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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 277

01/22/2015 Authored by Liebling, Fischer, Norton and Bly

The bill was read for the first time and referred to the Committee on Health and Human Services Reform

1.1 A bill for an act  
1.2 relating to human services; establishing a single administrator to administer the  
1.3 provision of dental services to medical assistance and MinnesotaCare enrollees;  
1.4 increasing payment rates for dental services; amending Minnesota Statutes 2014,  
1.5 sections 256B.69, by adding a subdivision; 256B.76, subdivision 2; 256L.12,  
1.6 subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 256B.

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

1.8 Section 1. **[256B.54] PROVISION OF DENTAL SERVICES.**

1.9 Subdivision 1. **Single dental administrator.** Effective for dental services provided  
1.10 on or after January 1, 2017, the commissioner shall contract with a single dental plan or  
1.11 dental plan administrative entity to administer the delivery of dental services to medical  
1.12 assistance and MinnesotaCare enrollees. The contract for the single administrator shall be  
1.13 awarded through competitive bidding. The entity shall administer all state dental program  
1.14 services, including those provided through the current fee-for-service system and those  
1.15 provided through the prepaid medical assistance program and MinnesotaCare.

1.16 Subd. 2. **Contract provisions.** The contract with the dental administrator shall:

1.17 (1) include the provision of all dental services authorized under section 256B.0625;

1.18 (2) ensure adequate numbers of dentists and dental clinics to provide accessible  
1.19 care to program enrollees;

1.20 (3) establish a centralized dental referral system, including a toll-free telephone  
1.21 number, to identify available dentists and dental clinics and to schedule appointments for  
1.22 program enrollees who need assistance in locating dental care;

1.23 (4) include in its dental provider network nonprofit clinics, federally qualified health  
1.24 centers, the University of Minnesota School of Dentistry and its affiliated clinics, publicly

2.1 owned and operated hospital-based dental clinics, dental clinics within state-operated  
2.2 services, and private practicing dentists;

2.3 (5) encourage private practicing dentists to participate and provide services to public  
2.4 program enrollees through flexible scheduling and coordination of referrals;

2.5 (6) develop a program to reduce hospital emergency room visits for dental care  
2.6 treatment;

2.7 (7) streamline information systems to provide information on patient eligibility and  
2.8 state program restrictions on dental benefits, including prior authorization requirements  
2.9 for dental care treatments;

2.10 (8) clearly communicate authorization criteria and benefit changes to dental  
2.11 providers participating in the dental provider network; and

2.12 (9) measure access to dental services for program enrollees and report access and  
2.13 encounter data annually to the commissioner.

2.14 Subd. 3. **Advisory committee.** The administrator shall establish an advisory  
2.15 committee of participating providers from community and public clinics and private  
2.16 practices to assist in the development and maintenance of the program.

2.17 Subd. 4. **Appeals.** All recipients of dental services provided under contract by the  
2.18 administrator shall have the right to appeal to the commissioner under section 256.045.

2.19 Subd. 5. **Data privacy.** The contract between the commissioner and the  
2.20 administrator must specify that the administrator is the agent of the state and shall have  
2.21 access to patient data on program enrollees to the extent necessary to carry out the  
2.22 administrator's responsibilities under the contract. The administrator shall comply with  
2.23 the relevant provisions of chapter 13.

2.24 Subd. 6. **Prepaid dental services.** Effective January 1, 2017, all dental services  
2.25 must be removed from prepaid medical assistance program and MinnesotaCare contracts  
2.26 with managed care organizations and county-based purchasing plans. All dental services  
2.27 must be included in the services provided under contract from the dental administrator.  
2.28 Each managed care organization and county-based purchasing plan providing dental care  
2.29 to program enrollees either directly or through contract with a dental plan administrator  
2.30 must provide the commissioner with dental encounter data and aggregate reimbursement  
2.31 data for dental care provided through the prepaid medical assistance program for calendar  
2.32 year 2015.

2.33 Subd. 7. **Exclusions.** (a) The commissioner shall exclude from this section dental  
2.34 programs administered through county-based purchasing plans if the commissioner  
2.35 determines that a single administrator already exists and that the dental services currently

3.1 provided are adequate to meet the needs of public program enrollees within the area  
3.2 served by the county-based purchasing plan.

3.3 (b) The commissioner shall exclude from this section dental services provided  
3.4 as part of a child and teen checkup or episodic care visit under section 256B.0625,  
3.5 subdivisions 14, paragraph (d), and 58.

3.6 Sec. 2. Minnesota Statutes 2014, section 256B.69, is amended by adding a subdivision  
3.7 to read:

3.8 Subd. 6e. **Dental services.** Effective January 1, 2017, dental services shall be  
3.9 provided as specified in section 256B.54.

3.10 Sec. 3. Minnesota Statutes 2014, section 256B.76, subdivision 2, is amended to read:

3.11 Subd. 2. **Dental reimbursement.** (a) Effective for services rendered on or after  
3.12 October 1, 1992, the commissioner shall make payments for dental services as follows:

3.13 (1) dental services shall be paid at the lower of (i) submitted charges, or (ii) 25  
3.14 percent above the rate in effect on June 30, 1992; and

3.15 (2) dental rates shall be converted from the 50th percentile of 1982 to the 50th  
3.16 percentile of 1989, less the percent in aggregate necessary to equal the above increases.

