

**SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION**

S.F. No. 1407

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DATE	D-PG	OFFICIAL STATUS
02/13/2025	389	Introduction and first reading Referred to Commerce and Consumer Protection
03/10/2025	689a	Comm report: To pass as amended and re-refer to Health and Human Services

OFFICIAL STATUS

1.1 A bill for an act

1.2 relating to health; modifying the evaluation process for mandated health benefit

1.3 proposals; amending Minnesota Statutes 2024, sections 62J.26, subdivisions 1, 2,

1.4 3, by adding subdivisions; 256B.0625, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2024, section 62J.26, subdivision 1, is amended to read:

1.7 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have

1.8 the meanings given unless the context otherwise requires:

1.9 (1) "commissioner" means the commissioner of commerce;

1.10 (2) "enrollee" has the meaning given in section 62Q.01, subdivision 2b;

1.11 (3) "health plan" means a health plan as defined in section 62A.011, subdivision 3, but

1.12 includes coverage listed in clauses (7) and (10) of that definition;

1.13 (4) "mandated health benefit proposal" or "proposal" means a proposal that would

1.14 statutorily require a health plan company to do the following:

1.15 (i) provide coverage or increase the amount of coverage for the treatment of a particular

1.16 disease, condition, or other health care need;

1.17 (ii) provide coverage or increase the amount of coverage of a particular type of health

1.18 care treatment or service or of equipment, supplies, or drugs used in connection with a health

1.19 care treatment or service; or

1.20 (iii) provide coverage for care delivered by a specific type of provider; and

1.21 (iv) ~~require a particular benefit design or impose conditions on cost sharing for:~~

2.1 (A) ~~the treatment of a particular disease, condition, or other health care need;~~
2.2 (B) ~~a particular type of health care treatment or service; or~~
2.3 (C) ~~the provision of medical equipment, supplies, or a prescription drug used in~~
2.4 ~~connection with treating a particular disease, condition, or other health care need; or~~
2.5 (v) ~~impose limits or conditions on a contract between a health plan company and a health~~
2.6 ~~care provider.~~

2.7 (5) "Minnesota public health care program" means a public health care program
2.8 administered by the commissioner of human services under chapters 256B and 256L.

2.9 (b) "Mandated health benefit proposal" does not include health benefit proposals:
2.10 (1) amending the scope of practice of a licensed health care professional; ~~or~~
2.11 (2) that make state law consistent with federal law; or
2.12 (3) that apply exclusively to Minnesota public health care programs.

2.13 Sec. 2. Minnesota Statutes 2024, section 62J.26, subdivision 2, is amended to read:

2.14 **Subd. 2. Evaluation process and content.** (a) The commissioner, in consultation with
2.15 the commissioners of health, human services, and management and budget, must evaluate
2.16 all mandated health benefit proposals as provided under subdivision 3.

2.17 (b) The purpose of the evaluation is to provide the legislature with a complete and timely
2.18 analysis of all ramifications of any mandated health benefit proposal. The evaluation must
2.19 include, in addition to other relevant information, the following to the extent applicable:

2.20 (1) scientific and medical information on the mandated health benefit proposal, on the
2.21 potential for harm or benefit to the patient, and on the comparative benefit or harm from
2.22 alternative forms of treatment, and must include the results of at least one professionally
2.23 accepted and controlled trial comparing the medical consequences of the proposed therapy,
2.24 alternative therapy, and no therapy;

2.25 (2) public health, economic, and fiscal impacts of the mandated health benefit proposal
2.26 on persons receiving health services in Minnesota, on persons receiving health services in
2.27 a Minnesota public health care program, on the relative cost-effectiveness of the proposal,
2.28 and on the health care system in general;

2.29 (3) the extent to which the treatment, service, equipment, or drug is generally utilized
2.30 by a significant portion of the population and used in the Minnesota public health care
2.31 programs;

3.1 (4) the extent to which insurance coverage for the mandated health benefit proposal is
3.2 already generally available and available in the Minnesota public health care programs;

3.3 (5) the extent to which the mandated health benefit proposal, by health plan category,
3.4 would apply to the benefits offered to the health plan's enrollees and enrollees in the
3.5 Minnesota public health care programs;

3.6 (6) the extent to which the mandated health benefit proposal will increase or decrease
3.7 the cost of the treatment, service, equipment, or drug;

3.8 (7) the extent to which the mandated health benefit proposal may increase enrollee
3.9 premiums; and

3.10 (8) if the proposal applies to a qualified health plan as defined in section 62A.011,
3.11 subdivision 7, the cost to the state to defray the cost of the mandated health benefit proposal
3.12 using commercial market reimbursement rates in accordance with Code of Federal
3.13 Regulations, title 45, section 155.170.

