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HOUSE FILE NO. 1988

FIRST COMMITTEE ENGROSSMENT

March 23, 2009

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The bill was read for the first time and referred to the Committee on Health Care and Human Services Policy and Oversight

March 30, 2009

Committee Recommendation and Adoption of Report:

To Pass as Amended and re-referred to the Committee on Finance

Referred by Chair to Health Care and Human Services Finance Division.

April 30, 2009

Returned to the Committee on Finance as Amended.

1.1 A bill for an act
1.2 relating to human services; requiring the commissioner of human services
1.3 to collect and report information on managed care plan and county-based
1.4 purchasing plan provider reimbursement rates; requiring a report; amending
1.5 Minnesota Statutes 2008, section 256B.69, subdivision 9b.

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

1.7 Section 1. Minnesota Statutes 2008, section 256B.69, subdivision 9b, is amended to
1.8 read:

1.9 Subd. 9b. **Reporting provider payment rates.** (a) According to guidelines
1.10 developed by the commissioner, in consultation with health care providers, managed care
1.11 plans, and county-based purchasing plans, each managed care plan and county-based
1.12 purchasing plan must annually provide to the commissioner, ~~at the commissioner's request,~~
1.13 ~~detailed or aggregate~~ information on reimbursement rates paid by the managed care plan
1.14 under this section or the county-based purchasing plan under section 256B.692 to ~~provider~~
1.15 ~~types~~ providers and vendors for administrative services under contract with the plan.

1.16 (b) Each managed care plan and county-based purchasing plan must annually
1.17 provide to the commissioner, in the form and manner specified by the commissioner:

1.18 (1) the amount of the payment made to the plan under this section that is paid to
1.19 health care providers for patient care;

1.20 (2) aggregate provider payment data, categorized by inpatient payments and
1.21 outpatient payments, with the outpatient payments categorized by payments to primary
1.22 care providers and nonprimary care providers;

1.23 (3) the process by which increases or decreases in payments made to the plan
1.24 under this section, that are based on actuarial analysis related to provider cost increases
1.25 or decreases, or that are required by legislative action, are passed through to health care

2.1 providers, categorized by payments to primary care providers and nonprimary care
2.2 providers; and

2.3 (4) specific information on the methodology used to establish provider
2.4 reimbursement rates paid by the managed health care plan and county-based purchasing
2.5 plan.

2.6 Data provided to the commissioner under this subdivision must allow the
2.7 commissioner to conduct the analyses required under paragraph (d).

2.8 ~~(b)~~ (c) Data provided to the commissioner under this subdivision are nonpublic
2.9 data as defined in section 13.02.

2.10 (d) The commissioner shall analyze data provided under this subdivision to assist the
2.11 legislature in providing oversight and accountability related to expenditures under this
2.12 section. The analysis must include information on payments to physicians, physician
2.13 extenders, and hospitals, and may include other provider types as determined by the
2.14 commissioner. The commissioner shall also array aggregate provider reimbursement rates
2.15 by health plan, by primary care, and nonprimary care categories. The commissioner shall
2.16 report the analysis to the legislature annually, beginning December 15, 2010, and each
2.17 December 15 thereafter. The commissioner shall also make this information available on
2.18 the agency's Web site to managed care and county-based purchasing plans, health care
2.19 providers, and the public.