

HOUSE RESEARCH

Bill Summary

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Overview

The Minnesota Health Care Cooperative Act was enacted in 1994. It allows health care cooperatives to organize under Minnesota Statutes, chapter 62R. Under this act, a health care network cooperative is licensed as a health maintenance organization, nonprofit health services plan corporation, or a community integrated services network. A health provider cooperative is organized under this chapter to market health care services to purchasers. This bill would require certain contracts executed by health care cooperatives to be approved by the commissioner of health.

Section

- 1 Antitrust immunity.** Adds § 62R.09. Provides oversight by the commissioner of health for certain contracts executed by health care cooperatives.

Subd. 1. Intent; purpose. Provides the legislative intent for this section: to establish a system of review and supervision of health care cooperative negotiations to preserve competition and ensure that these arrangements are not in violation of antitrust law.

Subd. 2. Review and approval; monitoring. (a) Requires the commissioner to review and authorize health care service contracts executed under § 62R.06, and requires that all contracts and business or financial arrangements be submitted on an application for approval to the commissioner.

(b) States that if the commissioner does not act upon an application within 60 days of receipt, it is deemed approved, and if the commissioner requests additional information but does not act within 60 days of receiving that information, the application is deemed approved. Prohibits the commissioner from denying an application unless the commissioner determines that the anticompetitive effects of the arrangement exceed the procompetitive effects or the applicant has not provided

complete information.

(c) Permits the commissioner to collect information from other parties to assist in evaluating the impact of a proposed arrangement. Classifies data collected from health plan companies and health care providers under this provision as nonpublic data or private data on individuals under chapter 13.

(d) Permits the commissioner to solicit public comment on the impact of a proposed arrangement.

(e) Permits the commissioner to approve an arrangement on a conditional basis, requiring certain modifications to the contract.

(f) Requires the commissioner to monitor approved arrangements and permits the commissioner to revoke an approval if an arrangement is not operating in compliance with the terms of the application or the conditions of approval.

(g) Specifies criteria the commissioner must consider in evaluating applications under this section.

Subd. 3. Applications. States required components of an application for approval under this section. Classifies data on providers collected under this section as private data on an individual or as nonpublic data under chapter 13.

Subd. 4. Application fee. Imposes a fee of \$2,000 on health care cooperatives that submit an application for approval. Appropriates this revenue to the commissioner of health to administer this section.