Health Care Administration (HCA) 2026 Policy Bill

HC-28: MinnesotaCare Technical and Clarifying Changes

The Department of Human Services (DHS) recently implemented a MinnesotaCare premium policy change to comply with the Final Rule on Medicaid Program; Streamlining the Medicaid, Children's Health Insurance Program, and Basic Health Program Application, Eligibility Determination, Enrollment, and Renewal Processes, which went into effect on June 3, 2024. The policy change removed a requirement for MinnesotaCare enrollees to pay a past-due grace month premium, as a condition of re-enrollment. This helps reduce confusion and delay that often arises for MinnesotaCare enrollees when attempting to restart their coverage, following disenrollment for non-payment of a premium. States were given 12 months to implement this change, and DHS made updates to billing and coverage systems to meet the June 2025 compliance date. This proposal updates Minnesota Statutes 256L.06 Subd. 3, 256L.05, subd. 3(d) and 256L.06, subd. 3(c) to reflect the changes.

This proposal also makes technical corrections and updates. First, this proposal updates Minn. Stat. 256L.05, subdivision 3(d) to correct a cross reference in the statute outlining the effective date of coverage for the MinnesotaCare program. The statute contains a cross reference to different types of enrollees who are exempt from paying a premium, and this proposal corrects the cross-reference to refer to all of the enrollees who are exempt from paying a premium. Second, this proposal updates Minn. Stat. 256L.06, subdivision 3(c), to clarify that coverage for the MinnesotaCare program is dependent upon premium payment.

HC-31: MA for Employed Persons with Disabilities (MA-EPD) Good Cause Policy

Minnesota statute authorizes denial or termination of MA-EPD (Medical Assistance for Employed Persons with Disabilities) coverage for an enrollee who fails to pay their monthly premium, unless the person demonstrates good cause for the lack of payment for the premiums. Good cause is defined as, “an excuse for the enrollee's failure to pay the required premium when due, because the circumstances were beyond the enrollee's control or not reasonably foreseeable.” As described in the law, the Department of Human Services (DHS) determines whether good cause exists, based on evidence provided by the enrollee.

DHS regularly receives requests from MA-EPD enrollees, to retroactively grant good cause and issue a refund for a premium(s) that the enrollee has already paid. DHS denies these requests, and in the cases where an enrollee has requested an appeal of the decision, DHS has prevailed. This proposal adds specific language to MN Statute

§ 256B.057, subd. 9(h), to clarify that good cause cannot be granted for an MA-EPD premium that the enrollee has already paid.

HC-32: Extension of Final Report with Findings and Recommendations from LAI Pilot Program

Pursuant to 2024 Minnesota Law, Chapter 127, Article 49, Section 12, the Department of Human Services (DHS) established a one-year pilot program to reimburse counties and Tribes for long-acting injectable antipsychotic medications administered to prisoners in county correctional institutions. State Law requires DHS to provide a summary report on this pilot program to the legislature by December 15, 2025. As it is now, the pilot program will continue to reimburse counties for medications administered throughout Fiscal Year 2026, about 6 months after the summary report would be submitted to the legislature. This proposal recommends submitting a final report in November 2026, allowing DHS approximately three months to analyze data and to draft the report after making final payments to counties and Tribes by the "hard close" deadline of August 21, 2026.

HC-34: Physician Oversight in Clinics

This proposal amends Minn. Stat. 256B.0625, subd. 4, to remove requirements in state law that conflict with newly adopted clinical services standards adopted by CMS. Recently, CMS amended 42 C.F.R. 440.90 to acknowledge the authority of Tribal providers to render services outside the four-walls of a clinic on the condition that the services are provided "under the direction of a licensed physician." This is interpreted to mean that a medical director has approved the clinic's policies and procedures for the provision of services outside the clinic and the personnel engaged to provide the service. This proposal amends state statutes addressing physician services, to reduce confusion and to help make building providers into the system easier.

HC-35: Streamlining Medicaid Provider Enrollment

This proposal updates Minn. Stat. 256B.04, subdivision 21 to give the Minnesota Department of Human Services (DHS) explicit authority that it may disenroll Medicaid providers from the Medicaid program if a provider has not billed DHS within the previous 12 months. This is a program integrity measure that will ensure ongoing compliance with federal corrective action plans submitted to the Centers for Medicare and Medicaid Services (CMS).