, as long as all other eligibility requirements of this part are met, and continuous enrollment in children's health plan plus or the medical assistance program is maintained.

C. Premium payments. Family members eligible for children's health plan plus must pay children's health plan plus premiums under part 9506.0050 [Emergency], subpart 2, item A or B.

Subp. 3. **Families with children and emancipated minors who apply for children's health plan plus.** Beginning January 1, 1993, families with children and emancipated minors will be enrolled in children's health plan plus if the requirements in items A to C are met.

A. Eligibility.

(1) The family members applying are permanent

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residents.

(2) The family members applying are not eligible for medical assistance, including medical assistance for pregnant women, under Minnesota Statutes, chapter 256B.

(3) The family's gross annual family income does not exceed the gross income limits in Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c).

(4) The family members applying must not have access to subsidized health coverage through an employer, and must not have had access to employer-subsidized health coverage during the 18-month period immediately preceding the family member's application for children's health plan plus. The requirement in this subitem does not apply if:

(a) the subsidized health coverage was lost for reasons that would not disqualify the family member from receiving unemployment benefits under Minnesota Statutes, section 268.09; or

(b) the family member applying has not had access to employer-subsidized health coverage because of a layoff.

(5) The family member applying has not had other health coverage for at least the four months immediately preceding the date of application.

(6) If one child from the family applies, all children must apply, unless the child or the children not applying have other health coverage. Children and dependent siblings may apply even if their parents are not applying.

(7) Parents applying must also apply for their children and dependent siblings, if the children and dependent siblings are eligible under this part.

(8) If one parent in the household applies, both parents must apply, unless the other parent has other health coverage.

B. Continuous eligibility. Individuals remain eligible for children's health plan plus:

(1) regardless of age; or

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(2) regardless of the presence or absence of children in the same household;

(3) as long as they do not have other health coverage; and

(4) even though their income exceeds the limits in Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c), if:

(a) they initially enrolled in children's health plan plus;

(b) they pay the full cost of coverage; and

(c) all other eligibility requirements of this part are met and continuous enrollment in children's health plan plus or the medical assistance program is maintained.

C. Premium payments. The family members applying must pay children's health plan plus premiums under part 9506.0050 [Emergency], subpart 2, item A or B.

Subp. 4. **Single adults and households without children who apply for children's health plan plus.** Beginning July 1, 1994, single adults and households without children will be enrolled in children's health plan plus, in addition to families with children and emancipated minors eligible under subparts 1 to 3, if the requirements in items A to C are met.

A. Eligibility.

(1) The single adult or the family members applying are permanent residents.

(2) The single adult or the family members applying are not eligible for medical assistance, including medical assistance for pregnant women, under Minnesota Statutes, chapter 256B.

(3) The single adults or family members applying do have gross annual family incomes exceeding the gross annual income limits of Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c).

(4) The single adults or family members applying must not have access to subsidized health coverage through an employer, and must not have had access to employer-subsidized

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health coverage during the 18-month period immediately preceding the single adult's or family member's application for children's health plan plus. The requirement in this subitem does not apply if:

(a) the subsidized health coverage was lost for reasons that would not disqualify the single adult or the family member of the household from receiving unemployment benefits under Minnesota Statutes, section 268.09; or

(b) the single adult or family member applying has not had access to the employer-subsidized health coverage because of a layoff.

(5) The single adult or the family member applying does not have other health coverage and has not had other health coverage for at least the four months immediately preceding the date of application.

B. Continuous eligibility. The single adult or the family members remain eligible for children's health plan plus:

(1) as long as they do not have other health coverage; and

(2) even if their gross annual family income after enrollment exceeds the limits in Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c).

C. Premium payments. The single adult or the family members applying must pay children's health plan plus premiums under part 9506.0050 [Emergency], subpart 2, item A or B.

9506.0030 [Emergency] APPLICATION FOR CHILDREN'S HEALTH PLAN PLUS.

Subpart 1. **Availability.** Applications for children's health plan plus will be made available by the department to appropriate referral sources. Appropriate referral sources include:

A. eligible provider offices;

B. local social service agencies;

C. school district offices;

D. public and private elementary schools in which 25

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percent or more of the students receive free or reduced price lunches;

E. community health offices; and

F. WIC program sites.

The department shall establish a toll-free telephone number and a metropolitan area telephone number providing information about children's health plan plus. The department shall include these telephone numbers on department-published enrollment information. "Metropolitan area" has the meaning given in Minnesota Statutes, section 473.121, subdivision 2.

Subp. 2. **Children's health plan enrollment fees and children's health plan plus premium payments.** The appropriate referral sources under subpart 1 may:

A. accept applications and forward them to the department;

B. collect the children's health plan enrollment fee of $25, not to exceed $150 per family, under Minnesota Statutes, section 256.936, subdivision 4, and forward it to the department; and

C. collect the initial children's health plan plus premium payment under part 9506.0050 [Emergency], subpart 2, item A or B, and forward it to the department.

Subp. 3. **Necessary information for eligibility determination.** Applicants must provide all information necessary for the commissioner to determine eligibility under children's health plan plus and potential eligibility for medical assistance under Minnesota Statutes, chapter 256B. Necessary information includes:

A. social security number;

B. proof of permanent residency under Minnesota Statutes, section 256.936, subdivision 4c. The signature of an applicant on the application attesting to permanent residency meets the affidavit requirement under Minnesota Statutes, section 256.936, subdivision 4c, paragraph (d), clause (3);

C. household composition;

D. status of availability or lack of availability of

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other health coverage;

E. status of availability or lack of availability of access to employer-subsidized health coverage; and

F. proof of gross annual family income.

Upon the commissioner's request, applicants must provide additional necessary information.

Subp. 4. **Processing applications.** Before applicants are enrolled in children's health plan plus, a complete application must be received by the department, applicants must be determined eligible under part 9506.0020 [Emergency], and the initial premium under part 9506.0050 [Emergency], subpart 2, item A or B must be paid. Coverage begins according to part 9506.0040 [Emergency], subpart 1.

Subp. 5. **Screening for medical assistance eligibility.**

A. The commissioner shall refer applicants to the local social service agency if applicants are potentially eligible for the medical assistance program under Minnesota Statutes, chapter 256B. To determine potential eligibility, the commissioner shall use the following criteria:

(1) age of the applicant;

(2) income of the applicant;

(3) whether the applicant is pregnant; and

(4) whether the applicant has any illness, injury, or incapacity indicating a disability.

The commissioner shall not enroll applicants in children's health plan plus until they are determined ineligible for medical assistance under Minnesota Statutes, chapter 256B, by a local social service agency. The commissioner shall not enroll applicants who do not cooperate with the process of determining their eligibility for the medical assistance program.

B. The commissioner shall disenroll from children's health plan plus enrollees who are potentially eligible for medical assistance under Minnesota Statutes, chapter 256B, and who do not cooperate with the process of determining their eligibility for the medical assistance program.

C. The commissioner shall disenroll from children's

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health plan plus enrollees who are determined eligible for the medical assistance program under Minnesota Statutes, chapter 256B, by a local social service agency.

D. The commissioner shall delay children's health plan plus enrollment for otherwise eligible parents if the parents' child applicant is potentially eligible for the medical assistance program under Minnesota Statutes, chapter 256B. Parents eligible for children's health plan plus may enroll in children's health plan plus upon a determination regarding their child's eligibility for the medical assistance program under Minnesota Statutes, chapter 256B, by a local social service agency and upon payment of children's health plan plus premium under part 9506.0050 [Emergency], subpart 2, item A or B. The commissioner shall not enroll parents in children's health plan plus if they do not cooperate in determining their child's eligibility for the medical assistance program under Minnesota Statutes, chapter 256B.

9506.0040 [Emergency] COVERED HEALTH SERVICES.

Subpart 1. **When coverage begins.** Coverage under children's health plan plus begins on the first day of the month following the month in which a complete application is entered by the department into the eligibility file and the initial premium payment is received by the department. However, if enrollees are hospitalized on the first day of coverage, coverage begins the day following discharge from the hospital.

Subp. 2. **Chemical dependency health services.** Enrollees who may need chemical dependency services under children's health plan plus must be assessed by a local social service agency as defined in Minnesota Statutes, section 254B.01, subdivision 5, under the assessment provisions of parts 9530.6600 to 9530.6655. Enrollees who are financially eligible for consolidated chemical dependency treatment fund services under Minnesota Statutes, chapter 254B, must receive chemical dependency treatment services under Minnesota Statutes, chapter 254B, if:

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A. they have exhausted the covered chemical dependency health services under children's health plan plus; or

B. an assessment indicates that they need a level of care not provided under children's health plan plus.

Subp. 3. **Workers' compensation benefits.** Covered health services do not include covered health services paid for by workers' compensation under Minnesota Statutes, chapter 176.

Subp. 4. **Cost avoidance.** Covered health services under parts 9506.0010 to 9506.0110 [Emergency] are secondary to other health coverage for which enrollees are eligible, except for chemical dependency health services under subpart 2. The department will not pay for covered health services until coverage is denied by all potential third party payers. The eligible provider must attempt to collect reimbursement from the other third party payers before billing the department for a covered health service. The commissioner shall use cost avoidance techniques to ensure benefit coordination for enrollees.

Subp. 5. **Subrogation.** When the department provides, pays for, or becomes liable for covered health services, it shall have a lien for the cost of care upon any and all causes of action accruing to the enrollee, or to the enrollee's legal representatives, as a result of injuries necessitating covered health services.

9506.0050 [Emergency] PREMIUM PAYMENTS.

Subpart 1. **Premium payment required.** Enrollees must pay premiums based on the sliding fee scale in subpart 2 before enrollment in children's health plan plus is complete and to maintain eligibility in children's health plan plus. Until July 1, 1993, enrollees in the children's health plan who are eligible for children's health plan plus under part 9506.0020 [Emergency], subpart 1, and whose children's health plan plus application was received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, on or before September 30, 1992, in lieu

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of the premium under subpart 2, must pay an enrollment fee of $25, not to exceed $150 per family.

Subp. 2. **Premium payments.**

A. Beginning July 1, 1993, the sliding fee scale used to determine an enrollee's premium payment must comply with Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c). The premium shall be a percentage of an enrollee's gross annual family income during the previous four months.

B. Between October 1, 1992 and June 30, 1993, the commissioner will use a sliding fee scale that sets an enrollee's premium payment as a percentage of the enrollee's gross annual family income equal to two-thirds of the percentages specified under Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c).

C. An enrollee's premium payment table and an explanation for the premium payment table is available upon request from the department.

Subp. 3. **Premium payment adjustments.**

A. The commissioner shall adjust enrollees' premium payments upon receipt of the information required under part 9506.0080 [Emergency], subpart 1. Adjustments to enrollees' premium payments become effective on the first day of the month following issuance by the department of an adjusted premium invoice.

B. Under Minnesota Statutes, section 256.936, subdivision 2, the commissioner may:

(1) decrease the premium subsidy by ten percent for families with gross annual family income above 200 percent of the federal poverty guidelines; and

(2) decrease the premium subsidy by ten percent for families with gross annual family income at or below 200 percent.

Subp. 4. **Premiums paid monthly or quarterly.** Applicants must choose to pay premiums on a monthly or a quarterly basis.

Subp. 5. **Premium payment due date.**

A. The initial premium must be received by the

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department within four months of the date on an applicant's first premium notice for children's health plan plus, otherwise applicants must submit a new children's health plan plus application.

B. Subsequent monthly premiums must be received by the department by the 15th of the month preceding the month for which the premium is paid; subsequent quarterly premiums must be received by the department by the 15th of the month preceding the beginning of the quarter for which the premium is paid.

Subp. 6. **Late premium payments.** If a premium is not received by the due date in subpart 5, the department must send a written notice to the enrollee informing the enrollee the required premium has not been received and the required premium must be received by the department before the first day of the next month, for premiums paid on a monthly basis, or before the first day of the first month of the next quarter, for premiums paid on a quarterly basis.

Subp. 7. **Premium payments not received.** If a monthly premium is not received by the department by the last day of the month in which coverage is provided, coverage ends and the enrollee is disenrolled from children's health plan plus. If a quarterly premium is not received by the last day of the first month following the quarter for which the last premium was paid, coverage ends and the enrollee is disenrolled from children's health plan plus.

