MDH Role in Mandated Benefits Evaluations

February 27, 2025

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The Health Economics Program at MDH

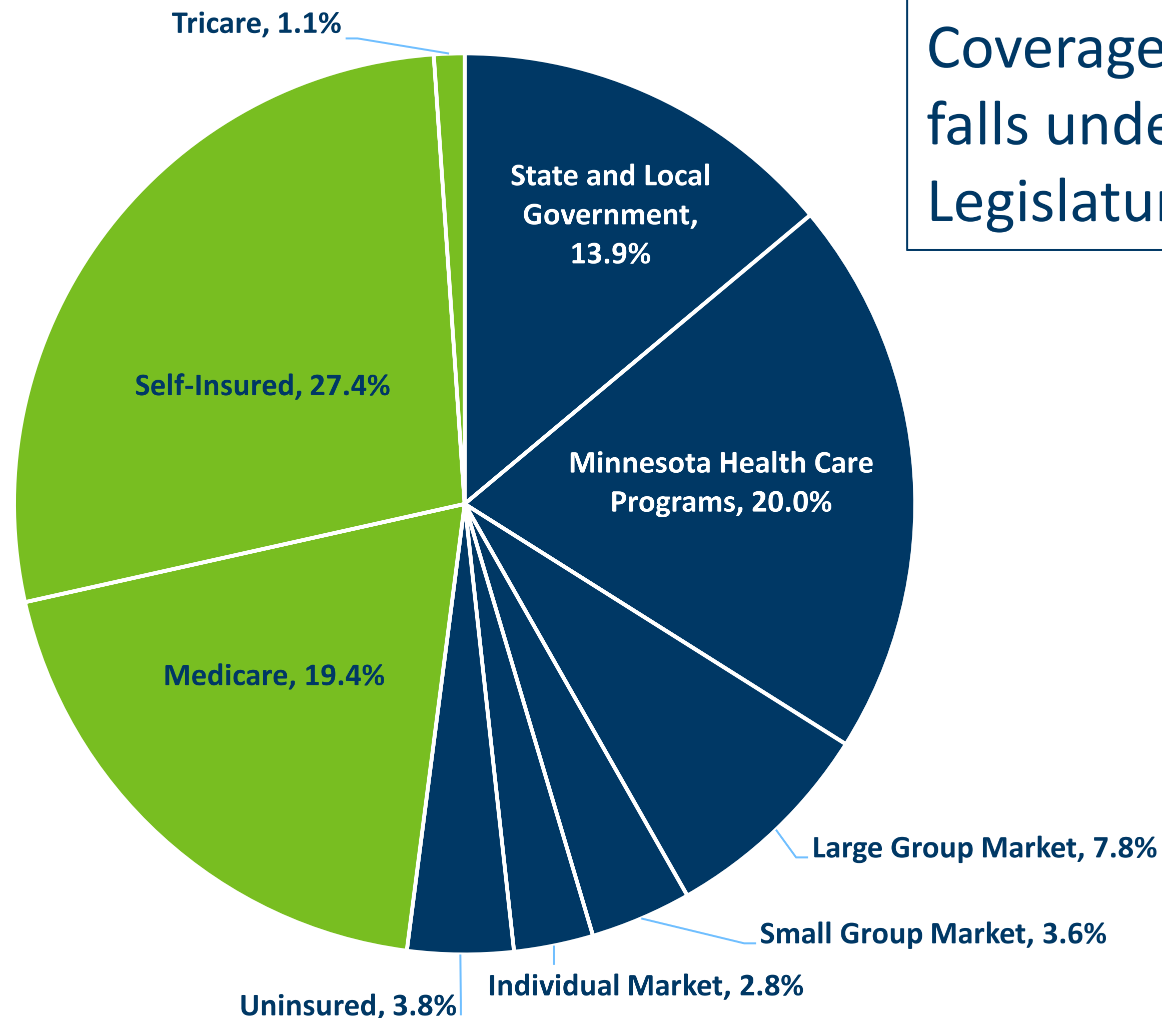
- The Health Economics Program (HEP) conducts research and applied policy analysis to:
  - Monitor changes in the health care market
  - Understand factors influencing health care cost, quality and access
  - Provide objective, technical assistance to policymakers
- Our work is data-driven
- It is available as reports, issue briefs, data dashboards, presentation slides & testimony

www.health.state.mn.us/healtheconomics

Outline

- Data points on Minnesota’s health care market
- MDH’s role in Commerce’s mandate review
- Minnesota’s All Payer Claims Database as a tool for health policy analysis
- MDH past work on benefit mandates

“Critical Mass”



Coverage for about 52% of the population falls under jurisdiction of Minnesota’s Legislature … but there is some nuance.

