A New Tool to Help Minnesota's Employers Control Their Healthcare Costs

Minnesota Department of Health | Health Economics Program

Agenda

12:00 – 12:05 p.m.	Welcome
12:05 – 12:15 p.m.	About this Webinar & Background
12:15 – 12:25 p.m.	Addressing Questions about Healthcare Spending, Prices, and Utilization: Uses of the MN APCD
12:25 – 12:30 p.m.	Employer Resources
12:30 – 12:35 p.m.	How to Participate in the MN APCD
12:35 – 1:00 p.m.	Q & A

DEPARTMENT OF HEALTH

MN APCD

All Payer Claims Database

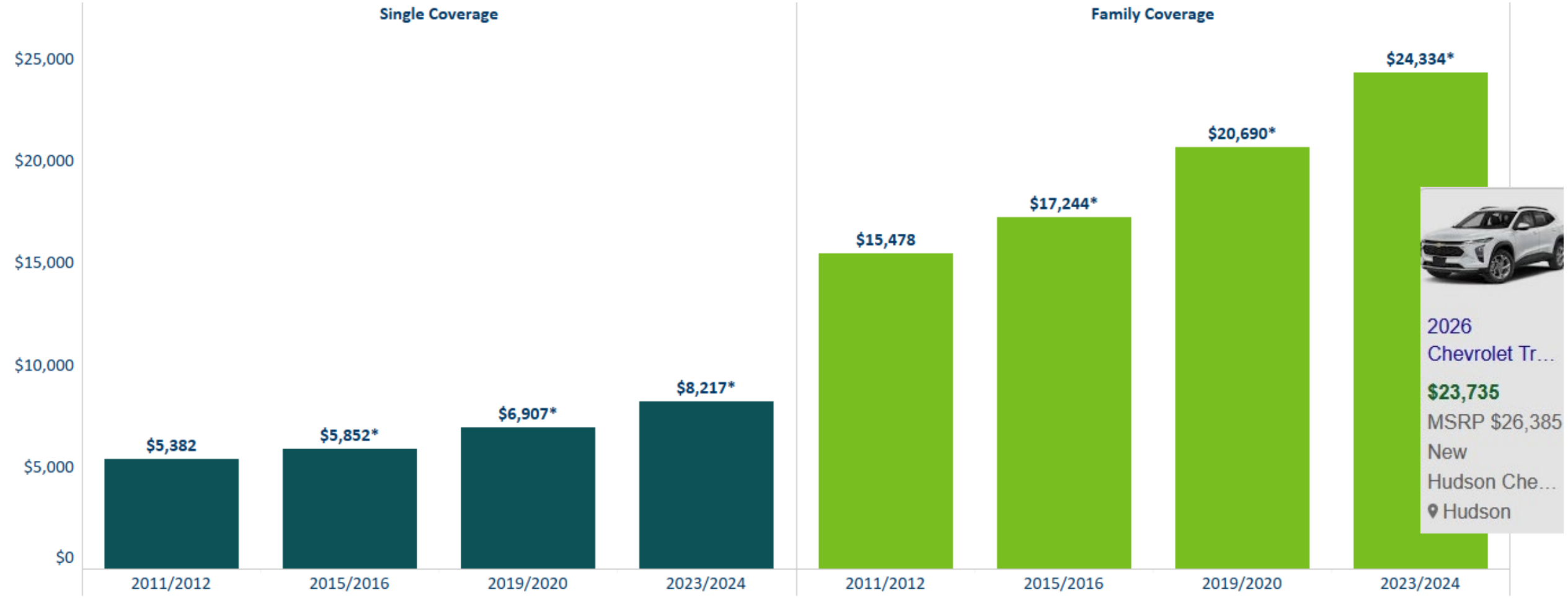
About this Webinar & Background of the MN APCD

Stefan Gildemeister
Director of Health Economics Program

What this webinar is about

1. Talk about *new* data resources available to self-funded employers to inform your health benefit decisions
2. Invite self-funded employers to participate in a state data asset, the MN APCD

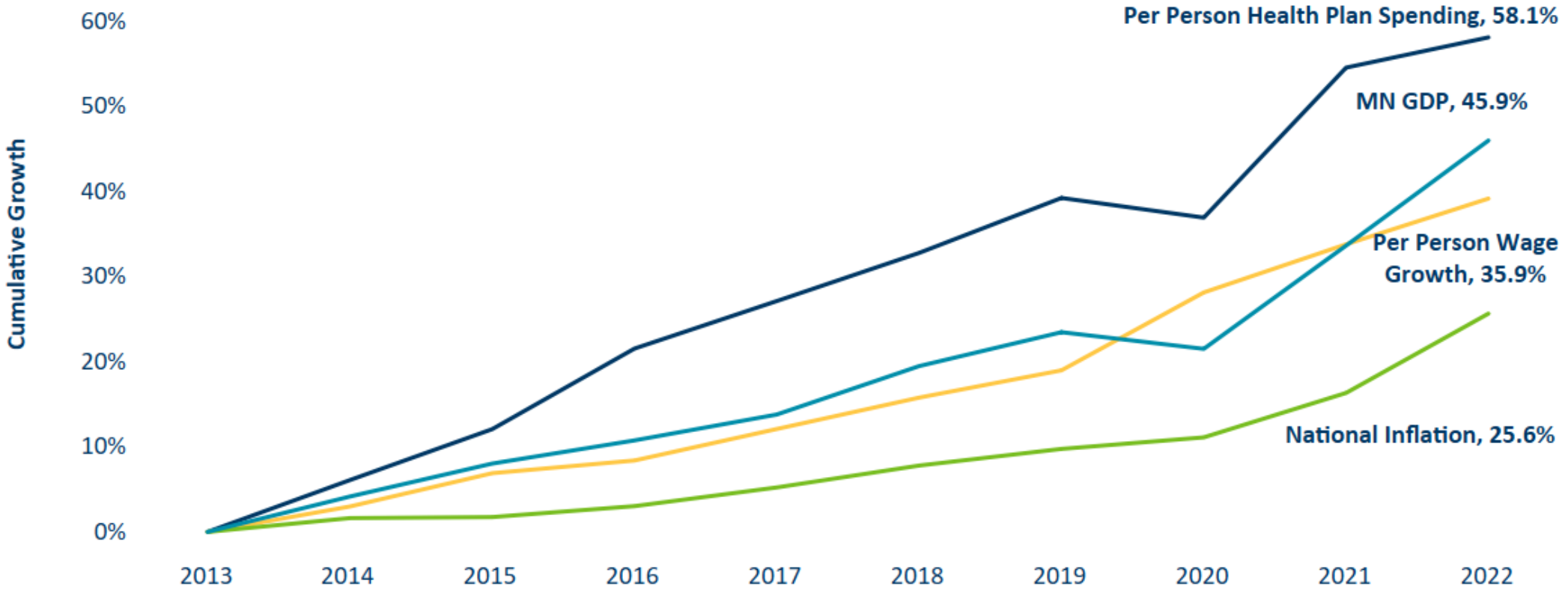
Average annual health insurance premiums in Minnesota



*Indicates a significant difference (95% level) from estimates of previous time period shown.
Source: MDH analysis of data for private employers from the Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey-Insurance Component. Family coverage excludes employee-plus-one coverage. Data presented are weighted averages of two years of data. Annual health insurance premiums include both the employee and employer contribution.