Disenrolled enrollees must wait four calendar months before reenrolling for children's health plan plus and must comply with parts 9506.0010 to 9506.0110 [Emergency]. When enrollees reenroll for children's health plan plus, their premium payment must include the unpaid premium for any month in which coverage was provided.

Subp. 8. **Billing notices.**

A. For monthly premiums, the department will send out premium payment notices by the first of each month preceding the month for which coverage will be provided.

B. For quarterly premiums, the department will send

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out premium payment notices by the first of the month immediately preceding the first month of the next quarter for which coverage will be provided.

9506.0060 [Emergency] COPAYMENTS AND ELIGIBLE PROVIDER REIMBURSEMENT.

Subpart 1. **Copayments required.** Enrollees must pay to eligible providers children's health plan plus copayments under Minnesota Statutes, section 256.936, subdivision 2a, paragraph (f).

Subp. 2. **Eligible provider reimbursement.** The commissioner will reimburse eligible providers for the lesser of:

A. the eligible provider's usual and customary fees, minus children's health plan plus copayments required under subpart 1; or

B. the maximum allowable medical assistance rate specified in part 9505.0445, minus children's health plan plus copayments required under subpart 1.

Subp. 3. **Reimbursement for covered health services.** Covered health services are reimbursed at the same rate and under the same conditions for medical assistance, with the exceptions listed in Minnesota Statutes, section 256.936, subdivision 2a, paragraphs (a) to (d) and (f).

Subp. 4. **Copayments not paid.** The commissioner shall not reimburse eligible providers at the full medical assistance rate if eligible providers cannot or do not collect children's health plan plus copayments from enrollees.

9506.0070 [Emergency] ANNUAL REDETERMINATION OF ELIGIBILITY.

Subpart 1. **Annual redetermination required.** The commissioner shall perform an annual redetermination of continued children's health plan plus eligibility for each enrollee.

Subp. 2. **Enrollee cooperation with annual redetermination.** Enrollees must provide information to the department in order for the commissioner to redetermine eligibility for children's health plan plus. The information must be provided so the

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redetermination can occur before the anniversary date that eligibility began under part 9506.0040 [Emergency], subpart 2. Enrollees who do not provide information to the department in order for the commissioner to redetermine eligibility are disenrolled from children's health plan plus. For purposes of this subpart, anniversary date means the annual occurrence of the first day of the month following the date of department approval of eligibility for children's health plan plus.

9506.0080 [Emergency] QUALITY CONTROL.

Subpart 1. **Changes.** As soon as identified, enrollees must report the following changes to the department:

A. address;

B. household composition;

C. employment status;

D. gross annual family income;

E. availability of other health coverage;

F. onset of disability or change in disability; and

G. initiation of legal action to collect money for an accident or an injury.

Subp. 2. **Random audits.** The commissioner will verify enrollees' gross annual family income and children's health plan plus eligibility by performing random audits. For purposes of this part, random audits mean a review of children's health plan plus eligibility of randomly selected enrollees. During the review appropriate additional income and eligibility information shall be collected. Appropriate additional income and eligibility information includes the following:

A. federal income tax returns;

B. federal W2 forms;

C. employment check stubs;

D. family composition;

E. residency;

F. period uninsured; and

G. status of availability or lack of availability of access to employer-subsidized coverage.

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Enrollees who do not provide requested additional income and eligibility information are disenrolled from children's health plan plus.

Subp. 3. **Redetermination.** When the commissioner receives additional income and eligibility information regarding an enrollee, the commissioner shall redetermine the enrollee's children's health plan plus eligibility. Upon the commissioner's request, enrollees must provide additional income and eligibility information.

Under Minnesota Statutes, section 256.936, subdivision 3, the commissioner may execute data sharing arrangements with the Department of Revenue, the Department of Jobs and Training, and any other governmental agency in order to perform income verification related to children's health plan plus eligibility.

Subp. 4. **Commissioner's access to enrollee medical records.** The commissioner shall be allowed access to an enrollee's personal medical records in order to monitor compliance with the requirements of parts 9506.0010 to 9506.0110 [Emergency] for the purposes of identifying fraud, theft, or abuse in the administration of children's health plan plus.

9506.0090 [Emergency] COORDINATION OF CHILDREN'S HEALTH PLAN PLUS AND MEDICAL ASSISTANCE.

Subpart 1. **Coordination of children's health plan plus hospital inpatient services and enrollee eligibility under medical assistance spend down.** Under Minnesota Statutes, section 256.936, subdivision 2a, paragraph (e), the commissioner shall coordinate the provision of hospital inpatient services in children's health plan plus with enrollee eligibility under the medical assistance spend down. For purposes of this part, spend down has the meaning given in part 9505.0015, subpart 44.

Subp. 2. **Coordination of children's health plan plus coinsurance and medical assistance spend down.** Enrollees who would be eligible for medical assistance under Minnesota Statutes, chapter 256B, with a spend down must pay the coinsurance amount under Minnesota Statutes, section 256.936,

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subdivision 2a, paragraph (f), up to the spend down limit or the coinsurance amount, whichever is less.

Subp. 3. **Covered health services for pregnant enrollees.** The commissioner shall refer pregnant enrollees who are potentially eligible for the medical assistance program under Minnesota Statutes, chapter 256B, to a local social service agency for a determination of medical assistance eligibility and shall disenroll enrollees who are determined eligible from children's health plan plus.

9506.0100 [Emergency] CHILDREN'S HEALTH PLAN PLUS ADMINISTRATION.

To comply with Minnesota Statutes, section 256.936, subdivision 2, the commissioner shall:

A. manage children's health plan plus spending;

B. make a quarterly assessment of the expected expenditures for the covered health services for the fiscal years 1993 and 1994; and

C. make necessary adjustments by following Minnesota Statutes, section 256.936, subdivision 2, to ensure that expenditures remain within the limits of available revenues.

9506.0110 [Emergency] APPEALS.

If the commissioner suspends, reduces, or ends eligibility for children's health plan plus, or for covered services, the commissioner shall provide notification according to the provisions in Minnesota Statutes, chapter 256B, and Minnesota Rules, chapter 9505. Applicants or enrollees aggrieved by a determination of the commissioner may appeal the determination according to Minnesota Statutes, section 256.045.

RECODIFYING. The references to Minnesota Statutes, section 256.936, shall be recodified as directed in Laws 1992, chapter 549, article 4, section 19.

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Office of the Revisor of Statutes

Administrative Rules

TITLE: Proposed Emergency Rules Governing Children's Health Plan Plus

AGENCY: Department of Human Services

MINNESOTA RULES: Chapter 9506

The attached rules are approved for
publication in the State Register

Sandra Glass-Sirany

Sandra Glass-Sirany
Assistant Revisor

Minnesota Dental Association
2236 Marshall Avenue, Saint Paul, Minnesota 55104 (612) 646-7454

June 10, 1992

Ms. Kathy Mattner
Health Care Management Division
Minnesota Department of Human Services
444 Lafayette Road
St. Paul, MN 55155

Dear Ms. Mattner:

I am responding to your request for comments on the emergency rule draft regarding HealthRight.

You are correct that we are interested in part 9506.0060. We feel strongly that the Rule must provide one of the two following provisions:

1. That the exact dollar amount of the medical assistance rate for each dental procedure be published and distributed to each dental provider.

2. That a pre-determination process be instituted to permit the dentist to submit a treatment plan to ascertain the dollar amount of State's financial obligation.

We feel that one of these must be instituted in the Rule for several reasons.

First, predetermination is a standard procedure in dental insurance administration. HealthRight may be partially State funded, but is an insurance program and, therefore, not subject to the same rules as Medical Assistance. Predetermination permits the patient to select options of treatment based on the patient's financial ability to pay his or her portion of the treatment agreement. Without predetermination, the patient may agree to a course of treatment unaware of the financial obligation of the contract which certainly does not adhere to any of the goals of the HealthRight Act.

Second, as best we can determine the Act does not give the State nor the Department the authority to force a provider to extend credit to an insured person. The Rule as written and explained by you would force such a situation.

If neither of the two suggestions can be included in the Rule, then we suggest that the Rule indicate that copayments required by the law be paid directly to the state and that continued participation in the plan be contingent upon the enrollee's payment. In that way the State would then pay 100 percent of the rate allowed for each procedure. This method would be, we think, permitted by the language of the Act.

Sincerely,

Robert A. Harder
Executive Director

State of Minnesota
Department of Health
Maternal and Child Health Division

M E M O R A N D U M

DATE: June 23, 1992

TO: Stephanie L. Schwartz
Rules Division
Department of Human Services

FROM: Donna J. Petersen, MHS, ScD
Section Chief, Services for Children with Handicaps

PHONE: (612) 623-5165

SUBJECT: Health Right Rules - Comments

At the meeting of June the 15th, I suggested that a definition of "community health offices" be added for purposes of clarification. The term itself is generic and does not denote anything in particular, i.e. we refer to "community health boards", "community health service agencies" and "local public health nursing services" to refer to community-based public health offices. The Department of Health also provides some public health services at the regional or district level which could also be subsumed under the broad heading "community health offices".

Herewith, I offer the following definition:

Community Health Office. "Community health office" means the community health service agency or affiliated local public health nursing service under the authority of the community health board(s), board(s) of health or county board(s) of commissioners that is responsible for local public health services development and delivery, and the Services for Children with Handicaps offices located at the district level authorized by Title V of the Social Security Act and administered by the Minnesota Department of Health under Minnesota Statutes 145.88.

Thanks for considering this addition. Call me if you have any questions.

DJP:dj

MMA
MINNESOTA MEDICAL ASSOCIATION
612/378-1875

minnesota hospital association
representing nonprofit hospitals

VIA FACSIMILE - 296-6244

July 2, 1992

Kathleen Mattner, Supervisor
Childrens Health Plan
Department of Human Services
444 Lafayette Road
St. Paul, MN 55155

Re: Proposed Emergency Rules Governing the Administration of the Minnesota State Health Right Plan (Draft #4A)

Dear Ms. Mattner:

Thank you for providing the Minnesota Medical Association ("MMA") and the Minnesota Hospital Association ("MHA") with the opportunity to comment on the "Proposed Emergency Rules Governing the Administration of the Minnesota State Health Right Plan (Draft #4A)." After our review of the rules we have the following comments to make.

1. Copayments

a. Section 9506.0060 of the proposed rules requires eligible providers to collect copayments pursuant to Minnesota Statutes, section 256.936, subdivision 2a, paragraph (f). Eligible providers must list the amount of copayment collected from enrollees and deduct the copayment amount from the allowed reimbursement rate submitted to the department. The department will reimburse eligible providers at the medical assistance rate less the collected copayment. This provision raises the three following concerns.

First, may a provider decline service if the patient refuses to pay the copayment? Pursuant to the Patient Bill of Rights, Minnesota Statutes, section 144.651, subdivision 6, patients and residents have the right to appropriate medical and personal care based on individual needs, however, this right is limited where the service is not reimbursable by public or private resources.

We are not advocating that providers decline service to those patients who refuse to pay the copayment, however, the question will invariably arise, and therefore, requires clarification at this time.

Second, will the department treat the collection of copayments in a manner analogous to the coordination of benefits for medical assistance, i.e., will you withhold payment until collection attempts have been made and documented by the provider? It would be less administratively burdensome and preferable for providers if the department would merely assume that copayments have been paid by patients and reimburse providers for the amount of the allowed reimbursement rate less the copayment.

Third, does the department intend to reimburse the full medical assistance rate if the provider cannot collect the copayment? This needs to be clarified in the rule.

2. Rate Tables

The proposed rules provide lengthy rate tables that will be difficult and confusing for the department to administer and that will add to the cost of health care. We suggest significantly reducing the length of the rate tables.

3. Availability of Applications for the Health Right Plan

Section 9506.0030 of the proposed rules requires the department to make Health Right plan applications and information available to eligible provider offices and to establish a toll-free telephone number and metropolitan area telephone number for Health Right information. We request that the telephone resource numbers be printed clearly in bold print on all Health Right information including application forms in an effort to facilitate patient receipt of accurate information. Provider staff will not be trained to assist people with the completion of application forms or to answer substantive Health Right plan questions.