Sources: MDH/Health Economics Program analysis of U.S. Census Bureau, historically trended Federal Bureau of Prisons data for MN facilities, Minnesota Health Care Access Survey, Health Plan Financial and Statistical Reports, Minnesota Department of Human Services, Minnesota Department of Corrections, Minnesota Department of Employment and Economic Development, Minnesota Management and Budget.

Notes: Data may vary from other data sources due to break-outs between state and non-state jurisdictions. Data based on primary source of coverage. Incarcerated Minnesotans are included in the uninsured population.

State & local government are ERISA exempt self-insured payers, including SEGIP and PEIP
Minnesota Health Care Programs includes Medical Assistance and MinnesotaCare.
Self-insured private health insurance excludes state and local Government.

MDH Collaboration with Commerce for Evaluations of Mandated Benefits (Proposed and Retrospective)

- MN Stat 62J.26: Department of Commerce to evaluate and report the potential impacts of select legislative proposals that would require health insurers to add or increase coverage.
  - Consultation with MDH and MMB.
  - First year of evaluations was 2021-2022.
  - In 2023, additional requirement to do one retrospective evaluation per year (of existing mandated benefits) through 2028.
- Evaluations focus on potential fiscal, economic, and public health impacts of proposed legislation.

MDH Collaboration with Commerce for Evaluations of Mandated Benefits (Proposed and Retrospective)

MDH and Commerce (contractor team) meet to discuss bills

- Scope of evaluation
- Are MN APCD data a good fit?
- Identify subject matter experts (SME) at MDH and beyond

Define and refine analytic approach and data needs

- Eligibility for benefit
- Diagnostic (ICD-10) codes
- Procedure (CPT) codes
- Years of data
- Limitations/caveats

Produce analysis for each selected bill

- Aggregated data contributes to actuarial analysis:
  - Prevalence (eligibility)
  - Utilization
  - Allowed amounts (plan paid + patient share) per service and per member

