

HF59 - 0 - All-Payer Claims Database Modifications

Chief Author: **Steve Elkins**
 Committee: **Health Finance and Policy**
 Date Completed: **1/29/2021 9:17:28 AM**
 Lead Agency: **Health Dept**
 Other Agencies:
 Commerce Dept

| State Fiscal Impact | Yes | No |
|---------------------------|-----|----|
| Expenditures | X | |
| Fee/Departmental Earnings | | X |
| Tax Revenue | | X |
| Information Technology | | X |
| Local Fiscal Impact | | X |

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

| State Cost (Savings) | Biennium | | | Biennium | | |
|-----------------------|----------------------|-----------|-----------|----------|--------|--------|
| | Dollars in Thousands | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 |
| Health Dept | | | | | | |
| General Fund | - | 50 | - | - | - | - |
| State Total | | | | | | |
| General Fund | - | 50 | - | - | - | - |
| Total | - | 50 | - | - | - | - |
| Biennial Total | | | 50 | | | - |

| Full Time Equivalent Positions (FTE) | Biennium | | | Biennium | |
|--------------------------------------|----------|--------|--------|----------|--------|
| | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 |
| Health Dept | | | | | |
| General Fund | - | - | - | - | - |
| Total | - | - | - | - | - |

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Carlos Guereca **Date:** 1/29/2021 9:17:28 AM
Phone: 651-2846541 **Email:** carlos.guereca@lbo.leg.mn

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

| State Cost (Savings) = 1-2 | | Biennium | | | Biennium | |
|--|--|-----------------|---------------|---------------|-----------------|---------------|
| Dollars in Thousands | | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 |
| Health Dept | | | | | | |
| General Fund | | - | 50 | - | - | - |
| Total | | - | 50 | - | - | - |
| Biennial Total | | | | 50 | | - |
| 1 - Expenditures, Absorbed Costs*, Transfers Out* | | | | | | |
| Health Dept | | | | | | |
| General Fund | | - | 50 | - | - | - |
| Total | | - | 50 | - | - | - |
| Biennial Total | | | | 50 | | - |
| 2 - Revenues, Transfers In* | | | | | | |
| Health Dept | | | | | | |
| General Fund | | - | - | - | - | - |
| Total | | - | - | - | - | - |
| Biennial Total | | | | - | | - |

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 Agency: **Health Dept**

| State Fiscal Impact | Yes | No |
|---------------------------|-----|----|
| Expenditures | X | |
| Fee/Departmental Earnings | | X |
| Tax Revenue | | X |
| Information Technology | | X |
| Local Fiscal Impact | | X |

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

| State Cost (Savings) | Biennium | | | Biennium | | |
|-----------------------|----------------------|-----------|-----------|----------|--------|--------|
| | Dollars in Thousands | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 |
| General Fund | - | 50 | - | - | - | - |
| Total | - | 50 | - | - | - | - |
| Biennial Total | | | 50 | | | - |

| Full Time Equivalent Positions (FTE) | Biennium | | | Biennium | |
|--------------------------------------|----------|--------|--------|----------|--------|
| | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 |
| General Fund | - | - | - | - | - |
| Total | - | - | - | - | - |

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Carlos Guereca **Date:** 1/29/2021 9:09:11 AM
Phone: 651-2846541 **Email:** carlos.guereca@lbo.leg.mn

State Cost (Savings) Calculation Details

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*Transfers In/Out and Absorbed Costs are only displayed when reported.

| State Cost (Savings) = 1-2 | | Biennium | | | Biennium | |
|--|---|-----------------|---------------|---------------|-----------------|---------------|
| Dollars in Thousands | | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 |
| General Fund | - | 50 | - | - | - | - |
| Total | - | 50 | - | - | - | - |
| Biennial Total | | | 50 | | | - |
| 1 - Expenditures, Absorbed Costs*, Transfers Out* | | | | | | |
| General Fund | - | 50 | - | - | - | - |
| Total | - | 50 | - | - | - | - |
| Biennial Total | | | 50 | | | - |
| 2 - Revenues, Transfers In* | | | | | | |
| General Fund | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |
| Biennial Total | | | - | | | - |

Bill Description

This bill modifies provisions governing the submission of data to and use of data in the Minnesota All Payer Claims Database (APCD) such that; 1) data shall be submitted by health plans monthly, and 2) the commissioner may publish data in public use files that identifies individual hospitals, clinics, other providers, and payers to the public. Also, this bill requires MDH to develop recommendations for expanding access to the Minnesota APCD for public health and research purposes, with recommendations due December 15, 2021.

Technical note:

The ability of MDH to accomplish this work may be limited by COVID-19 emergency response responsibilities, making it difficult to complete the report by December 15, 2021.

Assumptions

This bill requires MN APCD data submitters to submit data monthly as opposed to every six months. MDH does not assume any fiscal impact with increased frequency of submission for two reasons: 1) most submitters already produce this data on a monthly basis because it generates operational efficiencies; and 2) while the availability of more current data will improve the timeliness of the data, MDH does not expect to generate more extracts in the immediate future. We anticipate that, within a calendar year, the number of extracts available will remain unchanged, but will include data closer to the period of adjudication, i.e., more current data.

Similarly, permission to identify individual hospitals, clinics, other providers, and health plans will not produce a fiscal impact, because the data already exist in the Minnesota APCD. As appropriate, research may become more disaggregated, while still meeting requirements for reporting of only summary information.

