

# Minnesota Health Care Claims Reporting System

## Minnesota Rules Chapter 4653

### VARIANCE PROCEDURE

Minnesota Rules 4653 establishes the Minnesota Health Care Claims Reporting System and identifies the entities that must submit data, the data to be submitted, and the submission procedures. Minnesota Rule 4653.0400 provides for two types of variances for data submitters: (1) a variance for submission of specific data elements or submission specifications, and (2) a variance for meeting a specified threshold.

#### **Variance for Specific Data Elements or Submission Specifications**

To be granted a variance for submission of a specific data element or submission specification, a petitioner must demonstrate that it meets each of the following criteria:

1. Failure to grant the variance would result in hardship or injustice to the data submitter;
2. The variance would be consistent with the public interest; and
3. The variance would not prejudice the substantial legal or economic rights of any person or entity.

MDH strictly applies these criteria in determining whether to grant a variance for a specific data element or submission specification. In considering these criteria, please note that:

1. A showing that compliance with the rules requires expenditure of resources does not, by itself, constitute a demonstration of hardship or injustice.
2. The fact that a data submitter is close to the \$3,000,000 cut off for health plan companies and third-party administrators, or the \$300,000 cut off for pharmacy benefit managers does not, by itself, constitute evidence satisfying any of the criteria.
3. The public interest is presumed to be served by obtaining data that is as complete as possible.

**Information required to be submitted in a variance request:** To request a variance for submission of specific data elements or submission specifications, the data submitter must submit to the Minnesota Department of Health (MDH) a petition containing the following information:

1. The name, address, telephone number and email address of the person or entity for whom a variance is being requested;
2. A description of and citation to the specific portion of the rule for which a variance is requested;
3. The variance requested, including the scope and duration of the variance;
4. The reasons that the petitioner believes justify a variance, including a signed statement attesting to the accuracy of the facts asserted in the petition; and
5. A history of the agency's action relative to the petitioner, as relates to the variance request.



**How to submit a variance request:** Petitions requesting a variance for submission of a specific data element or submission specification should be submitted to:

Diane Rydrych  
Director, Division of Health Policy  
Minnesota Department of Health  
P.O. Box 64882  
St. Paul, MN 55164-0882

The Department of Health will issue an order granting or denying a variance petition within 60 days of receipt of a completed petition, unless the petitioner agrees to a later date.

### **Variance to Threshold Requirements**

To be granted a variance for a threshold requirement, a petitioner must demonstrate that it meets each of the following criteria:

1. A good faith reason that it is unable to meet the standard threshold;
2. The proposed alternative threshold; and
3. The basis for the proposed alternative threshold.

Any variance granted to a threshold requirement expires in one year, except for variances for historical data which will be granted for the period January 2008 – March 2009.

**How to submit a threshold variance request:** Threshold variance requests should be submitted on the attached form to:

Minnesota Data Manager  
Email: [mninfo@ncdms.org](mailto:mninfo@ncdms.org)  
Fax: (207) 622-7086



## THRESHOLD VARIANCE REQUEST

**Date:** \_\_\_\_\_

**Submitter Number:** \_\_\_\_\_

**Company Name:** \_\_\_\_\_

**Contact Person:** \_\_\_\_\_

**Mailing Address:** \_\_\_\_\_  
 \_\_\_\_\_

**E-mail Address:** \_\_\_\_\_

**Telephone Number:** \_\_\_\_\_

Use the table below to list each data element for which a threshold variance is requested. In column 1 indicate the data element number and the data element name. In column 2 enter the proposed threshold percentage. In column 3, list the data period for which the variance is requested. Do not enter the dates you intend to submit the data – instead enter the covered data periods (e.g. Apr 2009 – Mar 2010). In column 4 describe why your company is unable to meet the standard threshold and how you determined the proposed threshold. Include in your description, details regarding any prior requests for variance on this field and the outcome of that request. **A threshold variance will be allowed for a 15 month period (Jan 2008 – Mar 2009) for historical data only.**

Data Element # Data Element Name	Proposed Threshold	Variance Data Period Requested	Reason Unable to Meet Standard Threshold (Please continue on next page if necessary)



<b>Data Element # Data Element Name</b>	<b>Proposed Threshold</b>	<b>Variance Data Period Requested</b>	<b>Reason Unable to Meet Standard Threshold</b>

Submission of this request is an attestation that all facts asserted on this form are accurate.