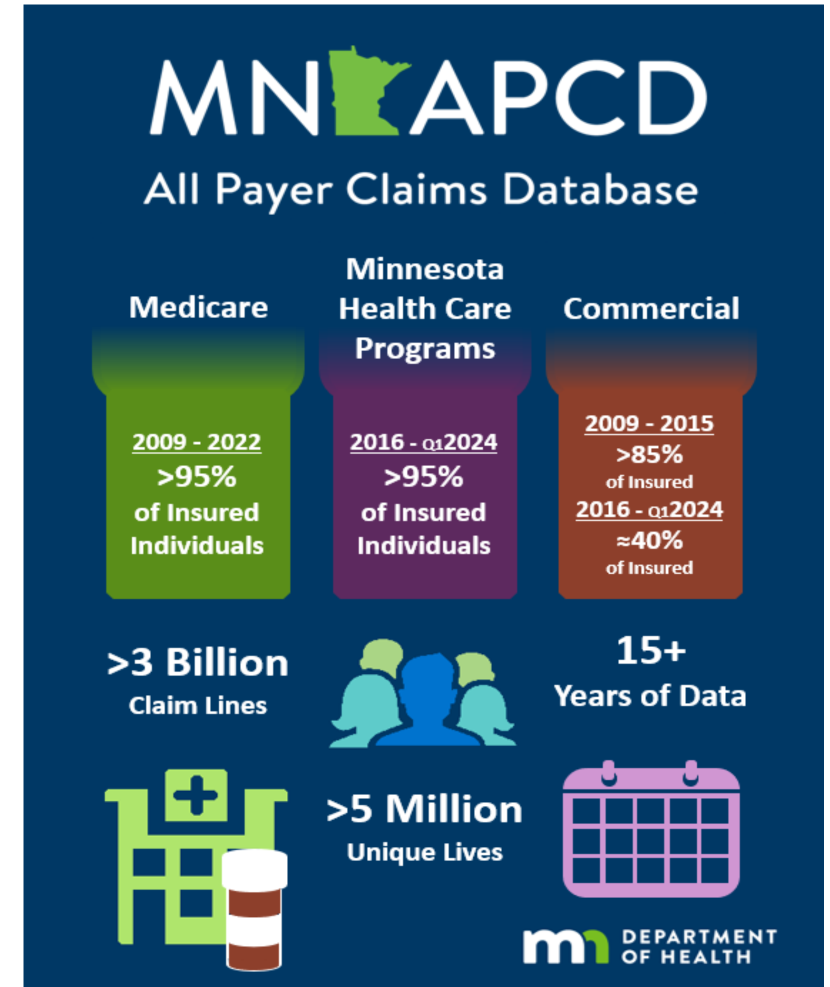
Review evaluation report drafts

- Ensure accuracy of description of MN APCD data, including limitations/caveats
- Connect with SMEs as appropriate

2021-2022	2022-2023	2023-2024	2024-2025
Ectodermal dysplasia	**Biomarker tests**	Abortion services	MH services for children
PBM formularies/benefit tool	Clinician-administered drugs	**Obesity management and treatment**	**Vasectomies**
Breast cancer screening follow-up services	**Unrestricted access for rare diseases**	**Intermittent catheters**	**Genetic testing/imaging for cancer**
Flat-rate copayment-Rx	**Biosimilar products**	Dental coverage (cancer pts)	Maternal MH programs
Acupuncture	**Infertility dx and treatment***	**Prenatal, maternity, postnatal care**	Gene therapy for SCD
Lymphedema	**Cost-sharing limits for chronic conditions (Rx/DME)**	**Scalp/hair prostheses (cancer)***	OTC contraceptives
	Prescription drug rebates	Fire fighters	Powered standing systems
	Psych res treatment fac (PRTF)	**Gender affirming care**	**Bowel and bladder mgmt. for SCI**
	Self-measured BP devices	**Orthotic/prosthetic devices**	Inherited metabolic diseases
		Whole genome sequencing	
Bold denotes MDH contribution to evaluation		**3-D mammograms (RETRO)**	**Chiropractic care (RETRO)**

Minnesota All Payer Claims Database (MN APCD)

- **Large scale data system that collects and integrates data from the process of paying for health care**
  - Enrollment files, Medical and Rx claims (dental)
- **Rich (deidentified) data for insured Minnesotans**
  - Diagnosed conditions
  - Treatment delivered (procedures/drugs)
  - Servicing provider/type
  - Actual transaction prices (plan paid, patient share)
  - limited patient/member characteristics (age, gender, 5-digit ZIP Code)



[Minnesota All Payer Claims Database - MN Dept. of Health (state.mn.us)]

How is the Minnesota All Payer Claims Database (MN APCD) being used?

Health Care Spending

System Efficiency & Waste

Health Care Quality

Disease Epidemiology

Health Care Market

Public Health

MN APCD Projects – Selected Examples

RECENTLY COMPLETED

- Minnesota Study of Telehealth Expansion and Payment Parity (Leg Report)
- Health Care Spending, Prices, and Utilization in Minnesota (2018-2022)
- RAND Hospital Price Transparency Study
- Snapshot of Sickle Cell Disease and Sickle Cell Trait in Minnesota