Sustainability of healthcare trends

Healthcare spending growth outpaces the economy

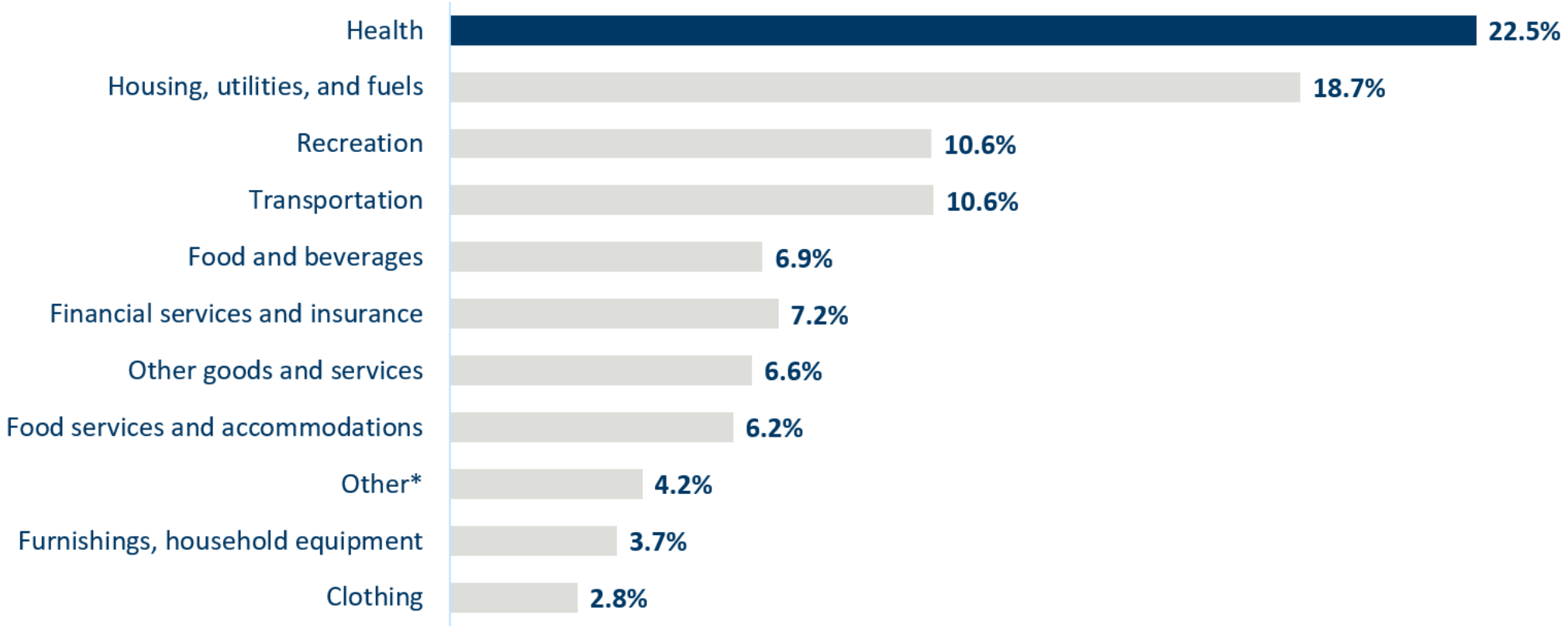


Healthcare spending is Minnesota fully-insured commercial spending per person and does not include enrollee out-of-pocket spending for deductibles, copayments/coinsurance, and services not covered by insurance. Fully-insured commercial market only.

Sources: MDH, Health Economics Program analysis of annual medical-only reports from health plan companies; Gross State Product (MN GDP) from U.S. Department of Commerce, Bureau of Economic Analysis; Consumer Price Index (All Urban Consumers (CPI-U), U.S. City Average), as of October 2, 2024; per person wage growth from Minnesota Department of Employment and Economic Development as of October 2, 2024.

Sustainability of healthcare trends

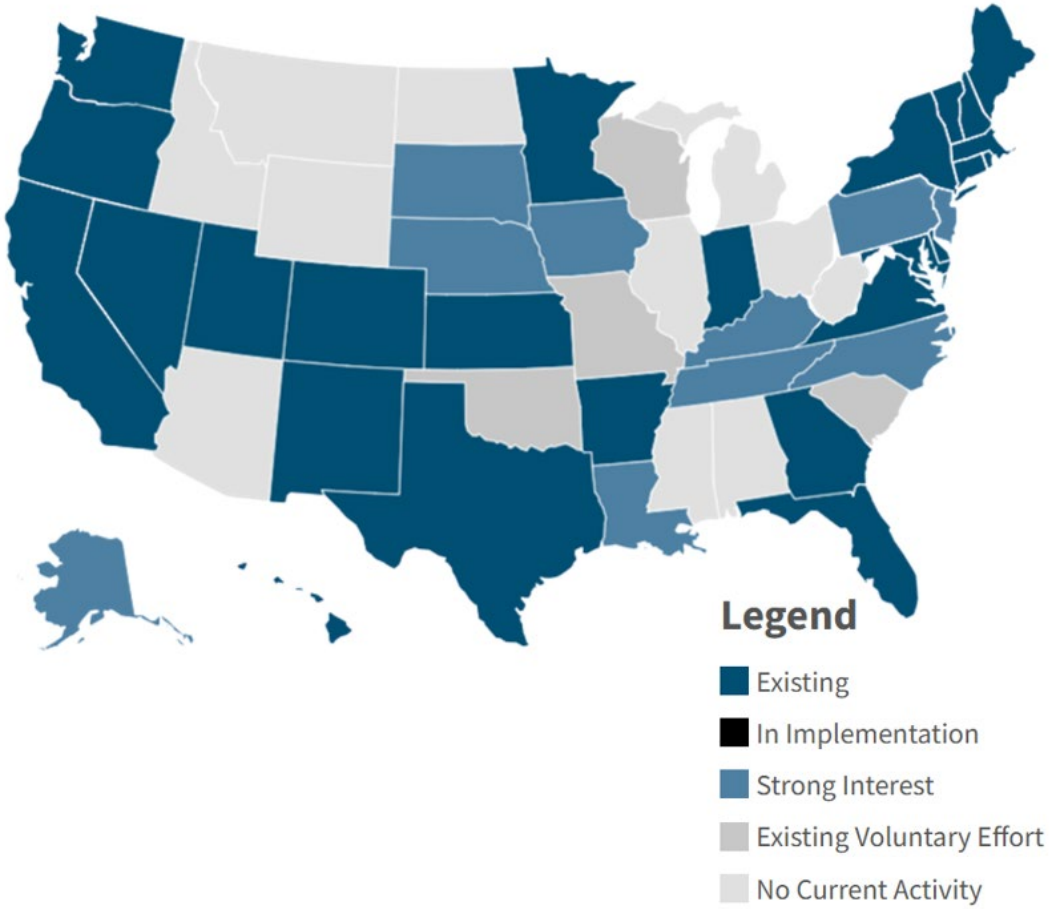
Spending on healthcare is biggest budget item for households



*Other spending includes communication, education, and net foreign travel and expenditures abroad.
Health includes spending on outpatient services (physician services, dental care, and paramedical services), hospital and nursing home services, and spending on health insurance.
Source: MDH, Health Economics Program analysis of Bureau of Economic Analysis. "Personal consumption expenditures (PCE) by Function (SAPCE4)" 2023. https://apps.bea.gov/itable/?ReqID=70&step=1

All Payer Claims Databases (APCDs)

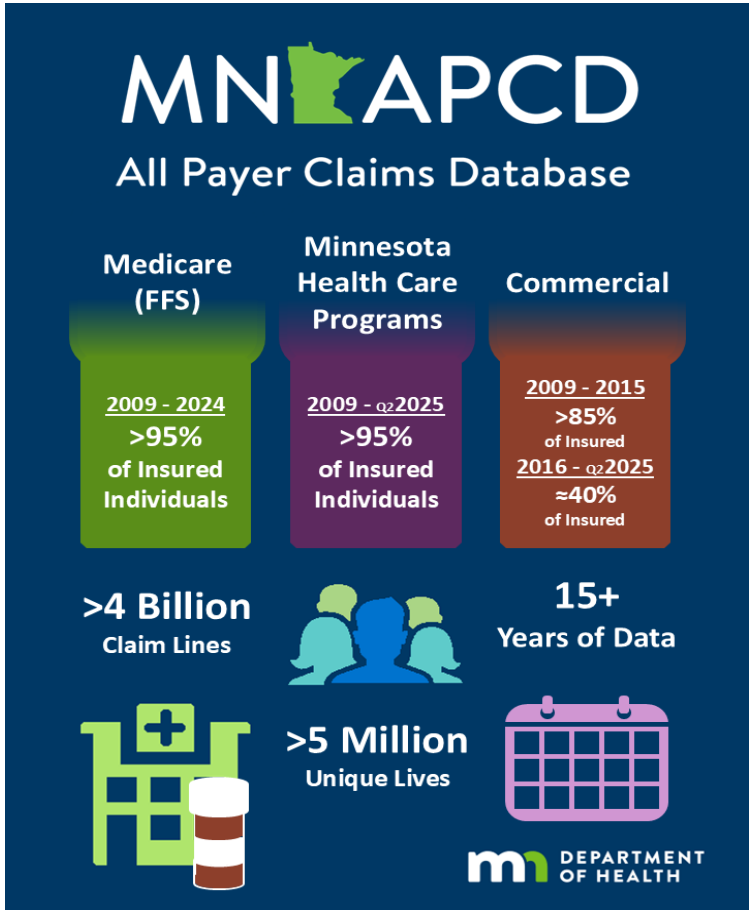
- Statewide repositories of healthcare claims data collected from private and public payers.
- Similar to other states, in 2008, Minnesota passed legislation to develop an APCD to conduct research and inform state policy related to healthcare cost, quality, and access.



Source: APCD Council Map of State Efforts, https://www.apcdcouncil.org/state/map. Accessed June 2025.