If you have any questions or concerns with regard to our comments, please contact either one of us. Thank you.

Sincerely,

Mary E. Prentnieks
Mary E. Prentnieks
General Legal Counsel
Minnesota Medical Association

David Feinwachs
David Feinwachs
General Counsel
Minnesota Hospital Association

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July 2, 1992

Stephanie Schwartz
Department of Human Services
444 Lafayette Road
St. Paul, MN 55155

RE: Emergency Rules for the Expansion of the Children's Health Plan

Dear Ms. Schwartz:

Enclosed please find our comments and suggestions on the draft of the emergency rules discussed at the June 15, 1992, advisory committee meeting. Where possible, we have referenced specific rule provisions; in other cases, we have discussed broader issues which may relate to several separate sections of the rules. We would be very interested in meeting with you and others in the Department to discuss these points in more detail.

Minnesota Rule 9506.0010 Subp. 11: Definition of Family. In order to reflect the sense of the legislature, we would recommend as broad a definition of family as possible. Language such as that found in Minn. Stat. § 256D.02 Subd. 5 would be an appropriate guide.

Minnesota Rule 9506.0010 Subp. 19: Permanent Resident. As you are aware, this section of the rule refers back to the enabling Legislation at Minnesota Statute § 256.936, Subd. 4c. It is our view that such durational residency tests are currently illegal in Minnesota as found by the Court of Appeals in *Mitchell v. Steffen* No. C3-92-239 (Minn. App. June 2, 1992). Such a durational test creates invidious classifications between bona fide residents, and impinges upon the constitutionally protected right to travel. As such, it violates the equal protection clause of both the United States and Minnesota Constitution.

Minnesota Rule 9506.0010 Subp. 20: Subsidized Health Coverage. Such coverage is currently defined as that "for which an employer pays at least 50% of the cost of coverage for an employee, excluding dependent coverage." Please note that the enabling Legislation, Minnesota Statute 256.936 Subd. 4a (b) contains the language "the employee" rather than the rules' language "an employee". Using the definite article clarifies the individual whose coverage must be examined.

A United Way Agency

More importantly, the rule as written apparently means that health coverage is subsidized if the employer pays a portion of the cost of coverage for the employee, but not for the employees' dependents. This may lead to the situation in which a family is unable to afford subsidized health coverage offered by the employer because the total cost of subsidized coverage for the employee and unsubsidized dependent coverage is prohibitively expensive. As currently written, this rule would require that a family in such a situation be ineligible for HealthRight for 18 months.

As an alternative, we suggest either that the language "excluding dependent coverage" be omitted from the rule in order to clarify that the employer must subsidize health coverage for the entire family and not merely for the employee. Alternatively, the Commissioner has the authority to increase the percentage of subsidy required to be paid by the employer. We would suggest that such percentage be increased in order to reduce the financial burden on low income families.

Minnesota Rule 9506.0020 Subp. 3E (1)a: Loss of Employer's Subsidized Health Coverage. The rule appears to adopt the standard used in Unemployment Compensation cases for determining whether subsidized health coverage was lost for a disqualifying reason. However, the rule does not specify who will determine what applicants may be exempt, or whether a denial of Unemployment Compensation benefits would be binding upon HealthRight applicants without further right to appeal. Additionally, what happens if an applicant for HealthRight quits his or her job and does not apply for Unemployment Compensation? Because the decision to apply for Unemployment Compensation may be undertaken without knowledge of its eventual effect on eligibility for HealthRight, we would suggest that applicants for HealthRight be afforded full appeal rights in this regard as provided by Minnesota Rule 9506.0100.

Minnesota Rule 9506.0020 Subp. 4B (1): GAMC Recipients Applying for HealthRight. While it is unlikely that GAMC recipients would apply for benefits under HealthRight, in order to avoid any confusion, we would suggest that the differences in coverage levels and benefits be clearly spelled out in the rule or in the form of an instructional bulletin to HealthRight intake workers so that such individuals clearly understand what they are receiving in return for their premium payment.

Minnesota Rule 9506.0030 Subp. 3A: Use of Social Security Numbers. Recognizing that the Legislation requires the Commissioner to use individuals' Social Security numbers as identifiers for purposes of administering the plan, it appears to us as though this requirement is unduly restrictive and will exclude a large number of individuals who would otherwise be eligible for the plan. In addition, such required disclosure may conflict with the 1976 Privacy Act, 5 USC § 552a, note.

Minnesota Rule 9506.0030 Subp. 4B: Verification of Subsidized Health Coverage. We share the concerns of other committee members that employers' may be reluctant to comply with

an additional verification procedure, and that conditioning eligibility for HealthRight upon such employer cooperation may serve to deny benefits to otherwise eligible individuals for reasons beyond their control. In light of the more flexible requirements for verifying residency and duration, we would suggest a similar requirement in this regard as well.

Minnesota Rule 9506.0020 Subp. 5: Processing Applications. There appears to be a conflict between this rule and Minnesota Rule 9506.0050 Subp. 4. The former rule requires an applicant to pay the initial premium before the Commissioner will determine eligibility, while the latter indicates that initial premiums may be received within four months of an applicant's notice of eligibility. Presumably, such notice of eligibility involves the Commissioner making an eligibility determination. In addition, because the premium schedule will vary according to several different factors, we are concerned that applicants may not be able to calculate their initial premium correctly, leading to confusion and additional administrative costs. For this reason, we would suggest that eligibility be determined prior to receipt of the initial premium, consistent with Minn. Rule 9506.0050 Subp. 4.

Minnesota Rule 9506.0030 Subp. 6D: Disenrollment of Those Determined Eligible for Medical Assistance. In addition to those comments made by other committee members and noted in the minutes, we would suggest an explicit statement regarding the consequence to an applicant who refuses to cooperate with the application process for Medical Assistance. We would also suggest that if a HealthRight recipient is to be disenrolled from the program because of their refusal to cooperate in establishing eligibility for Medical Assistance, that a "good cause" exception be provided.

Minnesota Rule 9506.0040 Subp. 2: When Coverage Begins. As indicated in the minutes to the advisory committee meeting, we are very concerned with the apparent flexibility provided to the Department by this subpart. We envision a situation in which otherwise eligible individuals will be denied coverage through no fault of their own because the Department has a backlog of applications to be entered into its eligibility files.

We suggest two separate alternatives. First, the rules should specify that an applicant who is subsequently determined to be eligible will be deemed covered for the month following the month in which the complete application was received by the Department. As such, if the Department is unable to process and enter an application into its files in the same month as it is received, eligibility will nonetheless be established for the eligible applicant.

Our second suggestion involves setting a definite deadline by which the Department must process and enter an application into its eligibility file. Language such as that found in Minn. Rule 9500.2100, Subp. 6 would be appropriate.

↘
AFDC: When loc. agency can't process w/in 30 days, inform applicant of reason in writing.

Minnesota Rule 9506.0050 Subp. 6: Failure to Pay Premium. We would suggest that this subpart explicitly specify that disenrollment for failure to pay the premium is an action which may be appealed.

In a related matter, it was our understanding at the advisory committee meeting that HealthRight recipients would not be permitted to voluntarily disenroll without being made subject to the four month disenrollment penalty. Relying on AFDC as a model, we would suggest that the HealthRight program policy permit such voluntary disenrollments without penalty for those who expect to receive a lump sum or other disqualifying event.

This concludes our list of comments and suggestions on the current draft of emergency rules. We appreciate the opportunity to comment on these issues. It should be understood, of course, that our involvement on this committee in no way waives our right to later represent clients who may wish to litigate specific provisions of the HealthRight bill. If you have concerns about a potential conflict, or if you would like to meet personally to discuss any or all of these issues in more detail, please do not hesitate to call either one of us at the above number. Thank you for you attention to these matters.

Sincerely,

LEGAL AID SOCIETY OF MINNEAPOLIS

Thomas J. Conley
Attorney at Law

M. Francesca Chervenak
Attorney at Law

TJC:tms

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July 2, 1992

Stephanie Schwartz
Rules - Rule 100
Department of Human Services
444 Lafayette Road
St. Paul, MN 55155

Re: Draft Rule 100, #4A

Dear Ms Schwartz,

While I understand the need to get an emergency rule in place, I did feel that the process was too rushed and did not provide for adequate discussion. I still would like to see a followup session on the emergency rule once all the input is in.

Regarding the Rule itself, my remarks are mostly of a general nature. First, I would like to see us use the same definitions as MA, e.g. household or gross income. Second, I would like to avoid requiring Healthright applicants to go through Income Maintenance to either get MA or a denial of MA (or GAMC) eligibility before receiving Healthright. Third, I would like to keep the administration of the program as simple as possible. For example, I feel doing verifications (other than income) should only be done by exception. Most of the working poor (the group targeted for Healthright) do not have access to subsidized health insurance, therefore having a front-end insurance verification will not be cost-effective. I would recommend that you do it after the fact for large employers and "on random" basis for others.

My only other comment is that I would like to see a "seamless" application for Healthright and MA/GAMC. Ideally this would involve a single application for both. If Healthright then a bill would be send for premium (less subsidy) and if MA/GAMC, a household income report. Until the State takes over the administration of income maintenance, I would like to see the state manage all the Healthright cases and short-term (less than one year) cases

which have been converted to MA or GAMC from Healthright. Long-term MA/GAMC could be transferred to the appropriate county.

Whatever we can do in the rule to prevent cases from being bounced back and forth between the state and the county or being "managed" by both, should be done.

I appreciated the opportunity to be part of the Emergency Rule Process and look forward to being part of the permanent rule process.

Hope you had a pleasant holiday weekend.

Sincerely,

Robert G. Walz, MA

cc Les Kachinske, Director, Aitkin County

STEVENS COUNTY COURT HOUSE

STEVENS COUNTY • MORRIS, MINNESOTA 56267



George French, Director
STEVENS COUNTY SOCIAL SERVICES DEPARTMENT
Post Office Box 530-HS • Ph. 612-589-7400 • FAX 612-589-2036

July 9, 1992

Stephanie Schwartz
Rules & Bulletins Division
Minnesota Department of Human Services
444 Lafayette Road
St. Paul, MN 55155-3816

Dear Stephanie:

Draft #5 of Rule 100 (Emergency) is a very fine accomplishment. I especially agree with the definition of "family" on page 2, subp. 13, and with the criterion on pages 11 and 12, subp. 5.

I would recommend a wording change on page 7, Subp. 3, E, (1) to read, "No employee or family member whose employer offers," to make the sentence clearer.

Great Job!

Sincerely,

George French
Director

Senate Counsel & Research

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JO ANNE ZOFF SELLNER
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TO: Stephanie Schwartz MS

FROM: Michael Scandrett, Senate Counsel (296-3814)

DATE: July 13, 1992

RE: Revised Rule 100 Draft

Thanks for sending me a copy of the revised draft. My comments on the draft appear later in this memo.

I forwarded a copy of Kathy Lamp's letter with questions about access to employer-subsidized coverage to the chairs of the Legislative Oversight Commission, Senator Linda Berglin and Representative Lee Greenfield. I explained the need for a prompt response. You should be hearing from them in the near future. The full commission will not be meeting until August, so the chairpersons may respond to your questions individually in order for their comments to be considered before the next rule draft is finalized.

Also, if you are not already aware of this, the HealthRight law requires the department to notify members of the Legislative Oversight Commission when a draft of the rule is ready to be published in the *State Register*. Article 1, section 5, subdivision 3, states:

> *The commissioners of health, commerce, and human services shall provide periodic reports to the legislative commission on the progress of rulemaking that is required under this act and shall notify members of the commission when a draft of a proposed rule has been completed and scheduled for publication in the State Register. At the request of a member of the commission, a commissioner shall provide a description and a copy of a proposed rule.*

Let me know if you need the names of the members of the commission for purposes of providing the required notice.

My comments on the rule draft are:

Significance of the September 30 deadline.

