

# News Release

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## **New state requirements for standard, electronic health care remittance advices effective Dec. 15**

***Exchanges between Minnesota health care payers and providers must be done electronically; reforms are part of effort to save \$60 million annually***

As of Dec. 15, health care group purchasers (payers) and providers in Minnesota must exchange remittance advices electronically, using a single, standard data content and format. The requirement is part of a first-in-the-nation law that state officials say will help save millions of dollars in health care administrative costs each year.

The requirement focuses on the electronic exchange of remittance advices, or RAs, which payers send to providers to explain the payment, adjustment or denial of billings. Earlier this year, Minnesota implemented similar requirements for the electronic exchange of other information between payers and providers, including health care billing claims and queries to confirm patients' health coverage and benefit levels.

The Minnesota Department of Health (MDH) estimates that when fully implemented, Minnesota's law requiring the standard, electronic exchange of these three types of routine health care business transactions will save the state's health care system more than \$60 million per year.

The requirements are part of Minnesota's Vision, a set of broader statewide health reforms that aim to improve the health of all Minnesotans, the individual patient experience and the affordability of health care. "Electronic RAs will reduce the amount of paper flowing in the system and speed up millions of routine transactions to help reduce overall health care administrative costs and burdens," said James Golden, MDH Health Policy Division director and the state's health information technology coordinator.

The law applies to insurance carriers, including workers' compensation, auto and property-casualty carriers, as well as third-party administrators that are licensed or doing business in Minnesota. The regulations also apply to HMOs, the Minnesota Department of Human Services, which administers the state's Medical Assistance and MinnesotaCare programs, and other payers.

In addition, the law covers over 60,000 health care providers, including doctors, hospitals, dentists, chiropractors, pharmacies and others providing services for a fee in Minnesota and who are also otherwise eligible for reimbursement under the state's Medical Assistance program.

For further information about Minnesota's statewide health care e-billing initiative please go to [www.health.state.mn.us/asa](http://www.health.state.mn.us/asa) or contact the Minnesota Health Information Clearinghouse at 1-800-657-3793, or [health.clearinghouse@state.mn.us](mailto:health.clearinghouse@state.mn.us).

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