Minnesota All Payer Claims Database (MN APCD)

- **Large scale data system that collects and integrates data from the process of paying for healthcare**
  - Enrollment, medical, pharmacy and dental claims
  - Collects data on healthcare prices (plan paid, patient share)
- **Rich (de-identified) data for insured Minnesotans**
  - Diagnosed conditions
  - Treatment delivered (procedures/drugs)
  - Servicing provider/type
  - De-identified: limited detail on patient/member characteristics (age, gender, ZIP code)



Minnesota All Payer Claims Database - MN Dept. of Health (state.mn.us) (https://www.health.state.mn.us/data/apcd/index.html)

Plans for the rest of the webinar

1. Share how the MN APCD is being used to address questions about healthcare spending, trends and drivers
2. Showcase existing and forthcoming ways to accessing data tools and assets
3. Present information on how self-funded employers can participate (opt-in) to the MN APCD
4. Answer your questions

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MN APCD

All Payer Claims Database

Addressing Questions about Healthcare Spending, Prices, and Utilization: Uses of the MN APCD

Pam Mink
Director of Health Services Research

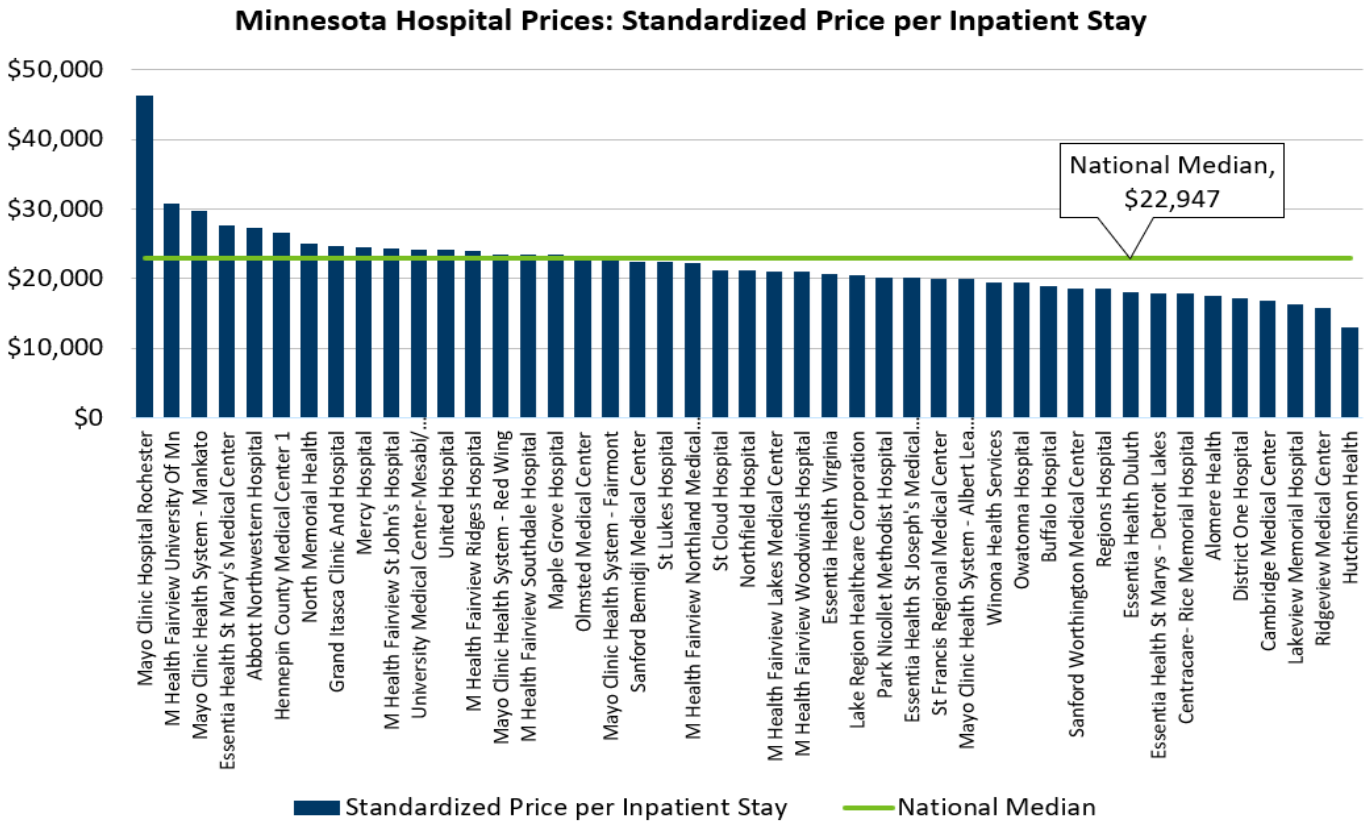
Wide range of MN APCD-based analyses

- Healthcare spending
- System efficiency and waste
- Healthcare quality
- Disease epidemiology
- Healthcare market
- Public health

More information is available on the MN APCD Publications webpage.

Uses of the MN APCD

Hospital Price Transparency Study (2020 – 2022) Collaboration with RAND



- Figure: Standardized average price across Minnesota hospitals
  - Shows *standardized hospital price*: Average allowed amount per standardized unit of service, services standardized using Medicare's relative weights
  - Standardized price per inpatient stay for each Minnesota hospital, compared to national median

Source: "Prices Paid to Hospitals by Private Health Plans Findings from Round 5 of an Employer-Led Transparency Initiative" Prices Paid to Hospitals by Private Health Plans: Findings from Round 5.1 of an Employer-Led Transparency Initiative | RAND

Uses of the MN APCD

Commercial Price Variation (July 2014 – June 2015)


MN APCD
All Payer Claims Database

Commercial Case Price Variation among High-Volume Inpatient Treatments in Minnesota Hospitals (Part 2)

JULY 2014 - JUNE 2015

This report examines variation in the case prices for four common, clinically uncomplicated inpatient surgeries. The prices reported here reflect allowed amounts – the actual payments made by patients and insurers to health care providers – and include the facility and professional fees incurred during each admission. The graphs show variation in prices from three perspectives: statewide, between different hospitals, and within the same hospital. Only admissions of minor or moderate severity of illness are included, and cases with high or low outlier prices were assigned the prices at the 97.5 or 2.5 percentile, respectively. Hospital names are not reported, in accordance with Minnesota state law governing use of data submitted to the Minnesota All Payer Claims Database (MN APCD).

MN APCD
All Payer Claims Database

Commercial Case Price Variation among High-Volume Inpatient Treatments in Minnesota Hospitals

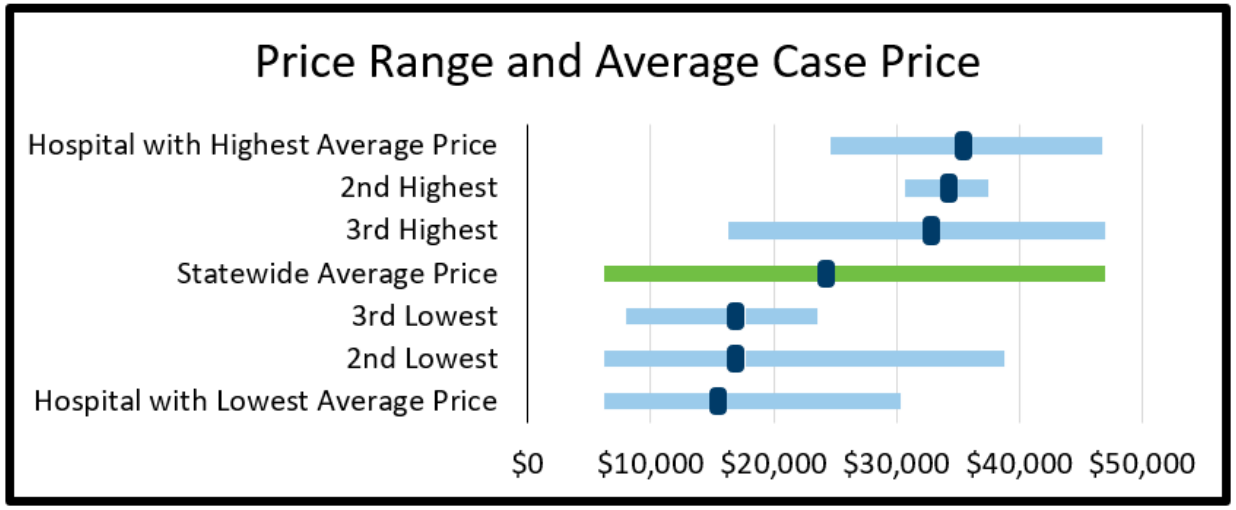
JULY 2014 - JUNE 2015

This report examines case price variation among four common, clinically uncomplicated inpatient treatments in orthopedic and obstetric care. Prices were estimated based on facility costs only. The graphs show variation in prices from three perspectives: statewide, among different hospitals, and within the same hospital. The analysis was limited to patients with minor or moderate severity of illness. High and low outlier prices were adjusted by truncating their costs to better fit the overall distribution of prices. Hospitals with low case counts were excluded.