I am confused by Part 9506.0020, subpart 1. This subpart appears to create a special category of families—those who apply on or before 9/30/92—who are entitled to more generous eligibility criteria than those who apply after this date. This was not the intent of the HealthRight law. The 9/30 deadline is only relevant to the issue of whether children enrolled in the old Children's Health Plan are exempt from paying the new sliding scale premium. If an application for the old Children's Health Plan is received by 9/30, eligible children need only pay the $25 annual fee. All adults must pay a premium according to the new sliding scale regardless of when they apply. In addition, all adults and all new children applying after 9/30 are subject to all of the HealthRight requirements, including the premium payment, no other coverage available, and the 4-month and 18-month requirements. The Legislature did not intend to create a temporary window during which families could qualify for HealthRight even if they have access to other coverage. This subpart should be reworked or merged with subpart 2. At a minimum, item H should be replaced by language similar to subpart 3, item E.

Also, I do not see anything in this part of the rule that states when eligibility of adults begins. No adults are eligible before October 1, 1992. This should probably be stated explicitly in the section.

September 30 cutoff.

The current rule language states that children whose applications for Children's Health Plan are received by September 30 are exempt from the sliding scale premium payment. Does "received by" mean the date the application is physically presented to DHS or the date the department stamps "received" the application? Perhaps the date of the postmark is a more objective standard.

Applicability of the 4-month and 18-month requirements.

I believe the requirements that applicants have been uninsured for four months and have not had access to employer-subsidized coverage for 18 months are effective October 1, 1992, when the sliding scale is first implemented. The first time these requirements appear in the rule draft is in subpart 3 (page 7) which covers families applying on or after January 1, 1993. I believe language comparable to subpart 3, item E, should appear also in subpart 2.

Wording of the access to coverage requirement.

The wording of subpart 3, item E, needs to be cleaned up. I assume you will be revising this item after you receive comments from legislators.

Eligibility for MA.

On page 12 of the draft, paragraph B at the top of the page requires the commissioner to disenroll enrollees who are determined eligible for MA. Do you have any language covering the situation where a person is potentially eligible but has not followed through on an MA application or has refused to cooperate with MA eligibility determination? I suggest adding language allowing the commissioner to disenroll persons who refuse to apply for MA or do not cooperate with efforts to determine eligibility.

Reporting changes affecting eligibility.

Part 9506.0080 on page 16 requires enrollees to report changes that may affect eligibility. Should a time period be included? Would an enrollee who reports a change a year after it occurs be in technical compliance with the rule?

Random audits.

Subpart 2 of Part 9506.0080 requires the commissioner to verify gross annual family income through random audits. What about other eligibility factors such as family composition, residency, or period uninsured? Must these factors be verified on a case-by-case basis? The HealthRight law requires random audits "to verify reported income *and eligibility*."

Also, the current rule language does not appear to give the commissioner authority to ask for further verification in circumstances other than a random audit. I suggest including language authorizing the commissioner to require further verification of reported eligibility information in other situations, such as when the information provided is inconsistent or incomplete or when other facts or circumstances raise questions about the accuracy of the information. I also suggest including a reference to the language in the HealthRight law that authorizes the commissioner to use data sharing arrangements with other agencies to verify eligibility. The current rule language implies that random audits are the only method the commissioner may use to verify eligibility.

If you have any questions, please contact me.

MS:ph
cc: Senator Linda Berglin
Randy Chun, House Research

Research Department

Thomas Todd, Director

600 State Office Building
St. Paul, Minnesota 55155-1201
(612) 296-6753 [FAX 296-9887]

Minnesota House of Representatives

July 13, 1992

TO: Stephanie Schwartz, Rules and Bulletin Division -- DHS

FROM: Randall Chun, House Research RC

RE: Comments on Emergency Rule 100 (Draft #5)

Please call me at 296-8639 if you have questions about the comments below.

1. The eligibility requirements relating to enrollment of parents and children (Part 9506.0020, subpart 1, items C through F) should apply to subparts 2 through 4 as well. (See section 256.936, subd. 2b, paragraph (a) of the act). Given this language, in the case of an unmarried couple without children, the question remains as to whether both spouses must enroll in Health Right.

2. The eligibility requirement of no access to employer-subsidized insurance for 18 months (subpart 3, item E) should apply to adults enrolling beginning October 1 under subpart 2 as well. Under section 256.936, subdivision 4a of the act, a specific exemption for adults is provided only for the four month uninsured requirement.

RC/fa

LINDA BERGLIN
Senator 60th District
G-10 State Capitol Building
St. Paul, Minnesota 55155
Phone: 296-4261

Senate

State of Minnesota

July 14, 1992

Kathryn Lamp
Assistant Division Director
Health Care Management Division
Department of Human Services
444 Lafayette Road
St. Paul, Minnesota 55155

Dear Kathy:

I am writing in response to your questions regarding interpretation of the provisions in the HealthRight Act which limit eligibility for HealthRight to those who have not had access to employer-subsidized coverage during the previous 18 months.

The 18-month requirement should be reviewed for each individual family member. The entire family should not be disqualified just because one family member had access to employer-subsidized coverage. If a family member had access to employer-subsidized coverage within the past 18 months, (unless they've been laid off from their job) that family member is not eligible for coverage. Dependents are not disqualified unless they had access to employer-subsidized dependent coverage. For example, if a parent had access to employer-subsidized coverage for the parent only, but purchased dependent coverage at full cost, the parent is not eligible for HealthRight but the dependents are.

My understanding of the sentence, "Children are eligible for employer-subsidized coverage through either parent, including the noncustodial parent," is that it simply means that a child is not eligible for HealthRight if the child has access to employer-subsidized coverage through either parent, including the parent who is not living with the child.

Regarding whether the 18-month requirement applies only to the current employer, in my opinion the significant issue is whether the employer dropped employee health coverage. The primary purpose of the 18-month requirement was to prevent employer dumping. Given this purpose, it may be sufficient to ask whether any

employer has offered coverage during the previous 18 months and if so, why the coverage is no longer available. If coverage was lost because an employer, including a former employer, discontinued the benefit, the person is not eligible.

The legislature intended to minimize paperwork and eligibility verification to the extent possible. However, some efforts must be made to help ensure that persons are truly eligible. It may not be necessary to obtain direct employer verification of the lack of availability of employer-subsidized health coverage if the system of random audits and other verification procedures are reasonably sufficient to protect against fraud. The rule should probably give the department the option of either accepting the applicant's statement as sufficient verification or requiring independent verification from the employer.

If you have any further questions, please contact me.

Sincerely,

Linda Berglin

Linda Berglin
STATE SENATOR
District #60

MEMORANDUM

TO: Kathy Lamp

FR: Rep. Lee Greenfield

RE: HealthRight: Clarifying "Employer-Subsidized Coverage" meaning

DATE: July, 17, 1992

I write to provide my understanding of the legislative intent regarding the "employer-subsidized coverage" restrictions for HealthRight eligibility. You posed several scenarios as examples of where the law was not perfectly clear. Below I give my response to each example.

Question #1: If anyone in a household had employer-subsidized coverage, is everyone ineligible for HealthRight?

Yes. Your example about the cost of dependent coverage is often true, but the authors did not want to give employers a reason to stop subsidizing dependent insurance (which could happen if this language were interpreted to only apply to the employee with coverage).

Question #2: Does this requirement apply to the current employer or all employers during the last 18 months?

This applies to all employers during the last 18 months. This particular question received a great deal of discussion. The authors specifically wanted to prevent the possibility that a small business would close its doors, open up a new business next door, and direct all its employees to HealthRight for insurance while giving them a salary increase and save the company money in the end.

Question #3: Does this requirement apply to those who leave their job voluntarily?

Yes. The only exemption to the 18 month requirement is for those who were fired or whose departure from the job still allows them to be eligible for unemployment. It was not the intent to protect all people from employment choices that they may make.

Question #4: To what extent should DHS attempt to verify this requirement?

I believe that the questions should be asked of applicants, but enforcement should be by spot inspection or random audits. This program was meant to avoid all the paperwork and verification of Medicaid.

Children's Defense Fund—Minnesota

550 Rice Street, Suite 104
St. Paul, Minnesota 55103

Luanne Nyberg
Director



Telephone (612) 227-6121

FAX: (612) 227-2553

July 15, 1992

Stephanie Schwartz
Rules and Bulletins Division
Minnesota Department of Human Services
444 Lafayette Road
St. Paul, Minnesota 55155-3816

Dear Ms. Schwartz:

On behalf of Luanne Nyberg, I am forwarding comments on Rule 100 [Emergency] governing the Health Right plan. Comments are drafted to Draft #5 of the rule, with our suggested language underlined.

1. Page 5

> E. Parents applying must also apply for their children and the children's dependent siblings, if the children and dependent siblings are eligible under this part and do not have other health coverage.
>
> Rationale: This must be added to clarify and match the law.

2. Page 6

> Part I refers to health right applications "received by the department" after September 30, 1992. Because problems with the mail could prevent applications that were mailed in a timely manner from being received by the department on time, "received by the department" should be changed to dated or post-marked.

3. Pages 7-8

> E. (1) (Suggested language) No employer has offered subsidized health coverage to the applying family member within the 18 months before the family member applied for the Minnesota state health right plan, unless:
>
> a. an employer's subsidized health coverage was lost for reasons that would not disqualify the family member from unemployment benefits under Minnesota Statutes, section 268.09; and

b. the family member (Note that "family or" is deleted) applying has not had access to an employer's subsidized health coverage since the layoff.

Delete the following sentence: Children are eligible for either parent's employer's subsidized health coverage.

Rationale: This section should be redrafted to focus on the applying family member, regardless of the person's age.

4. Page 8

(2) There has been no health coverage for at least the four months before the family member applied, except for (etc.).

Rationale: This clarifies which four month period is considered.

5. Page 10

In Subp. 3, change "items" to information because some of the information listed (e.g. family size) is not an "item."

6. Page 11

Before existing Subp. 4, add:

Subp. 4. The signature of an applicant on an application which includes the information in Subps. 3A ~~through 3E~~ constitutes verification of the necessary information. The commissioner may require further proof if there is reason to doubt information supplied by an applicant. Items A to C and E and F

(Renumber subparts accordingly.)

Rationale: This new subpart is needed to clarify the standard for provision of necessary information.

I hope these suggestions will further the work of the advisory committee. If you have any questions, please give me a call.

Sincerely,

Laura Kadwell

Laura Kadwell
Senior Program Associate

BUREAU OF SOCIAL SERVICES
A-2303 Government Center
Minneapolis, Minnesota 55487-0232

DATE: July 17, 1992

TO: Stephanie Schwartz

FROM: Darcy Miner, Administrative Assistant
MACSSA Representative

SUBJECT: Hennepin County Bureau of Social Services Comments on Draft #5, Rule 100

Attached are comments pertaining to Rule 100 which were forwarded to me by the Director of the Division responsible for Medicaid in Hennepin County. I would appreciate your giving them consideration in preparing the final emergency rule.

Thank you for the opportunity to participate in this process.

DM:jm/Rule-100.mmo

Attachment

cc: Kevin Kenney, President, MACSSA

HENNEPIN COUNTY BUREAU OF SOCIAL SERVICES
(Comments on Draft #5, Rule 100)

1. A basic question is raised about Medicare, and whether it is considered to be health insurance. Previous materials seemed to exclude all Medicare recipients from HealthRight; yet 9506.0010, subp. 16, seems to only include those covered by supplemental Medicare coverage. Which view is correct?

2. Page 8, subp. 3, E (2) - Allows for immediate access to those terminated from MA/GAMC/Regional Demonstration Project, Assured Care and Group Health, Inc. We are not clear as to why the Group Health, Inc., plan was grouped with the publicly funded projects.

   There are a lot of sliding fee and payment-type plans out there connected with clinics--should the list be expanded to include those as well? Almost every clinic we have gone out to visit relating to Outstationing/Expanded Access projects has something on this order.

3. Page 10, subp. 3, B - Does HealthRight use MA or GAMC rules on permanent residency? MA adds the additional requirement that specifies which aliens meet this eligibility criteria. GAMC only requires current presence and intent to stay. This is a growing population, and therefore, this should be clarified.

4. Usually SSI and public assistance are excluded in determining income for our medical programs. Page 11 specifies that SSI is to be counted, but is silent about the other PA programs--AFDC, GA, and MSA.

5. Usually there is a reference to what will not be counted; whether to count income in kind is always an issue. This rule is silent on that issue. What is the intent? What about Food Stamps and WIC?

