

1.1 **Senator Wiklund from the Committee on Health and Human Services, to which**
 1.2 **was referred**

1.3 **S.F. No. 302:** A bill for an act relating to health; requiring disclosure of certain payments
 1.4 made to health care providers; changing a provision for all-payer claims data; requiring a
 1.5 report on transparency of health care payments; amending Minnesota Statutes 2022, sections
 1.6 62U.04, subdivision 11, by adding a subdivision; 62U.10, subdivision 7.

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

1.8 Page 1, after line 6, insert:

1.9 "Section 1. Minnesota Statutes 2022, section 62U.04, subdivision 4, is amended to read:

1.10 Subd. 4. **Encounter data.** (a) All health plan companies, dental plan companies, and
 1.11 third-party administrators shall submit encounter data on a monthly basis to a private entity
 1.12 designated by the commissioner of health. The data shall be submitted in a form and manner
 1.13 specified by the commissioner subject to the following requirements:

1.14 (1) the data must be de-identified data as described under the Code of Federal Regulations,
 1.15 title 45, section 164.514;

1.16 (2) the data for each encounter must include an identifier for the patient's health care
 1.17 home if the patient has selected a health care home, data on contractual value-based payments,
 1.18 ~~and, for claims incurred on or after January 1, 2019,~~ data deemed necessary by the
 1.19 commissioner to uniquely identify claims in the individual health insurance market; ~~and~~

1.20 (3) the data must include enrollee race and ethnicity, to the extent available; and

1.21 (4) except for the identifier data described in clause clauses (2) and (3), the data must
 1.22 not include information that is not included in a health care claim, dental care claim, or
 1.23 equivalent encounter information transaction that is required under section 62J.536.

1.24 (b) The commissioner or the commissioner's designee shall only use the data submitted
 1.25 under paragraph (a) to carry out the commissioner's responsibilities in this section, including
 1.26 supplying the data to providers so they can verify their results of the peer grouping process
 1.27 consistent with the recommendations developed pursuant to subdivision 3c, paragraph (d),
 1.28 and adopted by the commissioner and, if necessary, submit comments to the commissioner
 1.29 or initiate an appeal.

1.30 (c) Data on providers collected under this subdivision are private data on individuals or
 1.31 nonpublic data, as defined in section 13.02. Notwithstanding the definition of summary data
 1.32 in section 13.02, subdivision 19, summary data prepared under this subdivision may be
 1.33 derived from nonpublic data. The commissioner or the commissioner's designee shall

2.1 establish procedures and safeguards to protect the integrity and confidentiality of any data
2.2 that it maintains.

2.3 (d) The commissioner or the commissioner's designee shall not publish analyses or
2.4 reports that identify, or could potentially identify, individual patients.

2.5 (e) The commissioner shall compile summary information on the data submitted under
2.6 this subdivision. The commissioner shall work with its vendors to assess the data submitted
2.7 in terms of compliance with the data submission requirements and the completeness of the
2.8 data submitted by comparing the data with summary information compiled by the
2.9 commissioner and with established and emerging data quality standards to ensure data
2.10 quality.

2.11 **EFFECTIVE DATE.** Paragraph (a), clause (3), is effective retroactively from January
2.12 1, 2023, and applies to claims incurred on or after that date.

2.13 Sec. 2. Minnesota Statutes 2022, section 62U.04, subdivision 5, is amended to read:

2.14 Subd. 5. **Pricing data.** (a) All health plan companies, dental plan companies, and
2.15 third-party administrators shall submit, on a monthly basis, data on their contracted prices
2.16 with health care providers to a private entity designated by the commissioner of health for
2.17 the purposes of performing the analyses required under this subdivision. Data on contracted
2.18 prices submitted under this paragraph must include data on supplemental contractual
2.19 value-based payments paid to health care providers. The data shall be submitted in the form
2.20 and manner specified by the commissioner of health.