TOTAL KNEE REPLACEMENT	AVERAGE PRICE	LOWER PRICE	HIGHER PRICE	HIGH-LOW RATIO	PRICE RANGE AND AVERAGE CASE PRICE (|)
Hospital with Highest Average Price	$35,171	$24,681	$46,732	1.9x	
2nd Highest	$34,007	$30,725	$37,479	1.2x	
3rd Highest	$32,556	$16,251	$46,974	2.9x	
Statewide Average Price	$23,997	$6,186	$46,974	7.6x	
3rd Lowest	$16,690	$7,949	$23,505	3x	
2nd Lowest	$16,688	$6,186	$38,809	6.3x	
Hospital with Lowest Average Price	$15,214	$6,186	$30,306	4.9x	

- Studied commercial case price variation for eight high-volume procedures
- Employer input on focus, scope, and presentation of data and results
- Found significant variation across the state, between hospitals, and within hospitals

Source: MDH Health Economics Program analysis of data from the Minnesota All Payer Claims Database (MN APCD) (https://www.health.state.mn.us/data/apcd/publications.html)

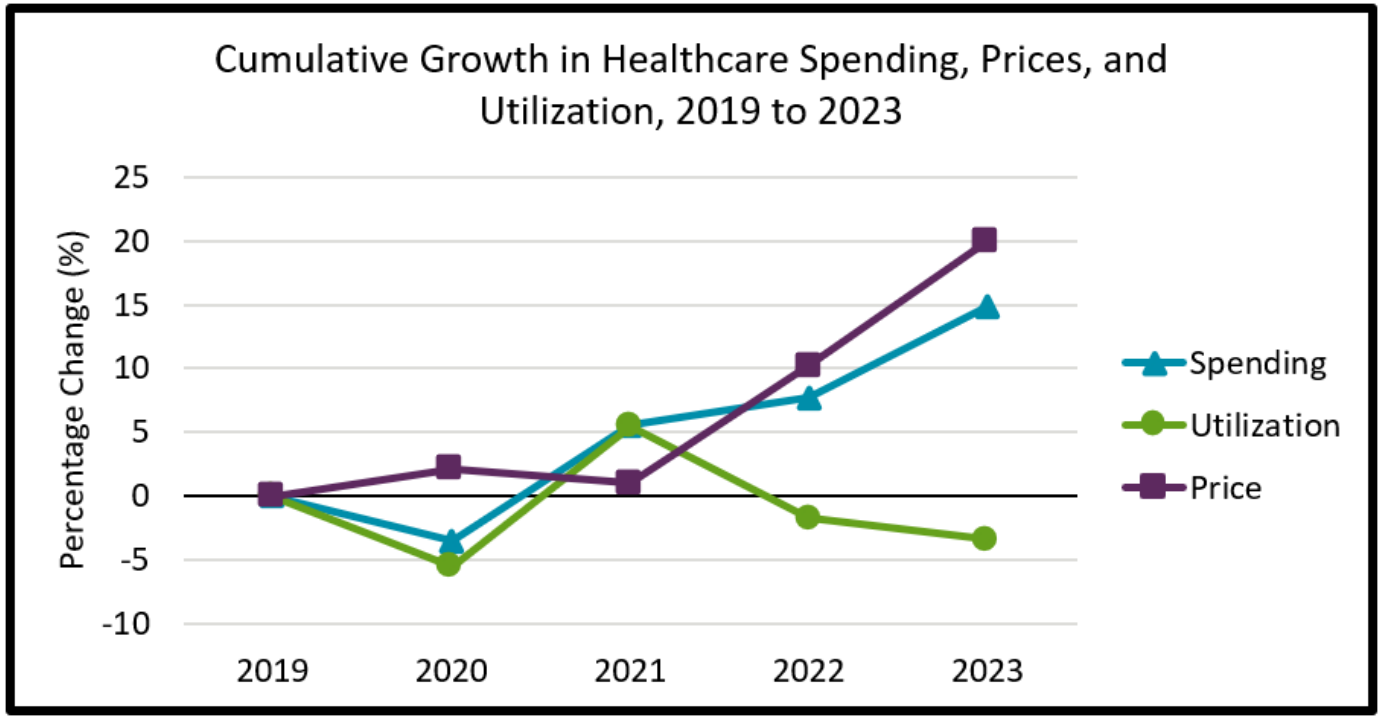


Uses of the MN APCD

Spending, Prices, and Utilization, 2019 – 2023

- Applied Health Care Cost Institute methodology to MN APCD to produce annual estimates of average healthcare spending, prices, and utilization among commercially enrollees in Minnesota.
  - Further analysis by service category: Inpatient, outpatient, professional, retail prescription drugs

Source: MDH Health Economics Program analysis of data from the Minnesota All Payer Claims Database (MN APCD), Extract 28. (https://www.health.state.mn.us/data/apcd/publications.html)

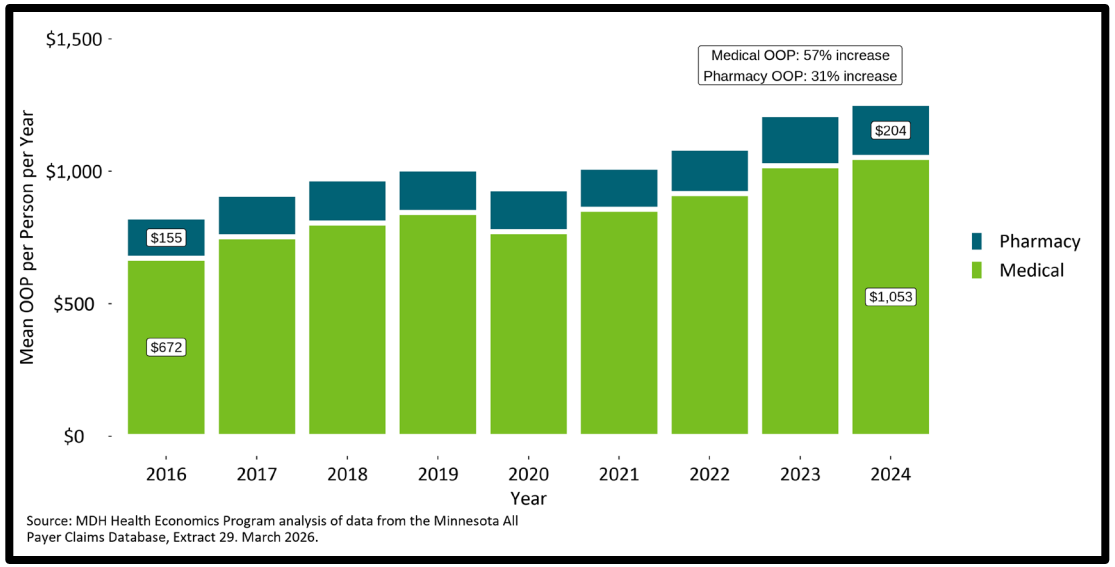


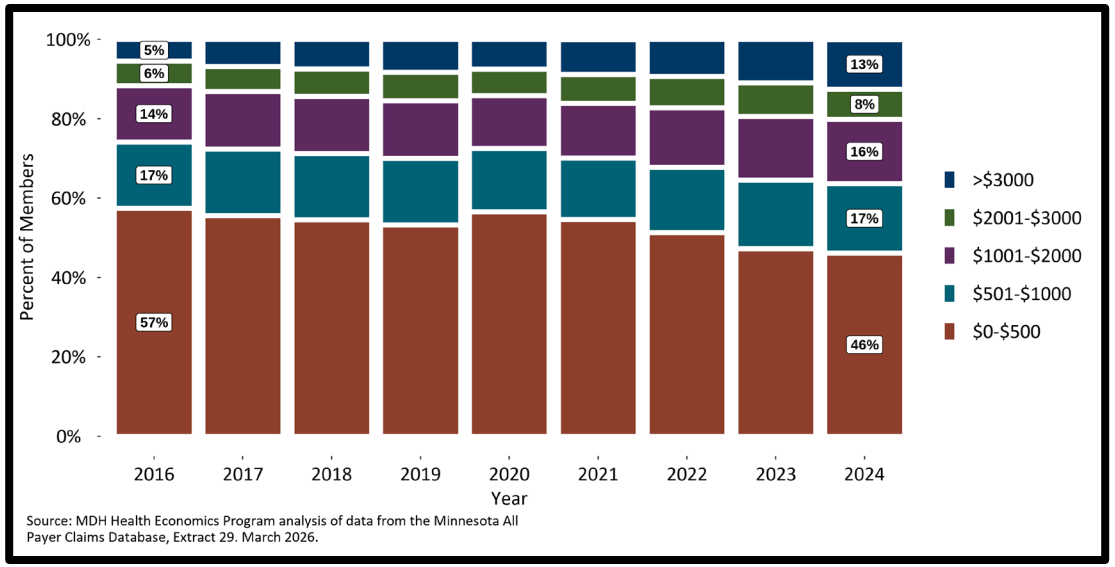
Uses of the MN APCD

Out-of-Pocket Spending (Commercial, 2016 - 2024)

How are increasing healthcare prices and spending impacting Minnesotans through patient share of allowed amounts: co-payments, co-insurance, and deductibles?