6. While the state's reluctance to have timelines to process applications is understandable, there is a need for some limit. In MA the client has the option of appealing if the application pends more than 30 days (45 with disability) without good cause. It is reasonable to expect to be given notice as to when coverage will start, and likely that there will be complaints if there are no standards or client remedies for unusual delays.

7. There seems to be a conflict between page 7, which disallows HealthRight coverage for MA recipients, and page 17 (9506.0090, subp. 2) which seems to allow for a coordinated package of both for clients who would meet a spenddown by paying the HealthRight amount. There is a "catch-22" in that the client can pay the spenddown amount or the HealthRight co-insurance amount, whichever is less--which will likely be the co-insurance premium. It would seem then, that the client would not be MA eligible since their HealthRight coverage would prevent them from meeting a spenddown. This probably was not the intent.

   A related question is whether a health payment made by a public agency could be included as a spenddown.

8. Page 11, subp. 5 - Item B excludes those determined MA eligible. However, perhaps those screened and referred to MA, but who failed to apply or failed to cooperated, should also be excluded. While Item B excludes those determined MA eligible, they can't be so determined if they don't cooperate.

9. Page 13, subp. 5 - 9506.0050, subp. 1, seems in conflict with subp. 5. The first requires that enrollees must pay the premium before enrollment, and the latter that they have four months to pay the initial premium.

   A possible solution is to require a set amount to be sent in with the application and to require that the full payment be remitted within 30 days. All future payments seem to be on the 30-day timeline and it makes sense to start the enrollee off immediately knowing that there is a firm 30-day turnaround since there are significant consequences for ignoring that.

10. (Relative to Item 7) If there is going to be coordinated coverage of MA and HealthRight with clients meeting spenddown with the premium payment, then the quarterly payment is a problem since MA requires a monthly spenddown.

11. Most insurance policies require premium payments no later than the starting date of the policy. We need to get enrollees accustomed to health insurance and how it works, as this may be first exposure for some.

12. It is not clear when the coverage would start. For example, if an enrollee submits an incomplete package in January, other outstanding information is submitted in March, but it takes DHS five months to process it (May), when would the HealthRight coverage start? Recently it was taking approximately five months for CHP applications. If the coverage would start retroactively to January or February, the four to five month premium catch up could be a barrier for some clients. There may be some resentment if the client put off medical care during that time period waiting for the coverage to start and then is hit with a premium payment. If the long-term plan is that HealthRight is going to be under a managed health care provider, it might make sense to have the coverage start as of the first month after notice of enrollment is accepted as happens now with independently secured coverage; you also avoid the problem of fee-for-service coverage in the retro period.

NT
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July 17, 1992

Stephanie Schwartz
Rules and Bulletins Division
Minnesota Department of Human Services
444 Lafayette Road
St. Paul, MN 55155-3816

RE: Comments to Draft #5 of Rule 100 [Emergency] governing the Minnesota State Health Right Plan

Dear Ms. Schwartz:

These are our comments and suggestions to Draft #5 of the above rule which you recently sent us.

9506.0010 Subp. 13

This definition of family does not include childless married couples or couples whose children are not living with them. Since those persons are eligible for HealthRight, it makes sense that they be added to the definition of family. The language in the first sentence should be revised as follows:

"Family means spouses, parents, stepparents or guardians, etc."

The last sentence of this definition was very confusing. We assume it means to say that if a minor child is a parent, that minor parent and his/her child should make up their own family. Therefore, we suggest the following revisions to the last sentence (new language underlined):

"When a parent or parents less than 18 years of age and his/her or their child or children are residing with the minor parent's parent or other relatives, and the minor parent or parents apply for the Minnesota state HealthRight plan, "family" means only the minor parent or parents and his/her or their child or children."

9506.0010 Subp. 16

This is a new definition and we assume its intent is to establish at least a minimum level of services or benefits that could be considered "health coverage." That level of coverage will then go on to determine "subsidized" health coverage under Subp. 22 and also determine those ineligible for, or who can opt out of, HealthRight under 9506.0020 et al. The way the definition is written now, any of the items listed is considered "health coverage." We find it hard to imagine that a person who only has "prescription drugs coverage with a deductible... [or] with a copayment" can be considered to have health coverage such that they are not eligible for HealthRight.

It is also unclear as to what is included in the terms "basic hospital coverage" "medical surgical coverage" and "supplemental medicare coverage." We propose that this definition of "health coverage" be revised as follows:

(1) define the terms used in "A", "B" and "C" either here or earlier in the definition section.

(2) delete "D" and "E".

9506.0020 Subp. 4

The first sentence of this section describes coverage of "households" without children. There is no definition of "household" in this rule. Certainly, it is a term that is used fairly broadly to include unrelated people or distant relatives living together who would typically not be covered under the HealthRight plan. If the revisions to the definition of "family" are adopted which we proposed earlier in this letter, the first sentence in this section should be changed to read as follows:

> "Beginning July 1, 1994, single adults and families without children....." etc.

9506.0030 Subp. 5

This section sets out criteria to be used by the Commissioner to refer persons to Medical Assistance who may be eligible. Obviously, the state has every interest in referring as many potentially eligible people to MA as possible. We suggest the criteria include "disability" because even if a person has low income, they generally cannot get Medical Assistance unless they are aged, blind or disabled. Therefore, we suggest the following addition to this section:

(4) any illness, injury or incapacity of an applicant which could indicate he/she is disabled and unable to work.

9506.0070 Subp. 2

This section is new and requires enrollee cooperation with a penalty of disenrollment for failure to cooperate. Obviously, some persons may not be able to provide some piece of information requested through no fault of their own and despite their own best efforts. It would be unfair and unreasonable to label such a situation a "failure to cooperate", that will result in automatic disenrollment. Therefore, we propose the following revision to the last sentence of this subpart:

> "Enrollees who, without good cause, fail to provide information to the department....." etc.

9506.0080 Subp. 2

For the same reasons as stated above, the last sentence in this subpart should be revised to read as follows:

> "Enrollees who, without good cause, fail to provide appropriate additional income....." etc.

9506.0100

It should be made clear here that a applicant is entitled to notice and the right to appeal if an application is denied. Therefore, the language of the first sentence should be revised to read:

> "If the Commissioner denies, suspends, reduces....." etc.

Thank you for your attention to these comments and suggestions.

Sincerely,

LEGAL AID SOCIETY OF MINNEAPOLIS

Francesca Chervenak

M. Francesca Chervenak
Attorney at Law

Thomas J. Conley
Attorney at Law
MFC:tms

Rec'd 7-20-92

To: Stephanie Schwartz
From: Nancy Obradovich
Date: July 20, 1992
Re: Rule 100 Draft #5

I see a problem on page 15 where you give members up to the last day of the month to pay the premium for the following month or quarter.

This time line will be impossible to administer our data files and providers are going to be stuck with a bill the first few days of the next month where coverage has been cancelled.

I suggest the cut off day of DHA which will probably be Health Right cut off of active and close cases.

Call me at (218) 327-2823 if you wish to discuss.

NO.

DEPARTMENT OF HUMAN SERVICES
STATE OF MINNESOTA
OFFICE MEMORANDUM

TO: Stephanie Schwartz
Rules and Bulletins Division

FROM: Sandy Burge SB

PHONE: 297-7294

DATE: August 11, 1992

RE: Emergency Rule 100

==========

Phone Conversation with Suzanne Veenhuis from the Minnesota Medical Association on August 10, 1992.

The MMA wished to comment on Proposed Emergency Rule 100 and express their concern about co-payments, specifically that physicians will have to "eat" a lot of the co-pays that are required from patients. They would prefer to see reimbursement for the full payment from DHS, and have DHS collect the co-payments. I pointed out to her that this situation is not any different from other patients on other health plans for whom they must collect co-payments. They will watch to see what happens with the Rule as written, and perhaps comment when the permanent Rule is done or lobby for a legislative change, if needed.

cc: Nancy Dagg
Kathy Mattner
Kathy Lamp

Children's Defense Fund—Minnesota

550 Rice Street, Suite 104
St. Paul, Minnesota 55103

Luanne Nyberg
Director



Telephone (612) 227-6121

FAX: (612) 227-2553

October 19, 1992

Stephanie L. Schwartz
Minnesota Department of Human Services
444 Lafayette Road
Saint Paul, Minnesota 55155-3816

Dear Ms. Schwartz,

The following are comments on the Emergency Rule Governing the Administration of Children's Health Plan Plus, Minnesota Rules, parts 9506.0010 to 9506.0110 (Emergency). CDF-MN has been honored to be part of this process from the Advisory Committee through comment prior to final adoption.

We are assuming that the name of the subsidy program will be changed from Children's Health Plan Plus to MnCare throughout. If not, it should be.

Our first comment relates to "necessary information for eligibility determination" which begins on page 12, line 23. Our concern is with p. 13, line 4 "F. proof of gross annual family income." The word "proof" is defined in Webster's New Collegiate Dictionary as "a: the cogency of evidence that compels acceptance by the mind of a truth or a fact", and is generally accepted to mean "backing up a statement", or, in eligibility determination circles, "verification". That is not what MnCare plans to do, except in random audits. CDF-MN applauds the decision not to verify income in every case. Therefore, the words "proof of" should be deleted from p. 13, line 4. Applicants should be allowed to simply provide this information as they provide their social security number, their household composition, and other items enumerated in this Subpart.

Our next comment is about premium subsidy reductions to bring the program costs into line with revenues, page 16, lines 25 - 32. The statute states that such reductions must be made in a certain order, with the decrease in subsidy for families above 200% of poverty occurring before reducing subsidies for families under poverty. Perhaps a line could be inserted between current lines 29 and 30 that reads: "If the Commissioner determines that this adjustment does not ensure that expenditures remain within the

limits of available revenue, the Commissioner may:"

Our final comment is about standards for reportable changes for purposes of quality control, page 19, lines 9 - 19. This subpart does not give any time frame within which these changes must be reported. While remaining mute on this matter allows the program flexibility, it opens this requirement up to confusion and anxiety for program participants, creates an "I didn't know I was supposed to do it" defense when someone with a substantial change fails to report it for many months. In our judgement it also opens MnCare up to criticisms of sloppy management and/or "liberalism" (Oh, no!). We suggest that the Medical Assistance standard laid out in the MDHS Certification Manual at 7.15 "Clients must report a change in an eligibility factor within 10 days of the date of the change." be added betweens line 19 and 20, and that the words "As soon as identified" be deleted from line 10.

We are also concerned that there is no standard set forth for the amount of change in gross annual family income that must occur for the change to be reported. Again, to allay participant anxiety and at the same time relieve the administrative burden that would come from constant reports of small changes in income, we suggest that a standard be adopted. We could find no standard for the Medical Assistance program in the manual, so we suggest that the AFDC standard be adopted. Line 15 should be deleted and replaced by "D. A recurring change of more than $50.00 per month of net earned or unearned income." This language is taken directly from the MDHS Certification Manual at 7.15.

Thank you for your thoughtful consideration of these comments, and please feel free to contact CDF if we can be helpful in any way to your work.

Sincerely,

Luanne Nyberg, Director
Children's Defense Fund - Minnesota

LN:SC

In the Matter of the Adoption of the Rule of the State Department of Human Services Governing the Administration of MinnesotaCare, Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency]

DECLARATION OF COUNSEL

I, Patricia Sonnenberg, Special Assistant Attorney General, do hereby declare that I have examined the above-captioned rule, and the supporting rulemaking record, and that, based on my examination, the Administrative Procedure Act and Minnesota Rules, chapter 2010 have been followed. Any exceptions are listed below. For Attorney General billing purposes, the four-digit docket client code is 0886.

Patricia A. Sonnenberg

Special Assistant
Attorney General

Dated: 12/9/92

In the Matter of the Proposed Adoption of the Emergency Rule of the State Department of Human Services Governing the Administration of MinnesotaCare, Minnesota Rules, Parts 9506.0010, to 9506.0110

AFFIDAVIT OF MAILING THE NOTICE OF SUBMISSION OF EMERGENCY RULE TO THE ATTORNEY GENERAL

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

Joyce Pederson, being sworn, says:

That on the 8th day of December, 1992, in the City of St. Paul, County of Ramsey, State of Minnesota, I mailed the attached Notice of Submission to the Attorney General by depositing in the State of Minnesota Central Mail System for United States mailing, a copy thereof, with postage prepaid, to all persons and associations who requested notice that the rule in the above-entitled matter has been submitted to the Attorney General.

