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S.F. No. 1745 (as amended by the A-5 amendment) - Minnesota Commission for Equitable Health Care Services establishment

Author: Senator Erin Murphy

Prepared by: Nolan Hudalla, Senate Counsel (651/296-6401)

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Bill Overview

S.F. 1745, as amended, establishes the Minnesota Commission for Equitable Health Care Services and imposes the following duties on the commission: (1) develop a plan to provide meaningful availability of health care services to all Minnesota residents; (2) review the activities of accountable health care entities to identify potential noncompliance with section 6.93; and (3) notify the state auditor of such instances of potential noncompliance. The commission must annually report its findings and recommendations to the legislature. S.F. 1745 also authorizes the state auditor to examine the financial records of accountable health care entities if the commission requests such an examination. The state auditor is further empowered to review the records of accountable health care entities if the entity has received an eligible state expenditure in the prior calendar year. These entities must annually certify to the state auditor that sufficient accounting records have been maintained to demonstrate that the expenditure has been utilized in accordance with its legislative purpose.

Section Summaries

Section 1. Accountable Health Care Entities; Certification (adds Minn. Stat. § 6.93). This section authorizes the state auditor to examine the accounts and records of accountable health care entities if: (1) the Minnesota Commission for Equitable Health Care Services requests an examination; or (2) the entity has received an eligible state expenditure in the prior calendar year. The section further requires accountable health care entities to maintain certain accounting records and certify such record maintenance to the state auditor if the entity has received an eligible state expenditure in the calendar year.

Subd. 1. Definitions. This subdivision defines the terms “accountable health care entity,” “commission,” and “eligible state expenditure” for purposes of section 6.93.

Subd. 2. Certification by accountable health care entities. This subdivision requires all accountable health care entities that receive an eligible state expenditure to account for all receipts, transfers, and uses of the expenditure. The entity must maintain sufficient accounting records to clearly demonstrate to the state auditor, and annually certify to the same, that the expenditure has been utilized in accordance with its legislative purpose.

Subd. 3. Written accounting policies. This subdivision provides that an accountable health care entity that does not provide the certification required under subdivision 2 must cooperate with the state auditor to develop and maintain written policies and procedures to implement the accounting requirements of section 6.93.

Subd. 4. Commission requests for examination. This subdivision requires the state auditor to conduct an examination of either: (1) an accountable health care entity for compliance with section 6.93; or (2) a particular eligible state expenditure, if the Minnesota Commission for Equitable Health Care Services requests such an examination.

Subd. 5. Independent state auditor examinations. This subdivision authorizes the state auditor to examine all accounts and records of an accountable health care entity that received an eligible state expenditure in the prior calendar year for compliance with section 6.93. This subdivision further requires the state auditor to facilitate the Minnesota Commission for Equitable Health Care Services' duties, and may use the authority provided in this subdivision to do so.

Subd. 6. Report to the commission. This subdivision requires the statute auditor to report the findings of any examination conducted under section 6.93 to the Minnesota Commission for Equitable Health Care Services.

Section 2. Commission for Equitable Health Care Services (adds Minn. Stat. § 145E.10). This section establishes the Minnesota Commission for Equitable Health Care Services and provides various parameters for its operation. The commission's duties include developing a plan to provide meaningful availability of health care services to all Minnesota residents, reviewing the activities of accountable health care entities to identify potential noncompliance with section 6.93, and notifying the state auditor of such instances of potential noncompliance.

Subd. 1. Definitions. This subdivision defines the terms "accountable health care entity," "commission," "eligible state expenditure," and "personal interest" for purposes of section 145E.10.

Subd. 2. Public membership. This subdivision provides that the Minnesota Commission for Equitable Health Care Services will consist of nine public members, and describes how these members will be appointed.

Subd. 3. Commission advisors. This subdivision provides that the Minnesota Commission for Equitable Health Care Services will have 11 nonvoting commission advisors, and describes how these advisors will be appointed.

Subd. 4. Legislative membership. This subdivision provides that the Minnesota Commission for Equitable Health Care Services will include four nonvoting legislative members, and describes how these members will be appointed.

Subd. 5. Ex officio membership. This subdivision provides that the Minnesota Commission for Equitable Health Care Services will include five nonvoting ex officio members. These members must include three employees of the Department of Health, one employee of the Office of the Attorney General, and one employee of the Office of the State Auditor.

Subd. 6. Limitations on membership. This subdivision prohibits any member of the commission from being a director, manager, managing partner, officer, or executive of, or from having a person interest in: (1) an accountable health care entity, or (2) a direct or indirect affiliate of an accountable health care entity.

Subd. 7. Chairperson; executive committee. This subdivision requires the commission to elect a chairperson at its first meeting, and authorizes the executive committee to appoint additional subcommittees and work groups as necessary to fulfill the commission's duties.

Subd. 8. Meetings. This subdivision details the Minnesota Commission for Equitable Health Care Services' meeting requirements.

Subd. 9. Executive director; staff. This subdivision requires the Minnesota Commission for Equitable Health Care Services to appoint an executive director and provides that the executive director is an ex officio nonvoting member of the commission's executive committee. This subdivision further describes the role of the executive director and authorizes the commission to delegate certain powers and duties to the individual.

Subd. 10. Office space; equipment; technical assistance. This subdivision requires the commissioner of administration to provide, at a reasonable cost, the Minnesota Commission for Equitable Health Care Services with administrative assistance, office space, and access to office equipment and services. This subdivision further requires the commissioners of all departments of state government to accommodate any reasonable requests for technical assistance from the commission.

Subd. 11. Duties. This subdivision establishes the commission's duties, which include developing a plan to provide meaningful availability of health care services to all Minnesota residents, reviewing the activities of accountable health care entities to identify potential noncompliance with section 6.93, and notifying the state auditor of such instances of potential noncompliance. The subdivision further provides that the commission's duty to develop a plan for the meaningful availability of health care services includes, but is not limited to, requirements for the commission to: (1) consult with a representative sample of Minnesota residents; (2) consult small business owners and local employers; (3) develop and implement a method of investigating the geographic distribution of resources; (4) study and make recommendations on transparency of ownership of health care facilities and systems and of the role of private equity in Minnesota's health care market; and (5) develop and implement a method of investigating incentives to provide equitable, competent care.

Subd. 12. Expenses. This subdivision states that the commission's public members, advisors, and ex officio members serve without compensation, but that all members and advisors may have expenses reimbursed.

Subd. 13. Data classification. This subdivision classifies data collected by the commission as private data on individuals or nonpublic data.

Subd. 14. Contract authority. This subdivision authorizes the Minnesota Commission for Equitable Health Care Services to contract with third parties to perform its duties.

Subd. 15. Reports. This subdivision requires the commission to submit an initial report on its progress to the legislative committees with jurisdiction over health by January 15, 2025. The subdivision further requires the commission to submit a final report with proposals to the health committees by January 15, 2026, and each year thereafter. The final reports must contain recommendations, draft legislation, and the findings of any state auditor investigations.

Section 3 (Appropriation) This section appropriates money from the general fund in fiscal year 2025 to the Minnesota Commission for Equitable Health Care Services and the commission of administration. The funds are available until June 30, 2027.