Source: MDH Health Economics Program analysis of data from the Minnesota All Payer Claims Database (MN APCD), Extract 30.
(Work-in-progress, May 2026)



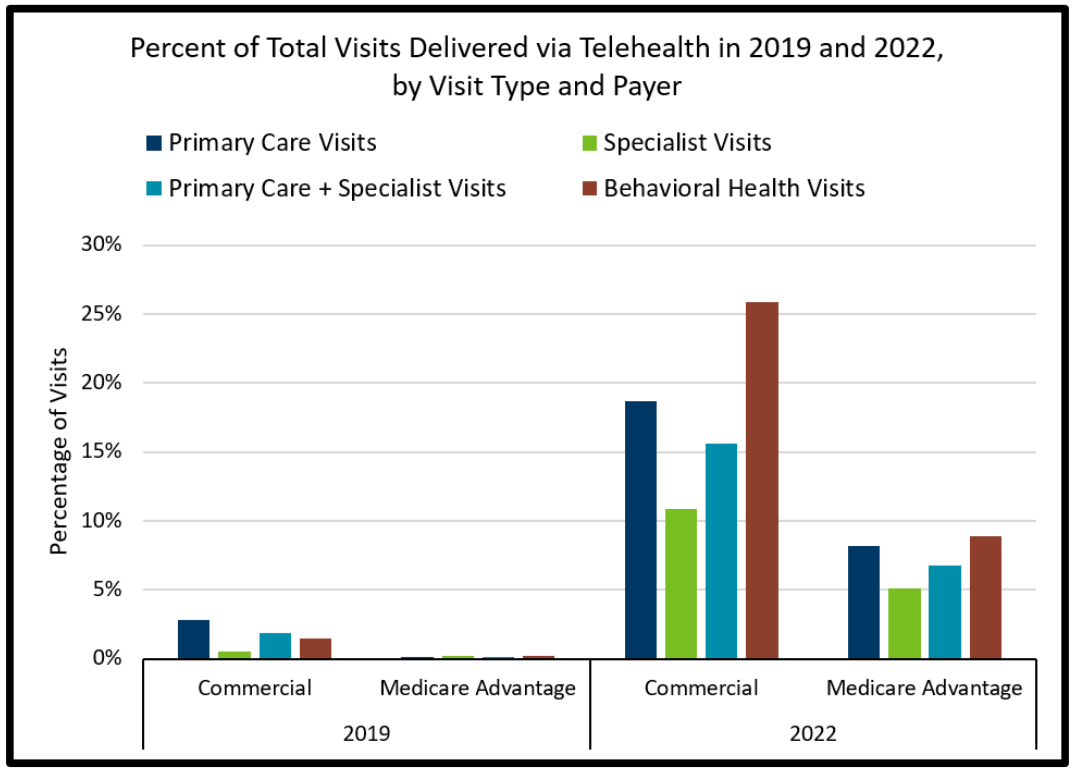


Uses of the MN APCD

Telehealth Utilization in Minnesota, 2019 - 2022

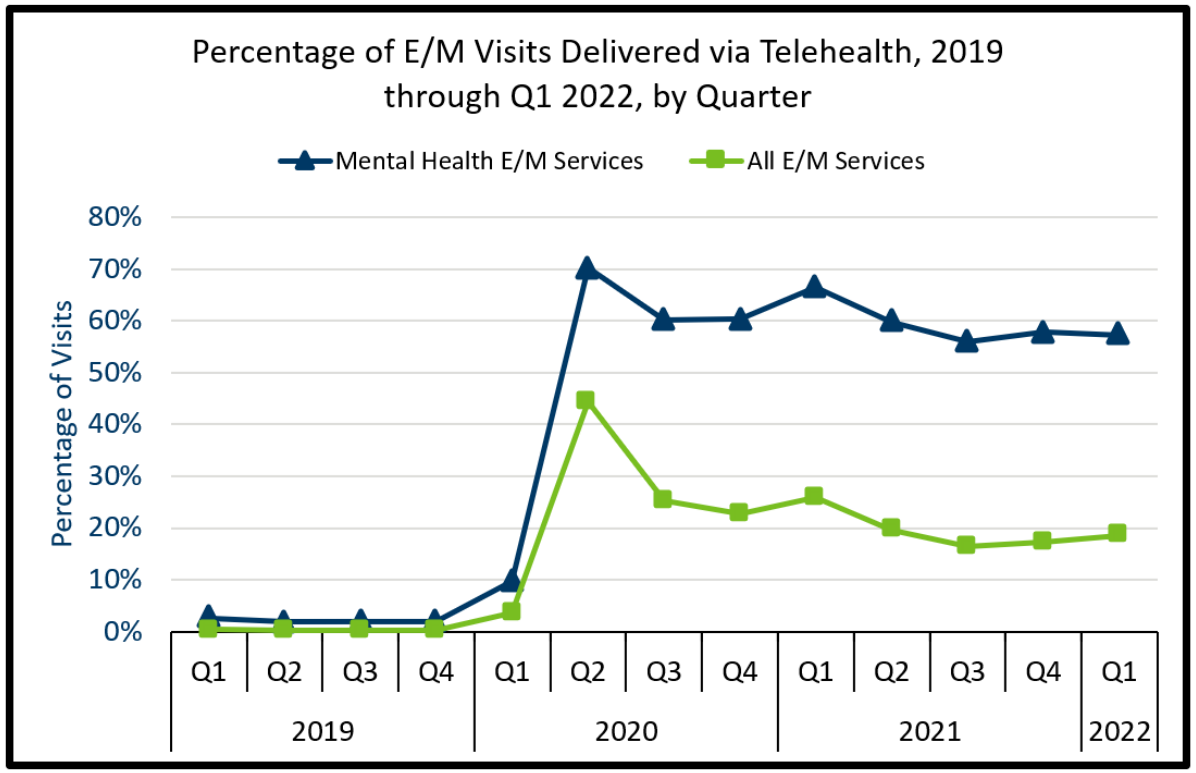
For what types of services are Minnesotans using telehealth?

Source: Mathematica analysis of data from the Minnesota All Payer Claims Database (MN APCD), Extract 26 Minnesota Study of Telehealth Expansion and Payment Parity - MN Dept. of Health)



What percentage of Evaluation and Management (E/M) visits are delivered via telehealth (commercial enrollees)?

Source: Jiani Yu analysis of the Minnesota All Payer Claims Database (MN APCD), Extract 25. (Minnesota Study of Telehealth Expansion and Payment Parity - MN Dept. of Health)



Uses of the MN APCD

Utilization of and Spending on Low-Value Healthcare Services (In-Progress)

- **Waste** in the US healthcare system ranges from $760 billion to $935 billion annually, accounting for approximately **25% of total healthcare spending**.
- **Low-value care (LVC)** are "*services that provide little or no benefit to patients, have potential to cause harm, incur unnecessary cost to patients, or waste limited healthcare resources*"
- Questions include:
  - How much of total healthcare spending is for LVC?
  - What LVC services account for the greatest spending? Greatest utilization?
  - What are some promising options for reducing or eliminating waste due to LVC?
  - What have been the challenges in reducing LVC??