Joyce Pederson
(Name)

Secretary
(Title)

Subscribed and sworn to before me this 8 day of December, 1992.

Claudia A. Eliason

CLAUDIA A. ELIASON
NOTARY PUBLIC-MINNESOTA
WASHINGTON COUNTY
MY COMMISSION EXPIRES NOVEMBER 14, 1996

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October 9, 1992

Stephanie L. Schwartz
Minnesota Department of Human Services
444 Lafayette Road
St. Paul, MN 55155-3816

RE: Proposed Emergency Rule Governing Children's Health Plan Plus, Minnesota Rules 9506.0010 to 9506.0110

Dear Ms. Schwartz:

I would like to be advised of the date the above rule is submitted to the Attorney General. In addition, please send me a copy of the adopted rule. Thank you.

Sincerely,

LEGAL AID SOCIETY OF MINNEAPOLIS

Francesca Chervenak

M. Francesca Chervenak
Attorney at Law

MFC:tmh

A United Way Agency

STATE OF MINNESOTA

DEPARTMENT OF HUMAN SERVICES

In the Matter of the Proposed Adoption of the Rule of the State Department of Human Services Governing the Administration of MinnesotaCare, Minnesota Rules, parts 9506.0010 to 9506.0110 [Emergency]

NOTICE OF SUBMISSION OF EMERGENCY RULE TO THE ATTORNEY GENERAL

Pursuant to your request and in accordance with Minnesota Statutes, section 14.32:

PLEASE TAKE NOTICE that the above-captioned emergency rule as adopted has been submitted to the Office of the Attorney General on the date of this notice, December 8, 1992, for review as to legality and form to the extent form relates to legality. The proposed emergency rule, the rule as adopted, all the notices, all written comments received and other required documents also have been submitted to the attorney general.

The proposed emergency rule which was published in the State Register and made available to the public on October 12, 1992, has been modified. Enclosed is a copy of the modified rule, which is subject to approval by the Attorney General. A free copy of the Findings of Fact, Conclusions, and Order explaining the amendments and adopting the rule is available upon request from Stephanie L. Schwartz, Minnesota Department of Human Services, Rules Division, 444 Lafayette Road, St. Paul, Minnesota 55155; (612) 297-4302.

The rule must be approved or disapproved by the Attorney General on the tenth working day following date of receipt of the rule. You may submit written comments to the Attorney General. Any written comments must be submitted within seven working days of the date of this notice. Your comments must address only the issue of legality of the rule or the legality of the specific parts or subparts of the rule. The attorney general standards for review are set forth in Minnesota Rules, part 2010.1000. You may receive a copy of the attorney general decision upon written request to the attorney general. Your comments or requests for the decision must be directed to:

The Office of the Attorney General
Public Finance Division
Capitol Office Building
525 Park Street
St. Paul, MN 55103
Telephone Number: (612) 297-2040

Any written comments submitted to the Attorney General must be submitted simultaneously to Stephanie L. Schwartz at the address noted above.

Stephanie L. Schwartz

Rules Division

Dated: December 8, 1992

attach.

Department of Human Services

Adopted Emergency Rules Governing MinnesotaCare

Rules as Adopted

9506.0010 [Emergency] DEFINITIONS.

Subpart 1. **Scope.** The terms used in parts 9506.0010 to 9506.0110 [Emergency] have the meanings given them in this part.

Subp. 2. **Aid to families with dependent children or AFDC.** "Aid to families with dependent children" or "AFDC" means the program authorized under title IV-A of the Social Security Act to provide financial assistance and services to needy families with dependent children.

Subp. 3. **Applicant.** "Applicant" means a person who submits a written application to the department for a determination of eligibility for ~~children's health plan plus~~ MinnesotaCare.

Subp. 4. **Child.** "Child" means a person who is less than 18 years of age.

Subp. 5. **Children's health plan.** "Children's health plan" means the program authorized under Minnesota Statutes 1990 and amended in 1991 Supplement, section 256.936, providing health care services to low-income children.

~~Subp. 6. Children's health plan plus. "Children's health plan plus" means the program authorized in laws 1992, chapter 549, article 4, and recodified as Minnesota Statutes, section 256.9351, to provide appropriate covered health services for children and adults.~~

~~Subp. 7. Community health offices. "Community health offices" means department of health district offices, community health service agencies, or affiliated local public health nursing services under the authority of a community health board defined in Minnesota Statutes, section 145A.02, subdivision 5, a board of health defined in Minnesota Statutes, section 145A.02, subdivision 2, or a county board of commissioners defined in~~

Approved by Revisor

~~Minnesota Statutes, section 145A.02, subdivision 8.~~

Subp. ~~8~~ 6. **Commissioner.** "Commissioner" means the commissioner of the Department of Human Services or the commissioner's designee.

Subp. 7. **Community health offices.** "Community health offices" means department of health district offices, community health service agencies, or affiliated local public health nursing services under the authority of a community health board defined in Minnesota Statutes, section 145A.02, subdivision 5, a board of health defined in Minnesota Statutes, section 145A.02, subdivision 2, or a county board of commissioners defined in Minnesota Statutes, section 145A.02, subdivision 8.

Subp. ~~9~~ 8. **Covered health services.** "Covered health services" means the services listed in Minnesota Statutes, section 256.936, subdivision 2a, paragraphs (a) to (d).

Subp. ~~10~~ 9. **Department.** "Department" means the Department of Human Services.

Subp. ~~11~~ 10. **Dependent sibling.** "Dependent sibling" has the meaning given in Minnesota Statutes, section 256.936, subdivision 2b, paragraph (a).

Subp. ~~12~~ 11. **Eligible provider.** "Eligible provider" has the meaning given in Minnesota Statutes, section 256.936, subdivision 1, paragraph (a).

Subp. ~~13~~ 12. **Employer-subsidized health coverage.** "Employer-subsidized health coverage" means health coverage for which the employer pays at least 50 percent of the cost of coverage for the employee, excluding dependent coverage.

Subp. ~~14~~ 13. **Enrollee.** "Enrollee" means an applicant determined eligible by the department to receive covered health services under ~~children's health plan plus~~ MinnesotaCare who has paid the required premium under part 9506.0050 [Emergency].

Subp. ~~15~~ 14. **Family.** "Family" means parents or stepparents and their birth or adopted children, or guardians and their wards who are children, and the children's dependent siblings residing in the same household, including children and dependent siblings temporarily absent from the household in

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settings such as schools, camps, or visitation as specified in Minnesota Statutes, sections 518.131, subdivision 1, paragraph (a), and 518.175. When a parent or parents and his, her, or their child or children, or a guardian and his or her ward who is a child, are residing with other relatives, and the parent, parents, or guardian apply for ~~children's health plan plus~~ MinnesotaCare, family means only the parent or parents and his, her, or their child or children, or the guardian and his or her ward who is a child.

Family includes an emancipated minor and, if the emancipated minor is married, the emancipated minor and his or her spouse. Beginning July 1, 1994, for households without children, family also includes spouses.

Subp. ~~16~~ 15. **General assistance medical care.** "General assistance medical care" has the meaning given in Minnesota Statutes, section 256D.02, subdivision 4a.

Subp. ~~17~~ 16. **Gross annual family income.** "Gross annual family income" means the total of items A and B. Before July 1, 1994, it includes income for all family members. Beginning July 1, 1994, gross annual family income for single individuals means the total of items A and B. In either case, if a guardian is applying for ~~children's health plan plus~~ MinnesotaCare, the guardian's income must be included.

A. For self-employed persons and wage earners, gross annual family income includes:

(1) for farm and nonfarm self-employed persons, income has the meaning given in Minnesota Statutes, section 256.936, subdivision 1, paragraph (c); and

(2) for wage earners, income means money earned before any deduction, disregard, or exclusion received in the four months immediately before application for ~~children's health plan plus~~ MinnesotaCare, multiplied by three to reflect a 12-month period.

B. For all applicants, gross annual family income includes the following money received in the four months immediately before the application, multiplied by three to

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reflect a 12-month period:

(1) supplemental security income under title XVI of the Social Security Act;

(2) social security benefits;

(3) veterans' administration benefits;

(4) unemployment benefits;

(5) workers' compensation benefits;

(6) child support;

(7) spousal maintenance or support payments; and

(8) income from any other source, including training stipends, grants, scholarships, and rent.

Subp. ~~18~~ 17. **Local social service agency.** "Local social service agency" means the local county agency under the authority of the county welfare or human services board or county board of commissioners that is responsible for human services.

Subp. ~~19~~ 18. **Medical assistance.** "Medical assistance" means the program authorized under title XIX of the Social Security Act and Minnesota Statutes, chapter 256B.

Subp. 19. **MinnesotaCare.** "MinnesotaCare" means the program authorized in Laws 1992, chapter 549, article 4, and recodified as Minnesota Statutes, section 256.9351, to provide appropriate covered health services for children and adults.

Subp. 20. **Other health coverage.**

A. "Other health coverage" means:

(1) basic hospital coverage;

(2) medical-surgical or major medical coverage;

(3) Medicare Part A and/or Part B coverage under title XVIII of the Social Security Act;

(4) supplemental Medicare coverage under Minnesota Statutes, sections 62A.31 to 62A.44;

(5) coverage through a health maintenance organization under Minnesota Statutes, chapter 62D;

(6) coverage through a health maintenance organization under Minnesota Statutes, chapter 62D, combined with Medicare benefits under title XVIII of the Social Security

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Act; or

(7) coverage through the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) under United States Code, title 10, chapter 55, sections 1079 and 1086.

B. "Other health coverage" does not mean:

(1) medical assistance under Minnesota Statutes, chapter 256B;

(2) general assistance medical care under Minnesota Statutes, section 256D.02, subdivision 4a;

(3) coverage under a regional demonstration project for the uninsured funded under Minnesota Statutes, section 256B.73;

(4) coverage under the Hennepin county assured care program; or

(5) coverage under the Group Health, Inc. community health plan.

Subp. 21. **Parent.** "Parent" means the birth, step, or adoptive mother or father of a child.

Subp. 22. **Permanent resident.** "Permanent resident" has the meaning given in Minnesota Statutes, section 256.936, subdivision 4c, paragraph (c).

Subp. 23. **Third party payer.** "Third party payer" has the meaning given in part 9505.0015, subpart 46.

Subp. 24. **WIC program.** "WIC program" means the Special Supplemental Food Program for Women, Infants and Children administered by the United States Department of Agriculture under United States Code, title 42, section 1786, providing nutritious food and nutrition education to low-income pregnant and postpartum women and their children.

9506.0020 [Emergency] ELIGIBILITY FOR ~~CHILDREN'S HEALTH PLAN PLUS~~ MINNESOTACARE.

Subpart 1. **Children enrolled in children's health plan or children whose children's health plan application is received on or before September 30, 1992.** Children enrolled in the children's health plan, or children whose children's health plan

Approved
by Revisor _____

application is received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, on or before September 30, 1992, and who are found eligible for the children's health plan, will be enrolled in ~~children's health plan plus~~ MinnesotaCare if items A to C are met.

A. Eligibility.

(1) The children applying are at least one year of age or older, but less than 18 years of age.

(2) The children applying are permanent residents of Minnesota.

(3) The children applying are not eligible for medical assistance, including medical assistance for pregnant women, under Minnesota Statutes, chapter 256B.

(4) The child's family has a gross annual family income that does not exceed 185 percent of the federal poverty guidelines.

(5) The children applying are not otherwise insured for the covered health services.

B. Continuous eligibility. Children whose children's health plan application is received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, on or before September 30, 1992, and who are otherwise eligible for children's health plan, remain eligible for ~~children's health plan plus~~ MinnesotaCare:

(1) regardless of age;

(2) regardless of the presence or absence of other children in the same household; and

(3) even if their family's gross annual income after enrollment exceeds 185 percent of the federal poverty guidelines, subject to ~~children's health plan plus~~ MinnesotaCare premium under part 9506.0050 [Emergency], subpart 2, item A or B, as long as all other eligibility requirements of this part are met, and continuous enrollment in ~~children's health plan plus~~ MinnesotaCare or the medical assistance program is

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maintained.

