

1.1 **Senator Klein from the Committee on Commerce and Consumer Protection, to**
1.2 **which was referred**

1.3 **S.F. No. 3351:** A bill for an act relating to insurance; requiring coverage for orthotic
1.4 and prosthetic devices; authorizing rulemaking; proposing coding for new law in Minnesota
1.5 Statutes, chapter 62Q.

1.6 Reports the same back with the recommendation that the bill be amended as follows:

1.7 Page 4, line 13, delete "upper"

1.8 Page 4, delete section 2 and insert:

1.9 "Sec. 2. [62Q.666] MEDICAL NECESSITY AND NONDISCRIMINATION
1.10 STANDARDS FOR COVERAGE OF PROSTHETICS OR ORTHOTICS.

1.11 (a) When performing a utilization review for a request for coverage of prosthetic or
1.12 orthotic benefits, a health plan company shall apply the most recent version of evidence-based
1.13 treatment and fit criteria as recognized by relevant clinical specialists. The commissioner
1.14 may identify such criteria by rule.

1.15 (b) A health plan company shall render utilization review determinations in a
1.16 nondiscriminatory manner and shall not deny coverage for habilitative or rehabilitative
1.17 benefits, including prosthetics or orthotics, solely on the basis of an enrollee's actual or
1.18 perceived disability.

1.19 (c) A health plan company shall not deny a prosthetic or orthotic benefit for an individual
1.20 with limb loss or absence that would otherwise be covered for a nondisabled person seeking
1.21 medical or surgical intervention to restore or maintain the ability to perform the same
1.22 physical activity.

1.23 (d) A health plan offered, issued, or renewed in Minnesota that offers coverage for
1.24 prosthetics and custom orthotic devices shall include language describing an enrollee's rights
1.25 pursuant to paragraphs (b) and (c) in its evidence of coverage and any benefit denial letters.

1.26 (e) A health plan that provides coverage for prosthetic or orthotic services shall ensure
1.27 access to medically necessary clinical care and to prosthetic and custom orthotic devices
1.28 and technology from not less than two distinct prosthetic and custom orthotic providers in
1.29 the plan's provider network located in Minnesota. In the event that medically necessary
1.30 covered orthotics and prosthetics are not available from an in-network provider, the health
1.31 plan company shall provide processes to refer a member to an out-of-network provider and
1.32 shall fully reimburse the out-of-network provider at a mutually agreed upon rate less member
1.33 cost sharing determined on an in-network basis.

(f) If coverage for prosthetic or custom orthotic devices is provided, payment shall be made for the replacement of a prosthetic or custom orthotic device or for the replacement of any part of such devices, without regard to continuous use or useful lifetime restrictions, if an ordering health care provider determines that the provision of a replacement device, or a replacement part of a device, is necessary because of:

(1) a change in the physiological condition of the patient;

(2) an irreparable change in the condition of the device or in a part of the device; or

(3) the condition of the device, or the part of the device, requires repairs and the cost of such repairs would be more than 60 percent of the cost of a replacement device or of the part being replaced.

(g) Confirmation from a prescribing health care provider may be required if the prosthetic or custom orthotic device or part being replaced is less than three years old.

Sec. 3. Minnesota Statutes 2022, section 256B.0625, subdivision 12, is amended to read:

Subd. 12. ~~**Eyeglasses, and dentures, and prosthetic and orthotic devices.**~~ (a) Medical assistance covers eyeglasses, and dentures, ~~and prosthetic and orthotic devices~~ if prescribed by a licensed practitioner.

~~(b) For purposes of prescribing prosthetic and orthotic devices, "licensed practitioner" includes a physician, an advanced practice registered nurse, a physician assistant, or a podiatrist.~~

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 4. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision to read:

Subd. 72. **Orthotic and prosthetic devices.** Medical assistance covers orthotic and prosthetic devices, supplies, and services according to section 256B.066.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 5. **[256B.066] ORTHOTIC AND PROSTHETIC DEVICES, SUPPLIES, AND SERVICES.**

Subdivision 1. **Definitions.** All terms used in this section have the meaning given them in section 62Q.665, subdivision 1.