26 Low-Value Care Services:

- Low-Value Imaging
- Low-Value Pre-Op Testing
- Low-Value Prescribing
- Low-Value Procedures
- Low-Value Screening

See Maratt et al., 2019 https://pubmed.ncbi.nlm.nih.gov/31250366/)

Uses of the MN APCD

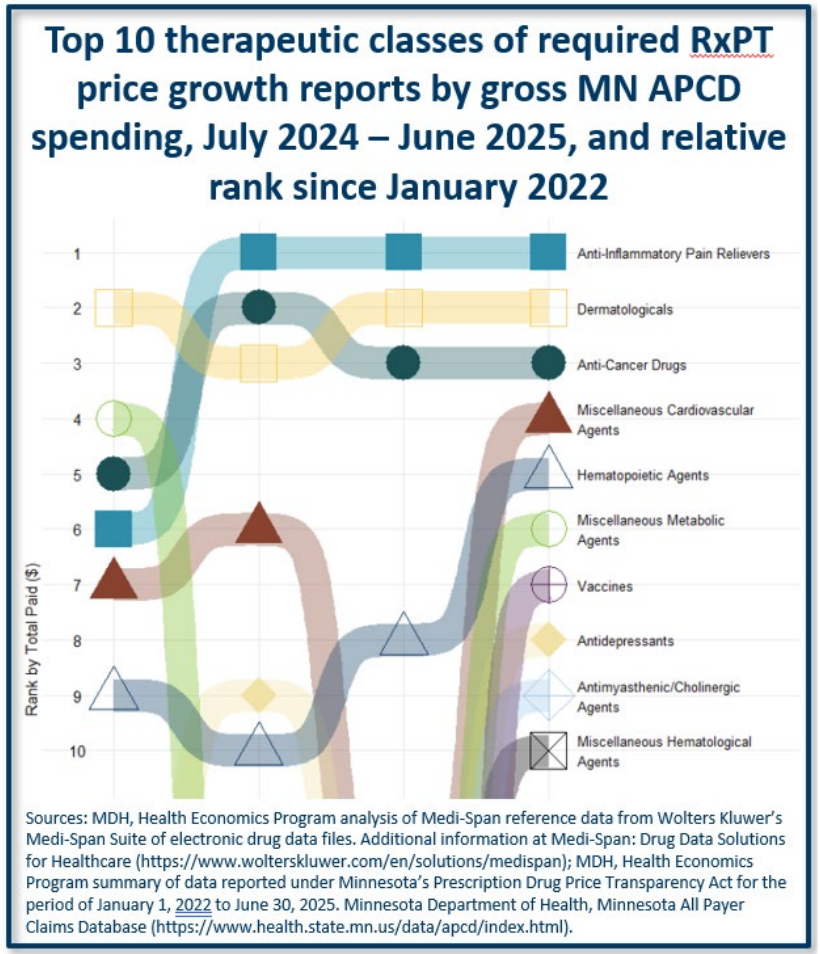
Prescription drug spending (2022 – present, and ongoing)

Combined with *Prescription Drug Price Transparency* (RxPT) data, the MN APCD provides key insights on drug spending:

- **Where is Minnesota spending the most on drugs with price increases?** For three years, the top three therapeutic classes have been anti-inflammatory pain relievers, dermatologicals, and anti-cancer drugs (2026 RxPT Legislative Report). *See figure to right.*

- **What might be the impact if the federal Medicare Drug Negotiation prices were applied more broadly?** MDH estimates that for the first 10 drugs negotiated, gross savings in the commercial market in Minnesota would be nearly $250 million (April 2026 Drugs of Substantial Public Interest Methodology & Summary). RxPT data on these drugs from entities across the supply chain, including rebates, is expected in 2027.

For more information about RxPT, see www.health.state.mn.us/data/rxtransparency/index.html



Other Work-In-Progress

Analyses to examine the drivers behind recent increases in healthcare spending

American Hospital Association
Advancing Health in America

The Cost of Caring:
Challenges Facing America's Hospitals in 2025

How UCare went from massive surplus to shutting down in just two years

By Joe Augustine | Published November 18, 2025 4:01pm CST | Investigators | FOX 9 |

Health

Estelle Timar-Wilcox · November 3, 2025 12:44 PM

Open enrollment begins on Minnesota's health insurance marketplace — with steeper costs

GLP-1 coverage costs pressure employers and Medicare plans in 2026

As GLP-1 coverage expands, employers, insurers and CMS are weighing clinical benefits against prescription drug spending, utilization management and long-term affordability.

Nick Hut

Published May 9, 2026 8:58 am

HSR Health Services Research

COMMENTARY | Open Access

Understanding and Addressing Upcoding

Bryan Dowd

First published: 17 March 2025 | https://doi.org/10.1111/1475-6773.14606

DEPARTMENT OF HEALTH

MN APCD

All Payer Claims Database

MN APCD Resources & How to Participate

Karl Fernstrom
Director of Health Care Data Service Center

Overview

- MN APCD Website Resources
- Public Use Files & Dashboards
- Data Sharing Program
- Opt-In Process

Visit the MN APCD Homepage

MINNESOTA ALL PAYER CLAIMS DATABASE

- Minnesota APCD Home
- Public Use Files
- Dashboards
- Work Groups
- Data Collection
- Publications

RELATED SITES

- Health Economics
- Data Resources

CONTACT INFO

All Payer Claims Database
health.apcd@state.mn.us

MN APCD
All Payer Claims Database

Minnesota All Payer Claims Database

In 2008, Minnesota passed legislation to develop the Minnesota All Payer Claims Database (MN APCD), a secure, statewide database of de-identified health care claims data that consists of billing records sent by medical providers to insurance companies, plan administrators, and public payers.

The MN APCD represents a comprehensive view of health care in Minnesota, including claims by nearly all public and most private payers. The MN APCD offers a unique opportunity to conduct research, learn about the health care services and prescription drugs provided across the state. In addition, the MN APCD is useful in enhancing our understanding of the cost of care, impacts on health outcomes, and informing state health policy related to health care cost, quality, access, and system design.

The Health Economics Program at the Minnesota Department of Health is legislatively directed to collect, maintain, and expand access to the MN APCD under Minnesota Statutes, section 62U.04.

Data Uses

The data can be used to support research and produce reports that describe health care costs, utilization, outcomes, and answer questions such as:

- How much do **Minnesotans spend** (*Member PUF Dashboard*) on health care each year?
- What are the most frequent **health care services** (*Services PUF Dashboard*) received and most **diagnosed conditions** (*Diagnoses PUF Dashboard*) in Minnesota?
- In what **types of settings** (*Utilization PUF Dashboard*) do Minnesotans receive health care and **who** (*Provider Specialty PUF Dashboard*) provides the care?
- How much do Minnesotans spend on **prescription drugs** (*Prescription Drug PUF Dashboard*)?

View the latest MN APCD news, dashboards, reports, and more.

Explore the Data

Learn how to voluntarily submit data to the MN APCD.

View Employer Resources

Download Public Use Files and request access to MN APCD Data Sets.

Access the Data

Learn About the MN APCD

MN APCD
All Payer Claims Database

About the Minnesota All Payer Claims Database

The Minnesota All Payer Claims Database (MN APCD) is a comprehensive and secure statewide repository of de-identified healthcare data used to analyze healthcare costs, utilization, and outcomes across Minnesota.

Expand All

- What data are collected
- Who submits data
- Data oversight and authority
- Scope of the database
- How the data are generated
- Data submission requirements
- Data privacy and security

MN APCD
All Payer Claims Database

MINNESOTA ALL PAYER CLAIMS DATABASE

Contact Information

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Health Economics Program
P.O. Box 64975
St. Paul, MN 55164-0975

PHONE NUMBER

651-201-4520

APPLY FOR DATA

Get access to Public Use Files and start the process of applying for access to **MN APCD Data Sets and Custom Reports** (*Coming soon*).

https://www.health.state.mn.us/data/apcd/about/index.html

Find Resources for Employers

Minnesota All Payer Claims Database Employer Resources

MN APCD
All Payer Claims Database

Employers are essential to guaranteeing access to healthcare. In Minnesota, employers provide health insurance coverage for more than half of Minnesotans (52.8%). Most employer-covered individuals have health insurance through self-insured employers (64.1%) who hold the insurance risk for these nearly two million Minnesotans.

With high and rising healthcare costs, self-funded employers, however, face the difficult task of balancing high-quality benefits with affordability. Lack of transparency, a complex system, and limited data make it hard for self-funded employers and policymakers to track healthcare spending and set accurate benchmarks.

To support self-funded employers assessing their healthcare spending when designing employee benefits, MDH is launching a number of data tools that rely on the state's MN APCD. These data tools include:

- A dashboard to explore spending and utilization in commercially insured groups in Minnesota.
- Summary information on trends in the healthcare market.
- A data sharing program.
- Engagement with the MN APCD to identify analyses that help meet fiduciary duties.

The need for better data

However, currently Minnesota self-funded employers are not well represented in data; just 40% of the private market is currently covered in these important and valuable data. To change this, Minnesota policymakers have passed legislation that requires TPAs to permit self-funded employers the choice to participate in the MN APCD, to opt-in to data collection.

Why data submission matters

While fully insured plans must submit claims to the MN APCD, many Minnesotans are covered by self-insured employer plans. In these arrangements, the employer uses their own funds to pay for medical claims directly. Participating in the MN APCD will make the data stronger for all—including employers using summary information or custom reports.

