

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 3279

DATE: April 13, 20100

Version: Third engrossment

Authors: Huntley

Subject: Electronic Health Information Exchange

Analyst: Emily Cleveland, 651.296.5808

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd.

Overview

This bill establishes a Health Information Exchange Oversight Board within the Department of Health to provide oversight to the operations of health data intermediaries and health information organizations in the state. It requires these entities to obtain a certificate of authority in order to operate in the state, and provides enforcement authority to the commissioner of health.

Section

- 1** **Definitions.** Amends § 62J.495, subd. 1a. Makes conforming change to the definition of “interoperable electronic health record.”
- 2** **Interoperable electronic health record requirements.** Amends § 62J.495, subd. 3. Adds to the list of requirements for implementing interoperable electronic health records systems by requiring the systems be connected to a state-certified health information organization.
- 3** **State agency information system.** Requires the information system developed for state agencies to be subject to the Office of Enterprise Technology approval and review.
- 4** **Health information exchange.** Adds § 62J.498.
 - Subd. 1. Definitions.** Defines key terms related to health information exchange systems.
 - Subd. 2. Health information exchange oversight.** Requires the commissioner of health to establish a Health Information Exchange Oversight Board, states that the board will have seven members and provides the regulatory duties of the board.
- 5** **Certificate of authority to provide health information exchange services.** Adds § 62J.4981. Requires organizations to obtain a certificate of authority from the commissioner of health in order to operate as a health data intermediary or a health information organization.

Subd. 1. Authority to require organizations to apply. Requires any entity providing health information exchange services to apply for a certificate of authority through the commissioner of health.

Subd. 2. Certificate of authority for health data intermediaries. Requires health data intermediaries to register with the state. Prohibits operation of a health data intermediary without a certificate of authority from the state or an application under active consideration. Establishes minimum criteria for the commissioner to consider in issuing a certificate of authority.

Subd. 3. Certificate of authority for health information organizations. Requires health information organizations to obtain a certificate of authority from the commissioner of health. Establishes minimum criteria for the commissioner to consider in issuing a certificate of authority. Provides requirements for health information organizations, including, but not limited to, connecting to the Nationwide Health Information Network; annually submitting strategic and operational plans for review by the oversight board; and annually submitting a rate plan specifying fee structures.

Subd. 4. Application for certificate of authority for health information exchange service providers. Requires applications to be in a format specified by the commissioner and provides information that must be included in the applications.

Subd. 5. Reciprocal agreements between health information exchange entities. Regulates reciprocal agreements between health information organizations and health data intermediaries and requires that these agreements include fair and equitable models for charges.

6 Enforcement authority; compliance. Adds § 62J.4982.

Subd. 1. Penalties and enforcement. Permits the commissioner of health to issue an administrative penalty of up to \$25,000 for each violation of statute or rule related to health information exchange services. Provides factors to consider in assessing the penalty. Requires the commissioner to give notice to suspected violators and provides for an informal investigation process.

Subd. 2. Suspension or revocation of certificates of authority. Provides circumstances under which the commissioner may suspend or revoke a certificate of authority. Prohibits a health information exchange service provider from enrolling participants or engaging in advertising while under a suspended certificate, and prohibits a health information exchange service provider from conducting any business as such if its certificate is revoked.

Subd. 3. Denial, suspension, and revocation; administrative procedures. Requires the commissioner to notify the health information exchange service provider in writing for denial, suspension, or revocation of a certificate of authority. Provides a hearing process before the Health Information Exchange Oversight Board.

Subd. 4. Coordination. Requires the commissioner to seek advice from the Minnesota e-Health Advisory Committee when implementing Minnesota Statutes §§ 62J.498 to 62J.4982. Requires a report to the governor and the legislature regarding

the status of health information exchange in Minnesota by January 1, 2011.

Subd. 5. Expedited rulemaking. Authorizes expedited rulemaking for implementation of Minnesota Statutes §§ 62J.498 to 62J.4982.

Subd. 6. Fees and monetary penalties. Provides a fee schedule to which health information exchange service providers are subject and states that penalties imposed under this subdivision are appropriated to the commissioner for purposes of Minnesota Statutes §§ 62J.498 to 62J.4982.

- 7 **Application process for health information exchange.** Requires any applications for health information exchanges funded with additional federal funds be included in an open process.
- 8 **Appropriation; health information exchange oversight.** Appropriates \$140,000 in fiscal year 2011 to the commissioner of health from the SGSR fund for providing administrative support to the Health Information Exchange Oversight Board. Specifies that \$135,000 in fiscal year 2012 and \$130,000 in fiscal year 2013 is base funding.