

At the Capitol

Bill restores pay for related care attendants

Senate OKs measure using HMO cash

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The Senate passed a health and human services bill Thursday, April 5, that includes about \$22 million in new spending based on an expected repayment of funds from the state's nonprofit HMOs.

On Tuesday, Gov. Mark Dayton announced that health plans would repay \$73 million to the state and federal governments this summer because of a 1 percent cap on HMO profits during 2011.

The cap applied to health plan earnings on their business managing care for patients in the state's largest public health insurance programs. Legislators expect the federal government — which jointly funds the state programs — will get \$38 million of the total.

The Senate's plan would split the remaining \$35 million several ways, said Sen. David Hann, R-Eden Prairie,

who is author of the bill that passed Thursday.

Among other things, the bill would temporarily restore pay for personal care attendants, or PCAs, who attend to relatives.

Last year's budget agreement cut the amount of state pay for these caregivers by 20 percent. Some have questioned the fairness of the cut, because PCAs who care for strangers now make more money than those who care for relatives.

Hann's bill also would provide coverage in emergencies for noncitizens who need dialysis or cancer care. The budget agreement last year narrowed the scope of emergency medical assistance services provided by the state to noncitizens to exclude dialysis and cancer care.

The bill doesn't spend about \$13 million of the expected repayment from HMOs.

Legislators want to hold those funds in reserve in case the state winds up sharing a

portion of the \$30 million it received last year from the UCare health plan.

UCare is one of four large HMOs that manage care for patients in public health insurance programs, and health plan officials say they intended the payment as a contribution to the state during a tough budget year. But federal officials in recent weeks have been asking whether they should have gotten a cut.

The Senate plan that passed Thursday for spending the HMO funds came in the context of a much larger health and human services bill, which received bipartisan support. Leaders from the Senate and House will negotiate the final plan for the funds in a conference committee, said Rep. Jim Abeler, R-Anoka.

The House's plan for the money would give doctors and other health care providers enhanced reimbursement rates, said Abeler, who is chairman of the Health and Human Services Finance Committee. But that plan was

based on the assumption, Abeler said, that the state would recover a much smaller amount of money from the HMOs.

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