Although self-insured employers are not required to submit their data, doing so is highly encouraged because comprehensive data from all plan types helps:

- **Improve the accuracy of benchmarking**

  A larger data set makes it easier to compare healthcare costs across different providers, regions, and timeframes [*Health Care Spending, Prices, and Utilization in Minnesota: 2019 to 2023 (PDF)*]

- **Identify key spending drivers**

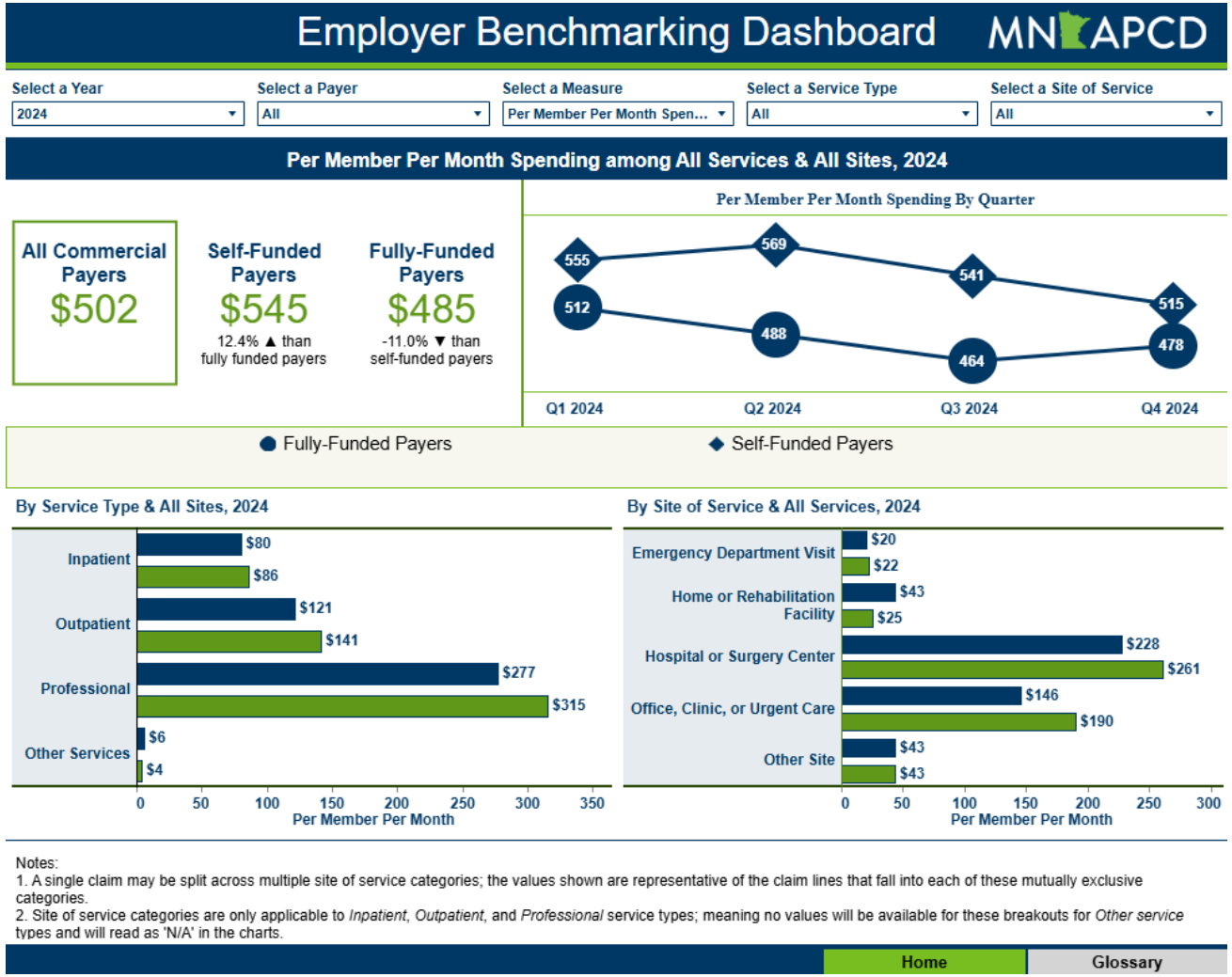
  Seeing which services are used and their various prices helps identify savings, such as reducing low-value care, and provides the evidence needed for stronger contract negotiations [*Analysis of Low-Value Health Services in the MN APCD (PDF)*]

- **Maximize impact for all Minnesotans**

  When more people are represented, the data more accurately reflects the state's healthcare trends. This leads to better-informed health policies, more reliable plan comparisons, and improved care for everyone in Minnesota.

Employer Benchmarking Dashboard

- Compare healthcare spending and usage between self-funded and fully insured groups in Minnesota.
- Key Analysis Highlights:
- **Lower Personal Costs:** Minnesotans in self-funded plans paid **42% less out-of-pocket**, despite using 25% more healthcare services.
- **Higher Plan Spending:** Monthly costs per member were **12% higher** for self-funded plans compared to fully insured plans.
- See how your costs stack up over time.



MN APCD Public Use Files

Member

How much are employees paying out of pocket? How has that changed over time?

Diagnoses

What are the most diagnosed conditions and how much does care cost?

Utilization

How do prices vary by hospital?

Services

What are the most frequent healthcare services utilized by employees?

Provider Specialties

How many provider encounters are there for my employees?

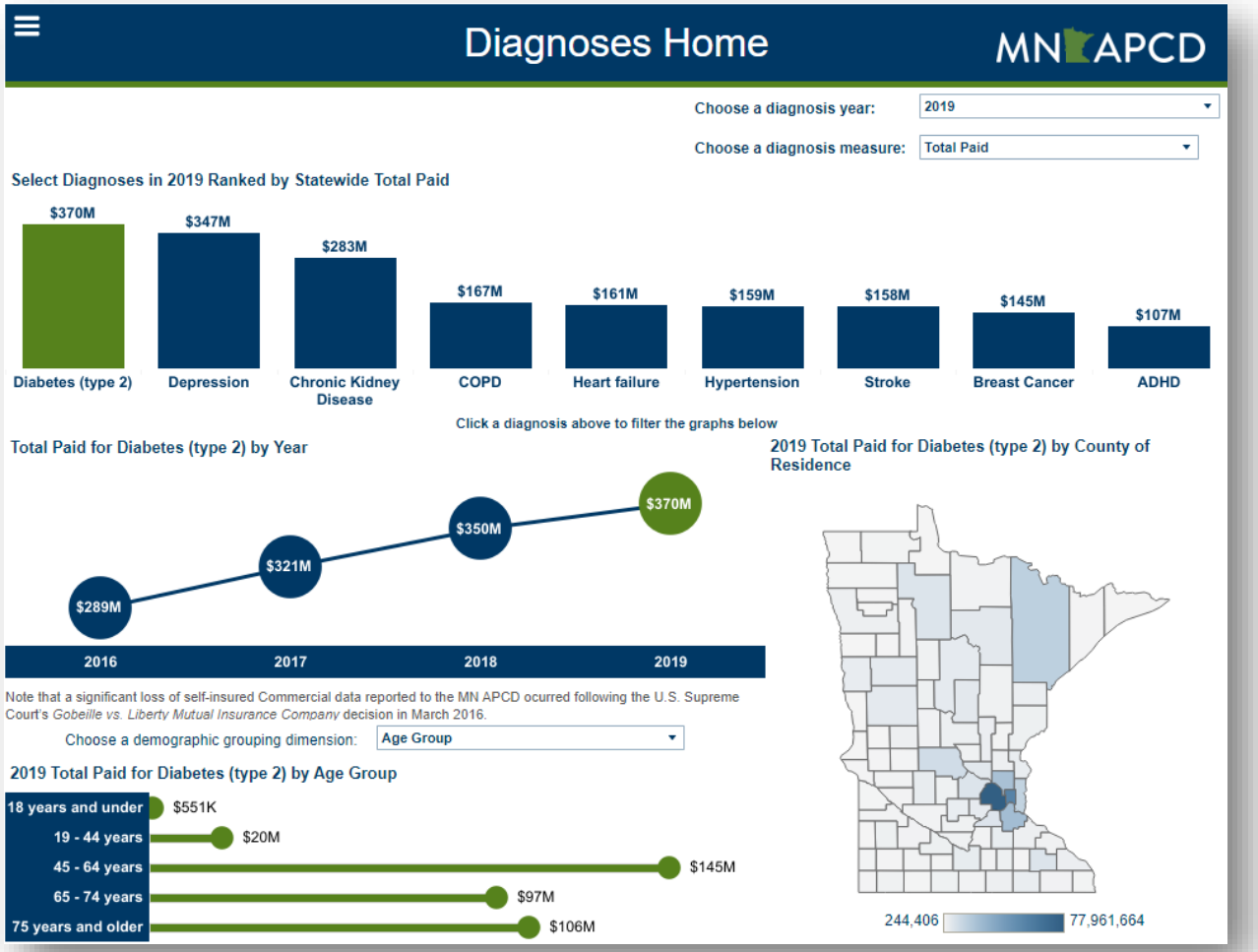
Prescription Drugs

What proportion of drug spending is on generic drugs?