3.1 Subd. 2. Coverage requirements. (a) Medical assistance covers orthotic and prosthetic
3.2 devices, supplies, and services:

3.3 (1) furnished under an order by a prescribing physician or licensed health care prescriber
3.4 who has authority in Minnesota to prescribe orthoses and prostheses. Coverage for orthotic
3.5 and prosthetic devices, supplies, accessories, and services under this clause includes those
3.6 devices or device systems, supplies, accessories, and services that are customized to the
3.7 enrollee's needs;

3.8 (2) determined by the enrollee's provider to be the most appropriate model that meets
3.9 the medical needs of the enrollee for purposes of performing physical activities, as applicable,
3.10 including but not limited to running, biking, and swimming, and maximizing the enrollee's
3.11 limb function; or

3.12 (3) for showering or bathing.

3.13 (b) The coverage set forth in paragraph (a) includes the repair and replacement of those
3.14 orthotic and prosthetic devices, supplies, and services described therein.

3.15 (c) Coverage of a prosthetic or orthotic benefit must not be denied for an individual with
3.16 limb loss or absence that would otherwise be covered for a nondisabled person seeking
3.17 medical or surgical intervention to restore or maintain the ability to perform the same
3.18 physical activity.

3.19 (d) If coverage for prosthetic or custom orthotic devices is provided, payment shall be
3.20 made for the replacement of a prosthetic or custom orthotic device or for the replacement
3.21 of any part of such devices, without regard to continuous use or useful lifetime restrictions,
3.22 if an ordering health care provider determines that the provision of a replacement device,
3.23 or a replacement part of a device, is necessary because of:

3.24 (1) a change in the physiological condition of the patient;

3.25 (2) an irreparable change in the condition of the device or in a part of the device; or

3.26 (3) the condition of the device, or the part of the device, requires repairs and the cost of
3.27 such repairs would be more than 60 percent of the cost of a replacement device or of the
3.28 part being replaced.

3.29 Subd. 3. Restrictions on coverage. (a) Prior authorization may be required for orthotic
3.30 and prosthetic devices, supplies, and services.

(b) A utilization review for a request for coverage of prosthetic or orthotic benefits must apply the most recent version of evidence-based treatment and fit criteria as recognized by relevant clinical specialists. The commissioner may identify such criteria by rule.

(c) Utilization review determinations must be rendered in a nondiscriminatory manner and shall not deny coverage for habilitative or rehabilitative benefits, including prosthetics or orthotics, solely on the basis of an enrollee's actual or perceived disability.

(d) Evidence of coverage and any benefit denial letters must include language describing an enrollee's rights pursuant to paragraphs (b) and (c).

(e) Confirmation from a prescribing health care provider may be required if the prosthetic or custom orthotic device or part being replaced is less than three years old.

Subd. 4. Managed care plan access to care. (a) Managed care plans and county-based purchasing plans subject to this section must ensure access to medically necessary clinical care and to prosthetic and custom orthotic devices and technology from at least two distinct prosthetic and custom orthotic providers in the plan's provider network located in Minnesota.

(b) In the event that medically necessary covered orthotics and prosthetics are not available from an in-network provider, the plan must provide processes to refer an enrollee to an out-of-network provider and must fully reimburse the out-of-network provider at a mutually agreed upon rate less enrollee cost sharing determined on an in-network basis.

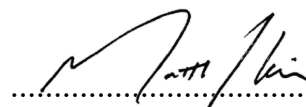
EFFECTIVE DATE. This section is effective January 1, 2025."

Amend the title as follows:

Page 1, line 2, after "requiring" insert "medical assistance" and after the second semicolon, insert "requiring health plans to cover orthotic and prosthetic devices;"

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Health and Human Services. Amendments adopted. Report adopted.



(Committee Chair)

March 7, 2024.....
(Date of Committee recommendation)