If the requirements in this item are not met, children may apply for ~~children's health plan plus~~ MinnesotaCare under subpart 2.

C. Premium payments. Until July 1, 1993, children eligible for the children's health plan are exempt from paying ~~children's health plan plus~~ MinnesotaCare premiums under part 9506.0050 [Emergency], subpart 2, item A or B, but must pay the children's health plan enrollment fee under part 9506.0050 [Emergency], subpart 1. If the children's health plan application is received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, after September 30, 1992, applicants must pay the ~~children's health plan plus~~ MinnesotaCare premiums under part 9506.0050 [Emergency], subpart 2, item A or B, instead of the children's health plan enrollment fee under part 9506.0050 [Emergency], subpart 1, unless the commissioner accepts children's health plan applications after September 30, 1992, as provided by Laws 1992, chapter 549, article 4, section 17.

Subp. 2. **Families with children enrolled in children's health plan, emancipated minors enrolled in children's health plan, and families with children or emancipated minors whose ~~children's health plan plus~~ MinnesotaCare application is received after September 30, 1992.** Until January 1, 1993, families with children enrolled in the children's health plan, emancipated minors enrolled in the children's health plan, and families with children or emancipated minors whose ~~children's health plan plus~~ MinnesotaCare applications are received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, after September 30, 1992, will be enrolled in ~~children's health plan plus~~ MinnesotaCare if the requirements in items A to C are met.

A. Eligibility.

(1) The children applying are at least one year of age or older, but less than 18 years of age.

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(2) The family members applying are permanent residents.

(3) The family members applying are not eligible for medical assistance, including medical assistance for pregnant women, under Minnesota Statutes, chapter 256B.

(4) The family has a gross annual family income that does not exceed 185 percent of the federal poverty guidelines.

(5) The family members applying are not otherwise insured for the covered health services.

(6) The family members applying must not have access to subsidized health coverage through an employer, and must not have had access to employer-subsidized health coverage during the 18-month period immediately preceding the family member's application for ~~children's health plan plus~~ MinnesotaCare. The requirement in this subitem does not apply if:

(a) the subsidized health coverage was lost for reasons that would not disqualify the family member from receiving unemployment benefits under Minnesota Statutes, section 268.09; or

(b) the family member applying has not had access to employer-subsidized health coverage because of a layoff.

(7) If one child from the family applies, all children must apply, unless the child or the children not applying have other health coverage. Children and dependent siblings may apply even if their parents are not applying.

(8) Parents applying must also apply for their children and the children's dependent siblings, if the children and dependent siblings are eligible under this part.

(9) If one parent in the household applies, both parents must apply, unless the other parent has other health coverage.

B. Continuous eligibility. Individuals remain eligible for ~~children's health plan plus~~ MinnesotaCare:

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(1) regardless of age;

(2) regardless of the presence or absence of children in the same household; and

(3) even if their gross annual family income after enrollment exceeds 185 percent of the federal poverty guidelines, subject to ~~children's health plan plus~~ MinnesotaCare premiums under part 9506.0050 [Emergency], subpart 2, item A or B, as long as all other eligibility requirements of this part are met, and continuous enrollment in ~~children's health plan plus~~ MinnesotaCare or the medical assistance program is maintained.

C. Premium payments. Family members eligible for ~~children's health plan plus~~ MinnesotaCare must pay ~~children's health plan plus~~ MinnesotaCare premiums under part 9506.0050 [Emergency], subpart 2, item A or B.

Subp. 3. **Families with children and emancipated minors who apply for ~~children's health plan plus~~ MinnesotaCare.** Beginning January 1, 1993, families with children and emancipated minors will be enrolled in ~~children's health plan plus~~ MinnesotaCare if the requirements in items A to C are met.

A. Eligibility.

(1) The family members applying are permanent residents.

(2) The family members applying are not eligible for medical assistance, including medical assistance for pregnant women, under Minnesota Statutes, chapter 256B.

(3) The family's gross annual family income does not exceed the gross income limits in Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c).

(4) The family members applying must not have access to subsidized health coverage through an employer, and must not have had access to employer-subsidized health coverage during the 18-month period immediately preceding the family member's application for ~~children's health plan plus~~ MinnesotaCare. The requirement in this subitem does not apply if:

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(a) the subsidized health coverage was lost for reasons that would not disqualify the family member from receiving unemployment benefits under Minnesota Statutes, section 268.09; or

(b) the family member applying has not had access to employer-subsidized health coverage because of a layoff.

(5) The family member applying has not had other health coverage for at least the four months immediately preceding the date of application.

(6) If one child from the family applies, all children must apply, unless the child or the children not applying have other health coverage. Children and dependent siblings may apply even if their parents are not applying.

(7) Parents applying must also apply for their children and dependent siblings, if the children and dependent siblings are eligible under this part.

(8) If one parent in the household applies, both parents must apply, unless the other parent has other health coverage.

B. Continuous eligibility. Individuals remain eligible for ~~children's health plan plus~~ MinnesotaCare:

(1) regardless of age; or

(2) regardless of the presence or absence of children in the same household;

(3) as long as they do not have other health coverage; and

(4) even though their income exceeds the limits in Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c), if:

(a) they initially enrolled in ~~children's health plan plus~~ MinnesotaCare;

(b) they pay the full cost of coverage; and

(c) all other eligibility requirements of this part are met and continuous enrollment in ~~children's health plan plus~~ MinnesotaCare or the medical assistance program is

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maintained.

C. Premium payments. The family members applying must pay ~~children's health plan plus~~ MinnesotaCare premiums under part 9506.0050 [Emergency], subpart 2, item A or B.

Subp. 4. **Single adults and households without children who apply for ~~children's health plan plus~~ MinnesotaCare.** Beginning July 1, 1994, single adults and households without children will be enrolled in ~~children's health plan plus~~ MinnesotaCare, in addition to families with children and emancipated minors eligible under subparts 1 to 3, if the requirements in items A to C are met.

A. Eligibility.

(1) The single adult or the family members applying are permanent residents.

(2) The single adult or the family members applying are not eligible for medical assistance, including medical assistance for pregnant women, under Minnesota Statutes, chapter 256B.

(3) The single adults or family members applying do not have gross annual family incomes exceeding the gross annual income limits of Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c).

(4) The single adults or family members applying must not have access to subsidized health coverage through an employer, and must not have had access to employer-subsidized health coverage during the 18-month period immediately preceding the single adult's or family member's application for ~~children's health plan plus~~ MinnesotaCare. The requirement in this subitem does not apply if:

(a) the subsidized health coverage was lost for reasons that would not disqualify the single adult or the family member of the household from receiving unemployment benefits under Minnesota Statutes, section 268.09; or

(b) the single adult or family member applying has not had access to the employer-subsidized health coverage because of a layoff.

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(5) The single adult or the family member applying does not have other health coverage and has not had other health coverage for at least the four months immediately preceding the date of application.

B. Continuous eligibility. The single adult or the family members remain eligible for ~~children's-health-plan-plus~~ MinnesotaCare:

(1) as long as they do not have other health coverage; and

(2) even if their gross annual family income after enrollment exceeds the limits in Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c).

C. Premium payments. The single adult or the family members applying must pay ~~children's-health-plan-plus~~ MinnesotaCare premiums under part 9506.0050 [Emergency], subpart 2, item A or B.

9506.0030 [Emergency] APPLICATION FOR ~~CHILDREN'S-HEALTH-PLAN PLUS~~ MINNESOTACARE.

Subpart 1. **Availability.** Applications for ~~children's health-plan-plus~~ MinnesotaCare will be made available by the department to appropriate referral sources. Appropriate referral sources include:

A. eligible provider offices;

B. local social service agencies;

C. school district offices;

D. public and private elementary schools in which 25 percent or more of the students receive free or reduced price lunches;

E. community health offices; and

F. WIC program sites.

The department shall establish a toll-free telephone number and a metropolitan area telephone number providing information about ~~children's-health-plan-plus~~ MinnesotaCare. The department shall include these telephone numbers on department-published enrollment information. "Metropolitan area" has the meaning

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given in Minnesota Statutes, section 473.121, subdivision 2.

Subp. 2. **Children's health plan enrollment fees and ~~children's health plan plus~~ MinnesotaCare premium payments.** The appropriate referral sources under subpart 1 may:

A. accept applications and forward them to the department;

B. collect the children's health plan enrollment fee of $25, not to exceed $150 per family, under Minnesota Statutes, section 256.936, subdivision 4, and forward it to the department; and

C. collect the initial ~~children's health plan plus~~ MinnesotaCare premium payment under part 9506.0050 [Emergency], subpart 2, item A or B, and forward it to the department.

Subp. 3. **Necessary information for eligibility determination.** Applicants must provide all information necessary for the commissioner to determine eligibility under ~~children's health plan plus~~ MinnesotaCare and potential eligibility for medical assistance under Minnesota Statutes, chapter 256B. Necessary information includes:

A. social security number;

B. proof of permanent residency under Minnesota Statutes, section 256.936, subdivision 4c. The signature of an applicant on the application attesting to permanent residency meets the affidavit requirement under Minnesota Statutes, section 256.936, subdivision 4c, paragraph (d), clause (3);

C. household composition;

D. status of availability or lack of availability of other health coverage;

E. status of availability or lack of availability of access to employer-subsidized health coverage; and

F. ~~proof of~~ gross annual family income.

Upon the commissioner's request, applicants must provide additional necessary information.

Subp. 4. **Processing applications.** Before applicants are enrolled in ~~children's health plan plus~~ MinnesotaCare, a complete application must be received by the department,

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applicants must be determined eligible under part 9506.0020 [Emergency], and the initial premium under part 9506.0050 [Emergency], subpart 2, item A or B must be paid. Coverage begins according to part 9506.0040 [Emergency], subpart 1.

Subp. 5. **Screening for medical assistance eligibility.**

A. The commissioner shall refer applicants to the local social service agency if applicants are potentially eligible for the medical assistance program under Minnesota Statutes, chapter 256B. To determine potential eligibility, the commissioner shall use the following criteria:

(1) age of the applicant;

(2) income of the applicant;

(3) whether the applicant is pregnant; and

(4) whether the applicant has any illness, injury, or incapacity indicating a disability.

The commissioner shall not enroll applicants in ~~children's health plan plus~~ MinnesotaCare until they are determined ineligible for medical assistance under Minnesota Statutes, chapter 256B, by a local social service agency. The commissioner shall not enroll applicants who do not cooperate with the process of determining their eligibility for the medical assistance program.

B. The commissioner shall disenroll from ~~children's health plan plus~~ MinnesotaCare enrollees who are potentially eligible for medical assistance under Minnesota Statutes, chapter 256B, and who do not cooperate with the process of determining their eligibility for the medical assistance program.

C. The commissioner shall disenroll from ~~children's health plan plus~~ MinnesotaCare enrollees who are determined eligible for the medical assistance program under Minnesota Statutes, chapter 256B, by a local social service agency.

D. The commissioner shall delay ~~children's health plan plus~~ MinnesotaCare enrollment for otherwise eligible parents if the parents' child applicant is potentially eligible for the medical assistance program under Minnesota Statutes, chapter 256B. Parents eligible for ~~children's health plan plus~~

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MinnesotaCare may enroll in ~~children's health plan plus~~ MinnesotaCare upon a determination regarding their child's eligibility for the medical assistance program under Minnesota Statutes, chapter 256B, by a local social service agency and upon payment of ~~children's health plan plus~~ MinnesotaCare premium under part 9506.0050 [Emergency], subpart 2, item A or B. The commissioner shall not enroll parents in ~~children's health plan plus~~ MinnesotaCare if they do not cooperate in determining their child's eligibility for the medical assistance program under Minnesota Statutes, chapter 256B.

9506.0040 [Emergency] COVERED HEALTH SERVICES.

Subpart 1. **When coverage begins.** Coverage under ~~children's health plan plus~~ MinnesotaCare begins on the first day of the month following the month in which a complete application is entered by the department into the eligibility file and the initial premium payment is received by the department. However, if enrollees are hospitalized on the first day of coverage, coverage begins the day following discharge from the hospital.

