MINNESOTA COUNCIL of HEALTH PLANS

CAPITOL OFFICE BUILDING
525 PARK STREET
SUITE 140
ST. PAUL, MINNESOTA 55103
651-645-0099 FAX 651-645-0098

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Senate Commerce and Consumer Protection Committee
95 University Avenue W.
St. Paul, MN 55155

Chair Klein and Members of the Committee:

The Minnesota Council of Health Plans, the trade association for Minnesota's nonprofit health plans (Blue Cross and Blue Shield of Minnesota, HealthPartners, Medica, and Sanford Health Plan) works every day to support access to high-quality affordable health care. We are writing to respectfully express concerns with SF 1856 before the committee today. Artificial intelligence (AI) and new computer software are promising technologies to assist in administrative procedures. These tools can quickly accomplish administrative processes that humans could perform, but not as efficiently. Almost all entities within the health care sector use AI tools. It is not just health insurers, but it is also hospitals, providers, pharmaceutical companies, device manufacturers, and more.

Health plans do use AI and other software to speed up the administrative tasks of processing a prior authorization request. But like any technological tool, there is a limit to how it can be used and it does not completely replace humans in certain situations - including when making an adverse determination of a prior authorization request. It has always been standard practice for our health plan members that all adverse determinations are reviewed by a licensed medical practitioner or pharmacist. Not only is this standard practice, but we must also comply with the requirements under MN Statute 62M.09, Subdivision 3, which requires all adverse determinations must be completed by a licensed medical professional in the same or similar specialty of the requested prior authorization.

We know as AI technology continues to evolve there are concerns about how this technology is used. The Council recommends amending the bill to limit the scope of the prohibition to only adverse determinations. This will allow health plans to continue to use AI technology to make our approval process faster and meet the prior authorization timeline requirements under MN Statute 62M.05.

Sincerely,



Lucas Nesse
President and CEO