Lastly, this bill requires MDH to develop recommendations for expanded use of the Minnesota APCD by outside entities for public health or research purposes and to present the recommendation to the legislature. We anticipate that the recommendations will include factors such as criteria for granting access to the data, processes for entities to apply for access to the data, provisions that guarantee sufficient oversight by MDH, and costs associated with financing greater access. Developing recommendations for expanded use of the Minnesota APCD will be addressed by hiring a vendor for approximately \$50,000 in FY 2022 with experience working with multiple states' APCDs and expertise in developing process and criterion for decision making. We assume a deadline of March 1, 2022 for the report.

Expenditure and/or Revenue Formula

| Expenditure (Actual Dollars) | Amount | FY 2022 | FY 2023 | FY 2024 | FY 2025 |
|---|-----------------|---------|---------|---------|---------|
| Salary & Fringe: | | FTE | FTE | FTE | FTE |
| | Subtotal | 0 | 0 | 0 | 0 |
| Information Technology: | | | | | |
| | Subtotal | 0 | 0 | 0 | 0 |
| Other Operating Costs: | | | | | |
| P/T contract for expertise in APCD expanded use, process development, and decision making criterion | | 50,000 | | | |
| | Subtotal | 50,000 | 0 | 0 | 0 |
| Indirect (21.7% Eligible Costs) | Subtotal | 5,425 | 0 | 0 | 0 |
| Expenditure | Total | 55,425 | 0 | 0 | 0 |
| | | | | | |
| Fiscal Tracking (Dollars in Thousands) | BACT | FY 2022 | FY 2023 | FY 2024 | FY 2025 |
| Health Improvement | 1 | 55 | 0 | 0 | 0 |
| Administration | | 55 | 0 | 0 | 0 |
| Grants | | 0 | 0 | 0 | 0 |

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact:

Agency Fiscal Note Coordinator Signature: Brian Awsumb

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Chief Author: **Steve Elkins**
 Committee: **Health Finance and Policy**
 Date Completed: **1/29/2021 9:17:28 AM**
 Agency: **Commerce Dept**

| State Fiscal Impact | Yes | No |
|---------------------------|-----|----|
| Expenditures | | X |
| Fee/Departmental Earnings | | X |
| Tax Revenue | | X |
| Information Technology | | X |
| Local Fiscal Impact | | X |

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| State Cost (Savings) | Biennium | | | Biennium | | |
|-----------------------|----------------------|--------|--------|----------|--------|--------|
| | Dollars in Thousands | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 |
| Total | - | - | - | - | - | - |
| Biennial Total | | | - | | | - |

| Full Time Equivalent Positions (FTE) | Biennium | | | Biennium | | |
|--------------------------------------|----------|--------|--------|----------|--------|--------|
| | | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 |
| Total | - | - | - | - | - | - |

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Christian Larson **Date:** 1/15/2021 3:44:20 PM
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State Cost (Savings) Calculation Details

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*Transfers In/Out and Absorbed Costs are only displayed when reported.

| State Cost (Savings) = 1-2 | | Biennium | | | Biennium | |
|--|--------|----------|--------|--------|----------|---|
| Dollars in Thousands | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 | |
| Total | - | - | - | - | - | - |
| Biennial Total | | | - | | | - |
| 1 - Expenditures, Absorbed Costs*, Transfers Out* | | | | | | |
| Total | - | - | - | - | - | - |
| Biennial Total | | | - | | | - |
| 2 - Revenues, Transfers In* | | | | | | |
| Total | - | - | - | - | - | - |
| Biennial Total | | | - | | | - |

Bill Description

House File 59 amends Minn. Stat. § 62U.04, which governs the submission of data to and use of the all-payer claims database (APCD) from outside entities. House File 59 requires health plan companies and third parties to submit data on a monthly basis versus every six months as previously required. Subd. 4 also is amended to indicate that data on providers may be published publicly (within the scope of Minn. Stat. § 13.02). The bill amends subd. 5 to include language regarding the release of pricing data, specifying that data in this subdivision may be released commensurate with Subd. 11 of this statute.

House File 59 amends Minn. Stat. § 62U.04, Subd. 11 (regarding restricted use of the APCD) to include individual payers and individual providers as identifiable data points that are accessible while utilizing the APCD. This subdivision also strikes language previously protecting the identity of individual hospitals, clinics, or other providers and now includes these entities as identifiable.

House File 59 adds Sec. 4 to Minn. Stat. § 62U.04, Subd. 11, indicating that the Commissioner of Health will be required to develop recommendations on expansion of access to the APCD to outside entities. This section specifies that the Commissioner must address an application process, as well as parameters for use by outside entities. These parameters must be submitted to the chairs and ranking minority members of the legislative committees with jurisdiction over health policy and civil law by December 15, 2021.

Assumptions

Commerce assumes that there would be no fiscal impact to the agency as a result of HF59 becoming law. The bill amends language in statute governing the APCD, which Commerce does not regulate. Commerce assumes that additional data required via the amended language to Minn. Stat. § 62U.04 may be communicated to health plan companies in conjunction with the Department of Health, but that any communications would not have a fiscal impact on the agency.

Expenditure and/or Revenue Formula

N/A

Long-Term Fiscal Considerations

N/A

Local Fiscal Impact

N/A

References/Sources

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