Subp. 2. **Chemical dependency health services.** Enrollees who may need chemical dependency services under ~~children's health plan plus~~ MinnesotaCare must be assessed by a local social service agency as defined in Minnesota Statutes, section 254B.01, subdivision 5, under the assessment provisions of parts 9530.6600 to 9530.6655. Enrollees who are financially eligible for consolidated chemical dependency treatment fund services under Minnesota Statutes, chapter 254B, must receive chemical dependency treatment services under Minnesota Statutes, chapter 254B, if:

A. they have exhausted the covered chemical dependency health services under ~~children's health plan plus~~ MinnesotaCare; or

B. an assessment indicates that they need a level of care not provided under ~~children's health plan plus~~ MinnesotaCare.

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Subp. 3. **Workers' compensation benefits.** Covered health services do not include covered health services paid for by workers' compensation under Minnesota Statutes, chapter 176.

Subp. 4. **Cost avoidance.** Covered health services under parts 9506.0010 to 9506.0110 [Emergency] are secondary to other health coverage for which enrollees are eligible, except for chemical dependency health services under subpart 2. The department will not pay for covered health services until coverage is denied by all potential third party payers. The eligible provider must attempt to collect reimbursement from the other third party payers before billing the department for a covered health service. The commissioner shall use cost avoidance techniques to ensure benefit coordination for enrollees.

Subp. 5. **Subrogation.** When the department provides, pays for, or becomes liable for covered health services, it shall have a lien for the cost of care upon any and all causes of action accruing to the enrollee, or to the enrollee's legal representatives, as a result of injuries necessitating covered health services.

9506.0050 [Emergency] PREMIUM PAYMENTS.

Subpart 1. **Premium payment required.** Enrollees must pay premiums based on the sliding fee scale in subpart 2 before enrollment in ~~children's health plan plus~~ MinnesotaCare is complete and to maintain eligibility in ~~children's health plan plus~~ MinnesotaCare. Until July 1, 1993, enrollees in the children's health plan who are eligible for ~~children's health plan plus~~ MinnesotaCare under part 9506.0020 [Emergency], subpart 1, and whose ~~children's health plan plus~~ MinnesotaCare application was received by the department, local social service agency, or appropriate referral source defined in part 9506.0030 [Emergency], subpart 1, on or before September 30, 1992, in lieu of the premium under subpart 2, must pay an enrollment fee of $25, not to exceed $150 per family.

Subp. 2. **Premium payments.**

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A. Beginning July 1, 1993, the sliding fee scale used to determine an enrollee's premium payment must comply with Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c). The premium shall be a percentage of an enrollee's gross annual family income during the previous four months.

B. Between October 1, 1992 and June 30, 1993, the commissioner will use a sliding fee scale that sets an enrollee's premium payment as a percentage of the enrollee's gross annual family income equal to two-thirds of the percentages specified under Minnesota Statutes, section 256.936, subdivision 4b, paragraph (c).

C. An enrollee's premium payment table and an explanation for the premium payment table is available upon request from the department.

Subp. 3. **Premium payment adjustments.**

A. The commissioner shall adjust enrollees' premium payments upon receipt of the information required under part 9506.0080 [Emergency], subpart 1. Adjustments to enrollees' premium payments become effective on the first day of the month following issuance by the department of an adjusted premium invoice.

B. To ensure that expenditures remain within the limits of available revenues under Minnesota Statutes, section 256.936, subdivision 2, the commissioner may~~:~~

~~(1)~~ decrease the premium subsidy by ten percent for families with gross annual family income above 200 percent of the federal poverty guidelines~~; and~~.

~~(2)~~ If this decrease in the premium subsidy does not ensure that expenditures remain within the limits of available revenues, the commissioner may decrease the premium subsidy by ten percent for families with gross annual family income at or below 200 percent.

Subp. 4. **Premiums paid monthly or quarterly.** Applicants must choose to pay premiums on a monthly or a quarterly basis.

Subp. 5. **Premium payment due date.**

A. The initial premium must be received by the

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department within four months of the date on an applicant's first premium notice for ~~children's health plan plus~~ MinnesotaCare, otherwise applicants must submit a new ~~children's health plan plus~~ MinnesotaCare application.

B. Subsequent monthly premiums must be received by the department by the 15th of the month preceding the month for which the premium is paid; subsequent quarterly premiums must be received by the department by the 15th of the month preceding the beginning of the quarter for which the premium is paid.

Subp. 6. **Late premium payments.** If a premium is not received by the due date in subpart 5, the department must send a written notice to the enrollee informing the enrollee the required premium has not been received and the required premium must be received by the department before the first day of the next month, for premiums paid on a monthly basis, or before the first day of the first month of the next quarter, for premiums paid on a quarterly basis.

Subp. 7. **Premium payments not received.** If a monthly premium is not received by the department by the last day of the month in which coverage is provided, coverage ends and the enrollee is disenrolled from ~~children's health plan plus~~ MinnesotaCare. If a quarterly premium is not received by the last day of the first month following the quarter for which the last premium was paid, coverage ends and the enrollee is disenrolled from ~~children's health plan plus~~ MinnesotaCare.

Disenrolled enrollees must wait four calendar months before reenrolling for ~~children's health plan plus~~ MinnesotaCare and must comply with parts 9506.0010 to 9506.0110 [Emergency]. When enrollees reenroll for ~~children's health plan plus~~ MinnesotaCare, their premium payment must include the unpaid premium for any month in which coverage was provided.

Subp. 8. **Billing notices.**

A. For monthly premiums, the department will send out premium payment notices by the first of each month preceding the month for which coverage will be provided.

B. For quarterly premiums, the department will send

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out premium payment notices by the first of the month immediately preceding the first month of the next quarter for which coverage will be provided.

9506.0060 [Emergency] COPAYMENTS AND ELIGIBLE PROVIDER REIMBURSEMENT.

Subpart 1. **Copayments required.** Enrollees must pay to eligible providers ~~children's health plan plus~~ MinnesotaCare copayments under Minnesota Statutes, section 256.936, subdivision 2a, paragraph (f).

Subp. 2. **Eligible provider reimbursement.** The commissioner will reimburse eligible providers for the lesser of:

A. the eligible provider's usual and customary fees, minus ~~children's health plan plus~~ MinnesotaCare copayments required under subpart 1; or

B. the maximum allowable medical assistance rate specified in part 9505.0445, minus ~~children's health plan plus~~ MinnesotaCare copayments required under subpart 1.

Subp. 3. **Reimbursement for covered health services.** Covered health services are reimbursed at the same rate and under the same conditions for medical assistance, with the exceptions listed in Minnesota Statutes, section 256.936, subdivision 2a, paragraphs (a) to (d) and (f).

Subp. 4. **Copayments not paid.** The commissioner shall not reimburse eligible providers at the full medical assistance rate if eligible providers cannot or do not collect ~~children's health plan plus~~ MinnesotaCare copayments from enrollees.

9506.0070 [Emergency] ANNUAL REDETERMINATION OF ELIGIBILITY.

Subpart 1. **Annual redetermination required.** The commissioner shall perform an annual redetermination of continued ~~children's health plan plus~~ MinnesotaCare eligibility for each enrollee.

Subp. 2. **Enrollee cooperation with annual redetermination.** Enrollees must provide information to the department in order for the commissioner to redetermine eligibility for ~~children's health plan plus~~ MinnesotaCare. The information must be

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provided so the redetermination can occur before the anniversary date that eligibility began under part 9506.0040 [Emergency], subpart ~~2~~ 1. Enrollees who do not provide information to the department in order for the commissioner to redetermine eligibility are disenrolled from ~~children's health plan plus~~ MinnesotaCare. For purposes of this subpart, anniversary date means the annual occurrence of the first day of the month following the date of department approval of eligibility for ~~children's health plan plus~~ MinnesotaCare.

9506.0080 [Emergency] QUALITY CONTROL.

Subpart 1. **Changes.** As soon as identified, enrollees must report the following changes to the department:

A. address;

B. household composition;

C. employment status;

D. a recurring change of more than $50 per month of gross ~~annual family~~ earned or unearned income;

E. availability of other health coverage;

F. onset of disability or change in disability; and

G. initiation of legal action to collect money for an accident or an injury.

Subp. 2. **Random audits.** The commissioner will verify enrollees' gross annual family income and ~~children's health plan plus~~ MinnesotaCare eligibility by performing random audits. For purposes of this part, random audits mean a review of ~~children's health plan plus~~ MinnesotaCare eligibility of randomly selected enrollees. During the review appropriate additional income and eligibility information shall be collected. Appropriate additional income and eligibility information includes the following:

A. federal income tax returns;

B. federal W2 forms;

C. employment check stubs;

D. family composition;

E. residency;

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F. period uninsured; and

G. status of availability or lack of availability of access to employer-subsidized coverage.

Enrollees who do not provide requested additional income and eligibility information are disenrolled from ~~children's health plan plus~~ MinnesotaCare.

Subp. 3. **Redetermination.** When the commissioner receives additional income and eligibility information regarding an enrollee, the commissioner shall redetermine the enrollee's ~~children's health plan plus~~ MinnesotaCare eligibility. Upon the commissioner's request, enrollees must provide additional income and eligibility information.

Under Minnesota Statutes, section 256.936, subdivision 3, the commissioner may execute data sharing arrangements with the Department of Revenue, the Department of Jobs and Training, and any other governmental agency in order to perform income verification related to ~~children's health plan plus~~ MinnesotaCare eligibility.

Subp. 4. **Commissioner's access to enrollee medical records.** The commissioner shall be allowed access to an enrollee's personal medical records in order to monitor compliance with the requirements of parts 9506.0010 to 9506.0110 [Emergency] for the purposes of identifying fraud, theft, or abuse in the administration of ~~children's health plan plus~~ MinnesotaCare.

9506.0090 [Emergency] COORDINATION OF ~~CHILDREN'S HEALTH PLAN PLUS~~ MINNESOTACARE AND MEDICAL ASSISTANCE.

Subpart 1. **Coordination of ~~children's health plan plus~~ MinnesotaCare hospital inpatient services and enrollee eligibility under medical assistance spend down.** Under Minnesota Statutes, section 256.936, subdivision 2a, paragraph (e), the commissioner shall coordinate the provision of hospital inpatient services in ~~children's health plan plus~~ MinnesotaCare with enrollee eligibility under the medical assistance spend down. For purposes of this part, spend down has the meaning

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given in part 9505.0015, subpart 44.

Subp. 2. **Coordination of ~~children's-health-plan-plus~~ MinnesotaCare coinsurance and medical assistance spend down.** Enrollees who would be eligible for medical assistance under Minnesota Statutes, chapter 256B, with a spend down must pay the coinsurance amount under Minnesota Statutes, section 256.936, subdivision 2a, paragraph (f), up to the spend down limit or the coinsurance amount, whichever is less.

Subp. 3. **Covered health services for pregnant enrollees.** The commissioner shall refer pregnant enrollees who are potentially eligible for the medical assistance program under Minnesota Statutes, chapter 256B, to a local social service agency for a determination of medical assistance eligibility and shall disenroll enrollees who are determined eligible from ~~children's-health-plan-plus~~ MinnesotaCare.

9506.0100 [Emergency] ~~CHILDREN'S-HEALTH-PLAN-PLUS~~ MINNESOTACARE ADMINISTRATION.

To comply with Minnesota Statutes, section 256.936, subdivision 2, the commissioner shall:

A. manage ~~children's-health-plan-plus~~ MinnesotaCare spending;

B. make a quarterly assessment of the expected expenditures for the covered health services for the fiscal years 1993 and 1994; and

C. make necessary adjustments by following Minnesota Statutes, section 256.936, subdivision 2, to ensure that expenditures remain within the limits of available revenues.

9506.0110 [Emergency] APPEALS.

If the commissioner suspends, reduces, or ends eligibility for ~~children's-health-plan-plus~~ MinnesotaCare, or for covered services, the commissioner shall provide notification according to the provisions in Minnesota Statutes, chapter 256B, and Minnesota Rules, chapter 9505. Applicants or enrollees aggrieved by a determination of the commissioner may appeal the determination according to Minnesota Statutes, section 256.045.

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RECODIFYING. The references to Minnesota Statutes, section 256.936, shall be recodified as directed in Laws 1992, chapter 549, article 4, section 19.

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