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State of Minnesota

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HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 2656

- 03/03/2014 Authored by Huntley
The bill was read for the first time and referred to the Committee on Health and Human Services Policy
- 03/13/2014 Adoption of Report: Amended and re-referred to the Committee on Civil Law
- 03/20/2014 Adoption of Report: Placed on the General Register
Read Second Time
- 04/09/2014 Calendar for the Day
Read Third Time
Passed by the House and transmitted to the Senate

1.1 A bill for an act
 1.2 relating to health; modifying the use of the all-payer claims data; convening a
 1.3 work group to make recommendations on expanded uses of the all-payer claims
 1.4 database; amending Minnesota Statutes 2012, section 62U.04, subdivision 4,
 1.5 by adding subdivisions.

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

1.7 Section 1. Minnesota Statutes 2012, section 62U.04, subdivision 4, is amended to read:

1.8 Subd. 4. **Encounter data.** (a) Beginning July 1, 2009, and every six months
 1.9 thereafter, all health plan companies and third-party administrators shall submit encounter
 1.10 data to a private entity designated by the commissioner of health. The data shall be
 1.11 submitted in a form and manner specified by the commissioner subject to the following
 1.12 requirements:

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

1.15 (2) the data for each encounter must include an identifier for the patient's health care
 1.16 home if the patient has selected a health care home; and

1.17 (3) except for the identifier described in clause (2), the data must not include
 1.18 information that is not included in a health care claim or equivalent encounter information
 1.19 transaction that is required under section 62J.536.

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

2.1 (c) Data on providers collected under this subdivision are private data on individuals
2.2 or nonpublic data, as defined in section 13.02. Notwithstanding the definition of summary
2.3 data in section 13.02, subdivision 19, summary data prepared under this subdivision
2.4 may be derived from nonpublic data. The commissioner or the commissioner's designee
2.5 shall establish procedures and safeguards to protect the integrity and confidentiality of
2.6 any data that it maintains.

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

2.9 (e) The commissioner shall compile summary information on the data submitted
2.10 under this subdivision. The commissioner shall work with its vendors to assess the
2.11 data submitted in terms of compliance with the data submission requirements and the
2.12 completeness of the data submitted by comparing the data with summary information
2.13 compiled by the commissioner and with established and emerging data quality standards
2.14 to ensure data quality.

2.15 Sec. 2. Minnesota Statutes 2012, section 62U.04, is amended by adding a subdivision
2.16 to read:

2.17 Subd. 10. **Suspension.** Notwithstanding subdivisions 3, 3a, 3b, 3c, and 3d, the
2.18 commissioner shall suspend the development and implementation of the provider peer
2.19 grouping system required under this section. This suspension shall continue until the
2.20 legislature authorizes the commissioner to resume this activity.

2.21 Sec. 3. Minnesota Statutes 2012, section 62U.04, is amended by adding a subdivision
2.22 to read:

2.23 Subd. 11. **Restricted uses of the all-payer claims data.** (a) Notwithstanding
2.24 subdivision 4, paragraph (b), and subdivision 5, paragraph (b), the commissioner or the
2.25 commissioner's designee shall only use the data submitted under subdivisions 4 and 5 for
2.26 the following purposes:

2.27 (1) to evaluate the performance of the health care home program as authorized under
2.28 sections 256B.0751, subdivision 6, and 256B.0752, subdivision 2;

2.29 (2) to study, in collaboration with the reducing avoidable readmissions effectively
2.30 (RARE) campaign, hospital readmission trends and rates;

2.31 (3) to analyze variations in health care costs, quality, utilization, and illness burden
2.32 based on geographical areas or populations; and

2.33 (4) to evaluate the state innovation model (SIM) testing grant received by the
2.34 Departments of Health and Human Services, including the analysis of health care cost,

3.1 quality, and utilization baseline and trend information for targeted populations and
3.2 communities.

3.3 (b) The commissioner may publish the results of the authorized uses identified
3.4 in paragraph (a) so long as the data released publicly do not contain information or
3.5 descriptions in which the identity of individual hospitals, clinics, or other providers may
3.6 be discerned.

3.7 (c) Nothing in this subdivision shall be construed to prohibit the commissioner from
3.8 using the data collected under subdivision 4 to complete the state-based risk adjustment
3.9 system assessment due to the legislature on October 1, 2015.

3.10 (d) The commissioner or the commissioner's designee may use the data submitted
3.11 under subdivisions 4 and 5 for the purpose described in paragraph (a), clause (3), until
3.12 July 1, 2016.

3.13 Sec. 4. Minnesota Statutes 2012, section 62U.04, is amended by adding a subdivision
3.14 to read:

3.15 Subd. 12. **All-payer claims database work group.** (a) The commissioner of
3.16 health shall convene a work group to develop a framework for the expanded use of the
3.17 all-payer claims database established under this section. The work group shall develop
3.18 recommendations based on the following questions and other topics as identified by the
3.19 work group:

3.20 (1) what should the parameters be for allowable uses of the all-payer claims data
3.21 collected under Minnesota Statutes, section 62U.04, beyond the uses authorized in
3.22 Minnesota Statutes, section 62U.04, subdivision 11;

3.23 (2) what type of advisory or governing body should guide the release of data from
3.24 the all-payer claims database;

3.25 (3) what type of funding or fee structure would be needed to support the expanded
3.26 use of all-payer claims data;

3.27 (4) what should the mechanisms be by which the data would be released or accessed,
3.28 including the necessary information technology infrastructure to support the expanded use
3.29 of the data under different assumptions related to the number of potential requests and
3.30 manner of access;

3.31 (5) what are the appropriate privacy and security protections needed for the
3.32 expanded use of the all-payer claims database; and

3.33 (6) what additional resources might be needed to support the expanded use of the
3.34 all-payer claims database, including expected resources related to information technology

4.1 infrastructure, review of proposals, maintenance of data use agreements, staffing an
4.2 advisory body, or other new efforts.

4.3 (b) The commissioner of health shall appoint the members to the work group
4.4 as follows:

4.5 (1) two members recommended by the Minnesota Medical Association;

4.6 (2) two members recommended by the Minnesota Hospital Association;

4.7 (3) two members recommended by the Minnesota Council of Health Plans;

4.8 (4) one member who is a data practices expert from the Department of Administration;

4.9 (5) three members who are academic researchers with expertise in claims database

4.10 analysis;

4.11 (6) two members representing two state agencies determined by the commissioner;

4.12 (7) one member representing the Minnesota Health Care Safety Net Coalition; and

4.13 (8) three members representing consumers.

4.14 (c) The commissioner of health shall submit a report on the recommendations of

4.15 the work group to the chairs and ranking minority members of the legislative committees

4.16 and divisions with jurisdiction over health and human services, judiciary, and civil law

4.17 by February 1, 2015. In considering the recommendations provided in the report, the

4.18 legislature may consider whether the currently authorized uses of the all-payer claims data

4.19 under this section should continue to be authorized.

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