2.21 (b) The commissioner or the commissioner's designee shall only use the data submitted
2.22 under this subdivision to carry out the commissioner's responsibilities under this section,
2.23 including supplying the data to providers so they can verify their results of the peer grouping
2.24 process consistent with the recommendations developed pursuant to subdivision 3c, paragraph
2.25 (d), and adopted by the commissioner and, if necessary, submit comments to the
2.26 commissioner or initiate an appeal.

2.27 (c) Data collected under this subdivision are nonpublic data as defined in section 13.02.
2.28 Notwithstanding the definition of summary data in section 13.02, subdivision 19, summary
2.29 data prepared under this section may be derived from nonpublic data. The commissioner
2.30 shall establish procedures and safeguards to protect the integrity and confidentiality of any
2.31 data that it maintains.

3.1 Sec. 3. Minnesota Statutes 2022, section 62U.04, subdivision 5a, is amended to read:

3.2 Subd. 5a. **Self-insurers.** (a) The commissioner shall not require a self-insurer governed
3.3 by the federal Employee Retirement Income Security Act of 1974 (ERISA) to comply with
3.4 this section.

3.5 (b) A third-party administrator must annually notify the self-insurers whose health plans
3.6 are administered by the third-party administrator that the self-insurer may elect to have the
3.7 third-party administrator submit encounter data and data on contracted prices under
3.8 subdivisions 4 and 5 from the self-insurer's health plan for the upcoming plan year. This
3.9 notice must be provided in a form and manner specified by the commissioner."

3.10 Page 2, line 9, after the second comma, insert "5a."

3.11 Page 2, line 25, after the semicolon, insert "and"

3.12 Page 2, line 28, strike "; and"

3.13 Page 2, strike line 29

3.14 Page 2, line 30, strike everything before the period

3.15 Page 3, strike lines 4 to 6, 11, and 12

3.16 Page 3, line 10, delete the new language and strike the old language

3.17 Page 3, after line 12, insert:

3.18 "Sec. 6. Minnesota Statutes 2022, section 62U.04, is amended by adding a subdivision to
3.19 read:

3.20 **Subd. 13. Expanded access to and use of the all-payer claims data.** (a) The
3.21 commissioner shall make the data available to individuals and organizations engaged in
3.22 efforts to research or effect transformation in health care outcomes, access, quality,
3.23 disparities, or spending, provided use of the data serves a public benefit and is not employed
3.24 to:

3.25 (1) create an unfair market advantage for any participant in the health care market in the
3.26 state of Minnesota, health plan companies, payers, and providers;

3.27 (2) reidentify or attempt to reidentify an individual in the data; and

3.28 (3) publicly report details derived from the data regarding any contract between a health
3.29 plan company and a provider.

3.30 (b) To implement provisions in paragraph (a), the commissioner must:

4.1 (1) establish detailed requirements for data access; a process for data users to apply for
 4.2 access to and use of the data; legally enforceable data use agreements to which data users
 4.3 must consent; a clear and robust oversight process for data access and use, including a data
 4.4 management plan, that ensures compliance with state and federal data privacy laws;
 4.5 agreements for state agencies and the University of Minnesota to ensure proper and efficient
 4.6 use and security of data; and technical assistance for users of the data and stakeholders;

4.7 (2) develop a fee schedule to support the cost of expanded use of the data, provided the
 4.8 fees charged under the schedule do not create a barrier to access for those most affected by
 4.9 disparities; and

4.10 (3) create a research advisory group to advise the commissioner on applications for data
 4.11 use under this subdivision, including an examination of the rigor of the research approach,
 4.12 the technical capabilities of the proposed users, and the ability of the proposed user to
 4.13 successfully safeguard the data."

4.14 Renumber the sections in sequence

4.15 Amend the title as follows:

4.16 Page 1, line 3, delete "a provision" and insert "provisions"

4.17 Amend the title numbers accordingly

4.18 And when so amended the bill do pass and be re-referred to the Committee on Judiciary
 4.19 and Public Safety. Amendments adopted. Report adopted.

4.20



4.21

(Committee Chair)

4.22 March 1, 2023.....

4.23 (Date of Committee recommendation)