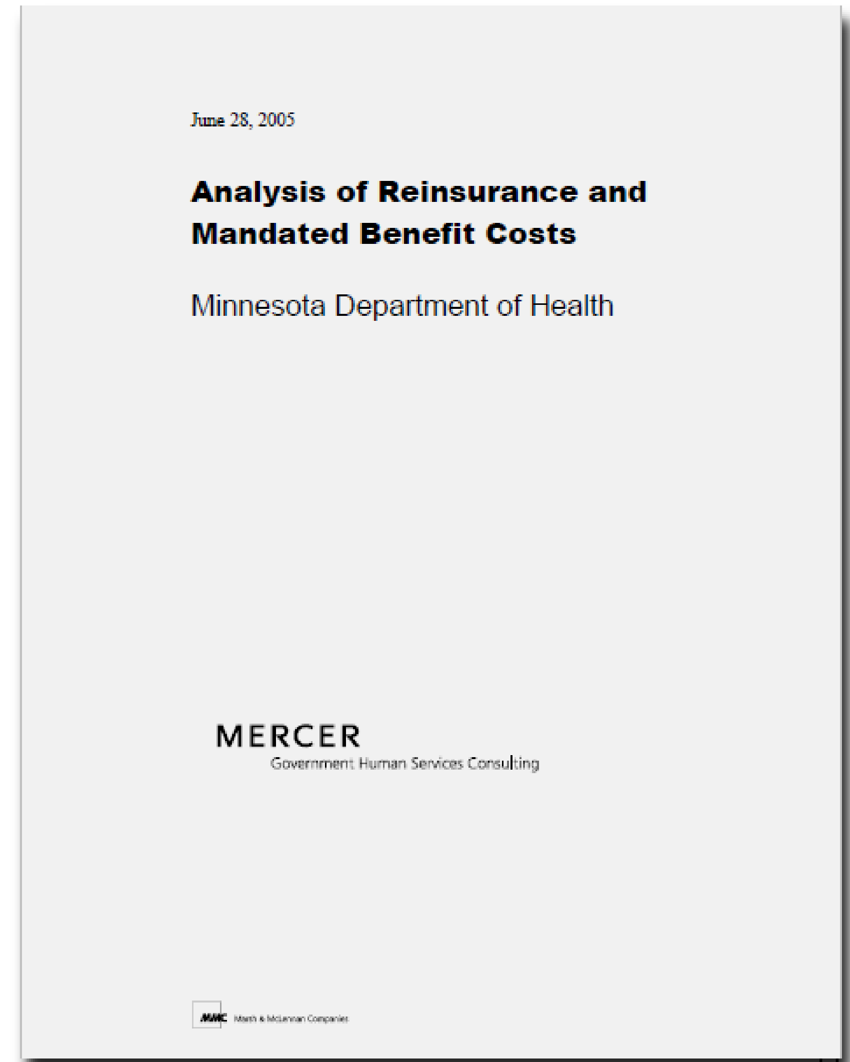
IN PROGRESS

- Non-Claims-Based Payments and Primary Care (Leg Report)
- Health Care Cost Drivers Dashboard
- A Study of Low-Value Health Care Services in Minnesota (Leg Report)
- Out-of-Pocket Health Care Spending

Publications Using the MN APCD - MN Dept. of Health
Minnesota Study of Telehealth Expansion and Payment Parity - MN Dept. of Health
https://www.rand.org/health-care/projects/hospital-pricing.html

Potential for Ongoing Work

- Mandates vs. cost of insurance
  - Previous work estimated the individual & cumulative marginal effects of mandates
  - Concluded at the time that 88% of cost would materialize through voluntary coverage
- It may be important to understand the absolute/relative cost and trends of standard benefits (Rx, hospital, LTC)
- MDH is required to do the economic part of this analysis as part of the work of the Center for Health Care Affordability


June 28, 2005

Analysis of Reinsurance and Mandated Benefit Costs

Minnesota Department of Health

MERCER
Government Human Services Consulting

MMC Marsh & McLennan Companies

Thank you & Further Resources

Health Economics Program homepage: MDH, Health Economics Program

Implementation updates: Tracking Progress on Select Initiatives

MN APCD homepage/dashboard: Minnesota All Payer Claims Database (MN APCD)

RxPT homepage/dashboard: Rx Price Transparency & Data

Health Care Market presentation slides: Chartbooks

The MN APCD Contains Only De-identified Information

What is in the data?

- Age at service date
- Patient 5-digit ZIP code
- Gender
- Diagnosis code & service procedure
- Duration of treatment
- Cost of service, including patient share
- Information on servicing/billing provider
- Health insurance payer

What is NOT in the data?

- Patient name
- Date of birth
- Social security number
- Patient Address
- Detail on income
- Clinical data from electronic health records