3.14 (c) The commissioner shall consider actuarial analysis done by health plan companies
3.15 and any other proponent or opponent of the mandated health benefit proposal in determining
3.16 the cost of the proposal.

3.17 (d) The commissioner must summarize the nature and quality of available information
3.18 on these issues, and, if possible, must provide preliminary information to the public. The
3.19 commissioner may conduct research on these issues or may determine that existing research
3.20 is sufficient to meet the informational needs of the legislature. The commissioner may seek
3.21 the assistance and advice of researchers, community leaders, or other persons or organizations
3.22 with relevant expertise. The commissioner must provide the public with at least 45 days'
3.23 notice when requesting information pursuant to this section. The commissioner must notify
3.24 the chief authors of a bill when a request for information is issued.

3.25 (e) Information submitted to the commissioner pursuant to this section that meets the
3.26 definition of trade secret information, as defined in section 13.37, subdivision 1, paragraph
3.27 (b), is nonpublic data.

3.28 (f) The commissioner must publish all evaluations conducted under this section on a
3.29 publicly available website within 30 days of the evaluation's completion.

3.30 Sec. 3. Minnesota Statutes 2024, section 62J.26, subdivision 3, is amended to read:

3.31 **Subd. 3. Requirements for evaluation.** (a) No later than August 1 of the year preceding
3.32 the legislative session in which ~~a~~ an incumbent legislator is planning on introducing a bill

4.1 containing a mandated health benefit proposal; or is planning on offering an amendment to
4.2 a bill that adds a mandated health benefit, the prospective author must notify the chair of
4.3 one of the standing legislative committees that have jurisdiction over the subject matter of
4.4 the proposal. The legislator is not required to provide the text of the mandated health benefit
4.5 proposal. No later than 15 days after notification is received, the chair must notify the
4.6 commissioner that an evaluation of a mandated health benefit proposal is required to be
4.7 completed in accordance with this section in order to inform the legislature before any action
4.8 is taken on the proposal by either house of the legislature.

4.9 (b) The commissioner must conduct an evaluation described in subdivision 2 of each
4.10 mandated health benefit proposal for which an evaluation is required under paragraph (a).

4.11 (c) If the evaluation of multiple proposals are required, the commissioner must consult
4.12 with the chairs of the standing legislative committees having jurisdiction over the subject
4.13 matter of the mandated health benefit proposals to prioritize the evaluations and establish
4.14 a reporting date for each proposal to be evaluated.

4.15 (d) By December 31 of the year in which a mandated health benefit proposal, for which
4.16 an evaluation described in subdivision 2 has not been conducted, is enacted, the commissioner
4.17 must conduct an evaluation described in subdivision 2. The evaluation required by this
4.18 paragraph applies to mandated health benefit proposals:

4.19 (1) introduced or offered by a legislator who was not seated by the deadline for
4.20 notification under paragraph (a);

4.21 (2) enacted without conformity to paragraph (a); or

4.22 (3) for which an evaluation was required under paragraph (b) but was not conducted.

4.23 Sec. 4. Minnesota Statutes 2024, section 62J.26, is amended by adding a subdivision to
4.24 read:

4.25 Subd. 6. Conformity. A mandated health benefit proposal enacted into law is effective
4.26 whether or not it is in conformity with this section.

4.27 Sec. 5. Minnesota Statutes 2024, section 62J.26, is amended by adding a subdivision to
4.28 read:

4.29 Subd. 7. Rulemaking. (a) The commissioner of commerce must adopt forms, by July
4.30 1, 2026, for the following:

5.1 (1) an incumbent legislator to notify the chair of the mandated health benefit proposal
5.2 under subdivision 3, paragraph (a); and

5.3 (2) the chair to notify the commissioner of the mandated health benefit proposal under
5.4 subdivision 3, paragraph (a).

5.5 (b) The forms adopted under this subdivision must include all information needed from
5.6 the legislator introducing or offering the mandated health benefit proposal for the
5.7 commissioner to conduct the required evaluation.

5.8 Sec. 6. Minnesota Statutes 2024, section 256B.0625, is amended by adding a subdivision
5.9 to read:

5.10 Subd. 77. **Mandated health benefits.** A mandated health benefit proposal, as defined
5.11 in section 62J.26, enacted into law does not apply to medical assistance fee-for-service
5.12 unless the mandate or subsequently enacted legislation expressly applies the mandate to
5.13 medical assistance fee-for-service. This subdivision is not intended to change existing
5.14 coverage or plan design in medical assistance or MinnesotaCare.