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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 1487

02/24/2025 Authored by Elkins, Bierman, Bahner, Mahamoud and Nadeau The bill was read for the first time and referred to the Committee on Health Finance and Policy

1.1 A bill for an act
1.2 relating to health; requiring data on fully denied claims to be submitted to the
1.3 all-payer claims database; establishing a fee schedule for expanded access to data
1.4 in the all-payer claims database; appropriating money; amending Minnesota Statutes
1.5 2024, section 62U.04, subdivisions 4, 13, by adding a subdivision.

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

1.7 Section 1. Minnesota Statutes 2024, section 62U.04, subdivision 4, is amended to read:

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

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

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

1.18 (3) the data must include enrollee race and ethnicity, to the extent available, for claims
1.19 incurred on or after January 1, 2023; and

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

2.1 (5) the data must include at least the following data fields for any fully denied claims:

2.2 (i) an indicator of which claim lines were denied;

2.3 (ii) the reason for denial of each denied claim line;

2.4 (iii) the claim line status in terms of adjudication; and

2.5 (iv) a claim identifier to link the original claim to subsequent actions on the claim.

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

2.12 (c) Data on providers collected under this subdivision are private data on individuals or
2.13 nonpublic data, as defined in section 13.02. Notwithstanding the data classifications in this
2.14 paragraph, data on providers collected under this subdivision may be released or published
2.15 as authorized in subdivision 11. The commissioner or the commissioner's designee shall
2.16 establish procedures and safeguards to protect the integrity and confidentiality of any data
2.17 that it maintains.

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

2.20 (e) The commissioner shall compile summary information on the data submitted under
2.21 this subdivision. The commissioner shall work with its vendors to assess the data submitted
2.22 in terms of compliance with the data submission requirements and the completeness of the
2.23 data submitted by comparing the data with summary information compiled by the
2.24 commissioner and with established and emerging data quality standards to ensure data
2.25 quality.

2.26 Sec. 2. Minnesota Statutes 2024, section 62U.04, subdivision 13, is amended to read:

2.27 Subd. 13. **Expanded access to and use of the all-payer claims data.** (a) The
2.28 commissioner or the commissioner's designee shall make the data submitted under
2.29 subdivisions 4, 5, 5a, and 5b, including data classified as private or nonpublic, available to
2.30 individuals and organizations engaged in research on, or efforts to effect transformation in,
2.31 health care outcomes, access, quality, disparities, or spending, provided the use of the data
2.32 serves a public benefit. Data made available under this subdivision may not be used to:

3.1 (1) create an unfair market advantage for any participant in the health care market in
3.2 Minnesota, including health plan companies, payers, and providers;

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

3.4 (3) publicly report contract details between a health plan company and provider and
3.5 derived from the data.

3.6 (b) To implement paragraph (a), the commissioner shall:

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

3.13 (2) ~~develop a fee~~ assess fees according to the fee schedule in subdivision 14 to support
3.14 the cost of expanded access to and use of the data, provided the fees charged under the
3.15 schedule do not create a barrier to access or use for those most affected by disparities; ~~and~~

3.16 (3) create a research advisory group to advise the commissioner on applications for data
3.17 use under this subdivision, including an examination of the rigor of the research approach,
3.18 the technical capabilities of the proposed user, and the ability of the proposed user to
3.19 successfully safeguard the data; and

3.20 (4) annually publish on the Department of Health website a list of projects authorized
3.21 under this subdivision.

3.22 Sec. 3. Minnesota Statutes 2024, section 62U.04, is amended by adding a subdivision to
3.23 read:

3.24 Subd. 14. Fees for expanded access to and use of the all-payer claims database. (a)
3.25 For purposes of this section:

3.26 (1) "custom data set or report" means a de-identified data set or report for which a
3.27 standard data set or limited-use data set is not appropriate, that only provides the minimum
3.28 necessary data, and that is de-identified using the expert determination method as defined
3.29 in Code of Federal Regulations, title 45, section 164.514(b)(1);

3.30 (2) "data file" means a data file derived from medical claims, pharmacy claims, dental
3.31 claims, eligibility information, membership information, or provider information for a single
3.32 year;

4.1 (3) "limited-use data set" means a data set that meets the requirements in Code of Federal
4.2 Regulations, title 45, section 164.514(e), the data of which, disclosed under the principle
4.3 of minimum necessity, may include protected health information from which certain direct
4.4 identifiers of individuals have been removed; and

4.5 (4) "standard data set" means a static data release designed by the commissioner to serve
4.6 a wide range of projects in which nearly all de-identified releasable data elements are
4.7 disclosed in one release after applying the safe harbor de-identification method as defined
4.8 in Code of Federal Regulations, title 45, section 164.514(b)(2), and from which protected
4.9 health information and any combination of data elements that directly identify any person
4.10 are excluded.

4.11 (b) The commissioner must assess fees on an individual or organization that requests to
4.12 access or receive data for an activity specified in subdivision 13 for the cost of accessing
4.13 or receiving the data. "Cost" under this paragraph may include but is not limited to the cost
4.14 of producing and releasing data to the individual or organization under subdivision 13 and
4.15 managing infrastructure and operations. The commissioner must assess fees according to
4.16 the following schedule, based on the type of data requested and number of years for which
4.17 access is requested:

4.18 (1) the fee for a standard data set is \$3,500 per data file per year;

4.19 (2) the fee for a limited-use data set is \$7,000 per data file per year; and

4.20 (3) the fee for a custom data set or report is \$100 per hour of staff time expended, not
4.21 to exceed 40 hours of staff time.

4.22 (c) The commissioner may grant a partial or full waiver of the fees in paragraph (b) if
4.23 the individual or organization requesting access to the data meets at least one of the following
4.24 criteria:

4.25 (1) the fee represents a financial hardship to the individual or organization;

4.26 (2) the organization is a self-insured data submitter under this section;

4.27 (3) the individual or organization is affiliated with an academic institution; or

4.28 (4) the individual or organization requests a high volume of data files.

4.29 In determining whether to grant a waiver under this paragraph, the commissioner may
4.30 consult with the research advisory group established under subdivision 13.

5.1 (d) An individual or organization that receives approval to access or receive data under
5.2 subdivision 13 must pay all required fees in full before accessing or receiving the requested
5.3 data.

5.4 (e) Fees paid by an individual or organization approved to access or receive data under
5.5 subdivision 13 are nonrefundable. Fees collected under this subdivision must be deposited
5.6 in an account in the special revenue fund. Money in that account does not cancel and is
5.7 appropriated to the commissioner for purposes of offsetting the cost of providing expanded
5.8 access to data under subdivision 13 and maintaining data submitted under subdivisions 4
5.9 to 5b.

5.10 (f) The commissioner must publish the fee schedule in paragraph (b) on the Department
5.11 of Health website.

5.12 **Sec. 4. APPROPRIATION; COLLECTION OF DATA ON FULLY DENIED**
5.13 **CLAIMS.**

5.14 \$..... in fiscal year 2026 and \$..... in fiscal year 2027 are appropriated from the general
5.15 fund to the commissioner of health for purposes of collecting data on fully denied claims
5.16 according to Minnesota Statutes, section 62U.04, subdivision 4.