

State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3456

03/21/2016 Authored by Loonan

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

1.1 A bill for an act  
1.2 relating to commerce; authorizing certain data collection by the Department of  
1.3 Commerce relating to no-fault auto insurance claims; reviving the Task Force  
1.4 on No-Fault Auto Insurance; requiring a report; proposing coding for new law  
1.5 in Minnesota Statutes, chapter 65B.

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

1.7 Section 1. **[65B.85] DATA COLLECTION; NO-FAULT AUTO INSURANCE**  
1.8 **CLAIMS.**

1.9 Subdivision 1. **Reporting by reparation obligor.** A reparation obligor must report  
1.10 to the commissioner the following data in its possession relating to claims under plans of  
1.11 reparation security issued by it:

1.12 (1) the number of no-fault-related accidents that result in injuries requiring  
1.13 hospitalization, or that lead to any form of accident-related medical treatment, including  
1.14 by a doctor, chiropractor, or physical or occupational therapist, or any other medical  
1.15 professional. Data must be at the level of detail necessary to identify whether soft-tissue  
1.16 treatment occurs and specific details about type and extent of the treatment;

1.17 (2) cost of care data for medical coverage of comparable injuries that is paid under:  
1.18 (i) major medical programs operating in the state, including Medicare; (ii) the state's  
1.19 workers compensation system; and (iii) the no-fault system. Data should include both  
1.20 what was charged by the medical provider as well as what was ultimately paid;

1.21 (3) data on how no-fault claim payments are allocated, including:

1.22 (i) the number of claims that do not reach the \$20,000 limit, and the actual amount  
1.23 paid for each claim;

1.24 (ii) the number of claims that reach or exceed the \$20,000 limit, and the actual  
1.25 amount paid for each claim;

(iii) the total cost of care for all medical expenses attributed to the no-fault-related incident, including and in addition to the \$20,000 limit;

(4) data on disputed claims as follows:

(i) the number of denied claims on an annual basis;

(ii) the number of independent medical examinations requested on an annual basis;

(iii) the number of claims that actually go to an independent medical examination and the rationale for the independent medical examination determination on an annual basis; and

(iv) the number of bodily injury claims on an annual basis;

(5) data on arbitration and the arbitration process as follows:

(i) the number of arbitration awards on an annual basis, and the total, range, and average amount of awards;

(ii) the percentage of award that goes to the provider;

(iii) the total expense of arbitration and how much is covered by the award;

(iv) the number of arbitrators available to hear cases; and

(v) the number of cases each arbitrator hears on an annual basis, as well as the average and range of the number of cases heard per arbitrator; and

(6) data on individual no-fault claims that are consolidated into a single proceeding including:

(i) the average and range of the number of individual claims consolidated into a single proceeding;

(ii) for consolidated proceedings:

(A) how long on average individual claims are accumulated for a consolidated proceeding;

(B) the range of time for these claims to be resolved; and

(C) the average and range of the dollar amounts of the individual claims; and

(iii) the average and range of the dollar amounts awarded for all consolidated and nonconsolidated proceedings.

Subd. 2. **Reporting by state agencies.** Upon request, a state agency that holds data covered by subdivision 1 must report that data to the commissioner.

Subd. 3. **Form.** The commissioner shall prescribe the time and format for reporting under this section, provided that no reporting is due prior to August 1, 2016.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 2. **TASK FORCE ON NO-FAULT AUTO INSURANCE ISSUES.**

3.1            Subdivision 1. **Revived and reconstituted.** Notwithstanding Laws 2015, First  
3.2            Special Session chapter 1, article 3, section 25, subdivision 5, the Task Force on No-Fault  
3.3            Auto Insurance is revived and reconstituted with the same membership and staffing.

3.4            Subd. 2. **Reporting.** By February 1, 2018, the task force must submit to the chairs  
3.5            and ranking minority members of the house of representatives and senate committees  
3.6            and divisions with primary jurisdiction over commerce and transportation its written  
3.7            recommendations related to the issues set forth in Laws 2015, First Special Session  
3.8            chapter 1, article 3, section 25, subdivision 3. The report shall incorporate relevant data  
3.9            collected by the commissioner under Minnesota Statutes, section 65B.85.

3.10           **EFFECTIVE DATE.** This section is effective the day following final enactment.