3.17 (b) Beginning October 1, 1999, the payment for tooth sealants and fluoride treatments  
3.18 shall be the lower of (1) submitted charge, or (2) 80 percent of median 1997 charges.

3.19 (c) Effective for services rendered on or after January 1, 2000, payment rates for  
3.20 dental services shall be increased by three percent over the rates in effect on December  
3.21 31, 1999.

3.22 (d) Effective for services provided on or after January 1, 2002, payment for  
3.23 diagnostic examinations and dental x-rays provided to children under age 21 shall be the  
3.24 lower of (1) the submitted charge, or (2) 85 percent of median 1999 charges.

3.25 (e) The increases listed in paragraphs (b) and (c) shall be implemented January 1,  
3.26 2000, for managed care.

3.27 (f) Effective for dental services rendered on or after October 1, 2010, by a  
3.28 state-operated dental clinic, payment shall be paid on a reasonable cost basis that is based  
3.29 on the Medicare principles of reimbursement. This payment shall be effective for services  
3.30 rendered on or after January 1, 2011, to recipients enrolled in managed care plans or  
3.31 county-based purchasing plans.

3.32 (g) Beginning in fiscal year 2011, if the payments to state-operated dental clinics  
3.33 in paragraph (f), including state and federal shares, are less than \$1,850,000 per fiscal  
3.34 year, a supplemental state payment equal to the difference between the total payments

4.1 in paragraph (f) and \$1,850,000 shall be paid from the general fund to state-operated  
4.2 services for the operation of the dental clinics.

4.3 (h) If the cost-based payment system for state-operated dental clinics described in  
4.4 paragraph (f) does not receive federal approval, then state-operated dental clinics shall be  
4.5 designated as critical access dental providers under subdivision 4, paragraph (b), and shall  
4.6 receive the critical access dental reimbursement rate as described under subdivision 4,  
4.7 paragraph (a).

4.8 (i) Effective for services rendered on or after September 1, 2011, through June 30,  
4.9 2013, payment rates for dental services shall be reduced by three percent. This reduction  
4.10 does not apply to state-operated dental clinics in paragraph (f).

4.11 (j) Effective for services rendered on or after January 1, 2014, payment rates for  
4.12 dental services shall be increased by five percent from the rates in effect on December  
4.13 31, 2013. This increase does not apply to state-operated dental clinics in paragraph (f),  
4.14 federally qualified health centers, rural health centers, and Indian health services. Effective  
4.15 January 1, 2014, payments made to managed care plans and county-based purchasing  
4.16 plans under sections 256B.69, 256B.692, and 256L.12 shall reflect the payment increase  
4.17 described in this paragraph.

4.18 (k) Effective for services rendered on or after January 1, 2017, payment rates for  
4.19 dental services shall be increased by ... percent from the rates in effect on December  
4.20 31, 2016. This increase does not apply to state-operated dental clinics in paragraph  
4.21 (f), federally qualified health centers, rural health centers, and Indian health services.  
4.22 Effective January 1, 2017, payments to the single dental administrator under section  
4.23 256B.54, and county-based purchasing plans if dental services provided by the plans  
4.24 are excluded under section 256B.54, subdivision 7, shall reflect the payment increase  
4.25 described in this paragraph.

4.26 Sec. 4. Minnesota Statutes 2014, section 256L.12, subdivision 7, is amended to read:

4.27 Subd. 7. **Managed care plan vendor requirements.** The following requirements  
4.28 apply to all counties or vendors who contract with the Department of Human Services to  
4.29 serve MinnesotaCare recipients. Managed care plan contractors:

4.30 (1) shall authorize and arrange for the provision of the full range of services listed in  
4.31 section 256L.03 in order to ensure appropriate health care is delivered to enrollees, with  
4.32 dental services being provided as specified in section 256B.54, effective January 1, 2017;

4.33 (2) shall accept the prospective, per capita payment or other contractually defined  
4.34 payment from the commissioner in return for the provision and coordination of covered  
4.35 health care services for eligible individuals enrolled in the program;

5.1 (3) may contract with other health care and social service practitioners to provide  
5.2 services to enrollees;

5.3 (4) shall provide for an enrollee grievance process as required by the commissioner  
5.4 and set forth in the contract with the department;

5.5 (5) shall retain all revenue from enrollee co-payments;

5.6 (6) shall accept all eligible MinnesotaCare enrollees, without regard to health status  
5.7 or previous utilization of health services;

5.8 (7) shall demonstrate capacity to accept financial risk according to requirements  
5.9 specified in the contract with the department. A health maintenance organization licensed  
5.10 under chapter 62D, or a nonprofit health plan licensed under chapter 62C, is not required  
5.11 to demonstrate financial risk capacity, beyond that which is required to comply with  
5.12 chapters 62C and 62D; and

5.13 (8) shall submit information as required by the commissioner, including data  
5.14 required for assessing enrollee satisfaction, quality of care, cost, and utilization of services.