https://www.health.state.mn.us/data/apcd/publicusefiles/index.html

MN APCD Public Use Files

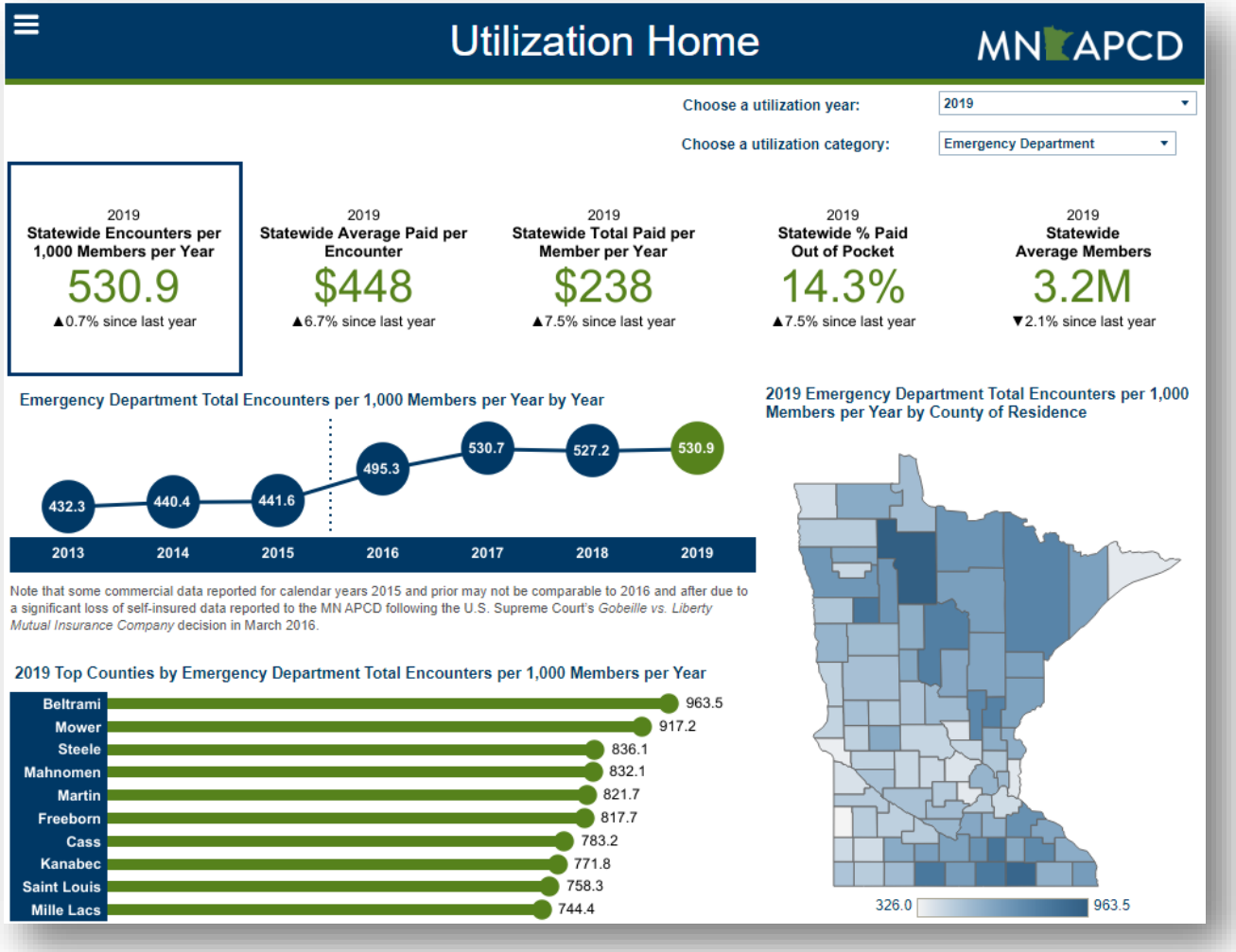
- HEP created MN APCD **Public Use Files (PUFs)** to make data **more accessible and easier to use.**
- PUFs are produced **annually** and available at **no cost** through the MDH website.
- Data can help you **gain a better understanding** of Minnesota's healthcare landscape, **support your work**, and aid research.
- MN APCD PUFs answer questions such as:
  - How has total spending on Type 2 Diabetes diagnoses changed over time in Minnesota?
  - How does the % paid out-of-pocket for a breast cancer diagnosis differ by county of residence?



Healthcare Utilization Public Use File

Data from the **Utilization PUF** can answer questions like:

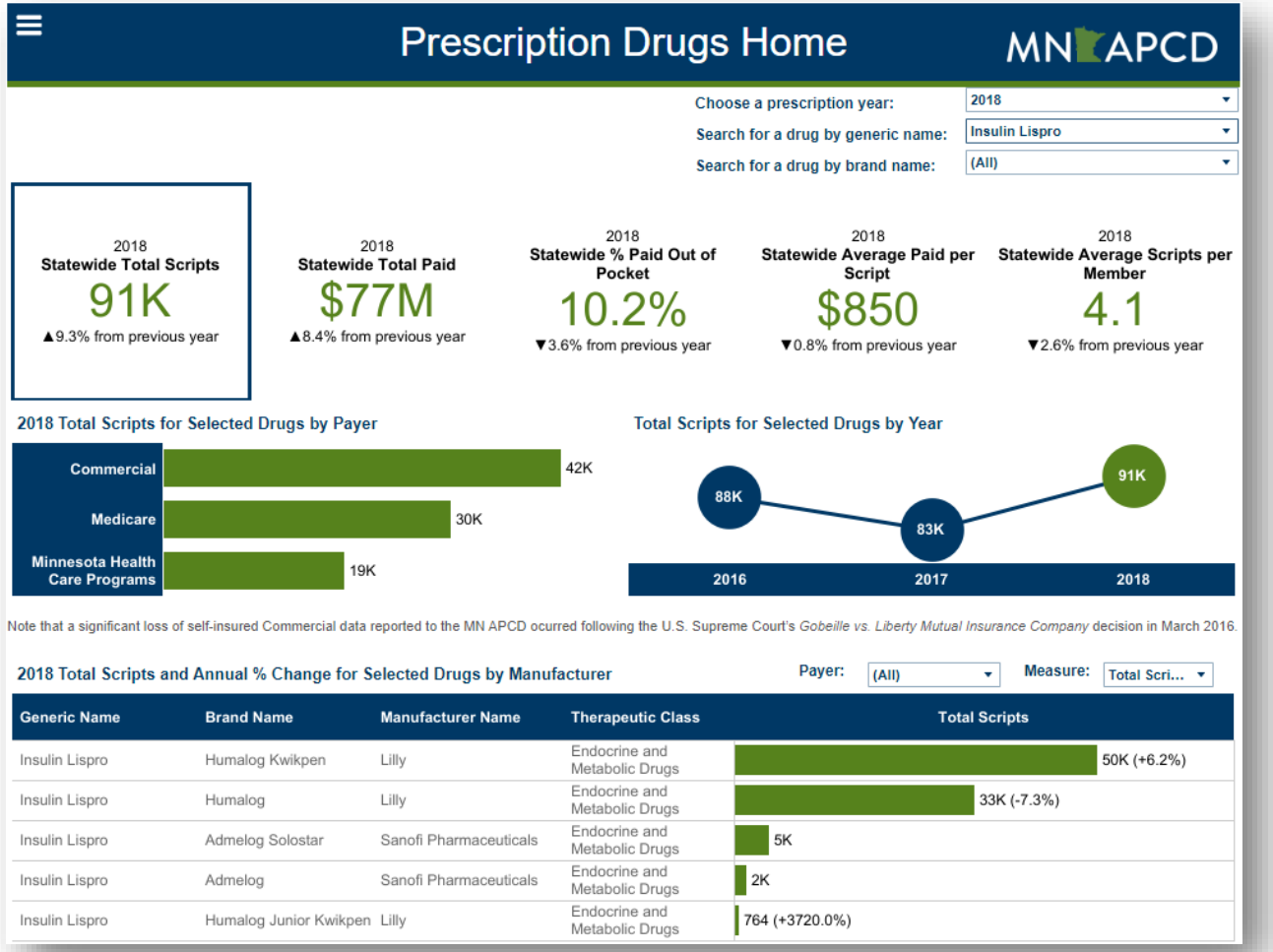
- Where are emergency room visits the most expensive?
- How many colonoscopies and biopsies are done in Minnesota each year?
- How does the cost of medical care change as Minnesotans get older?



Prescription Drug Public Use File

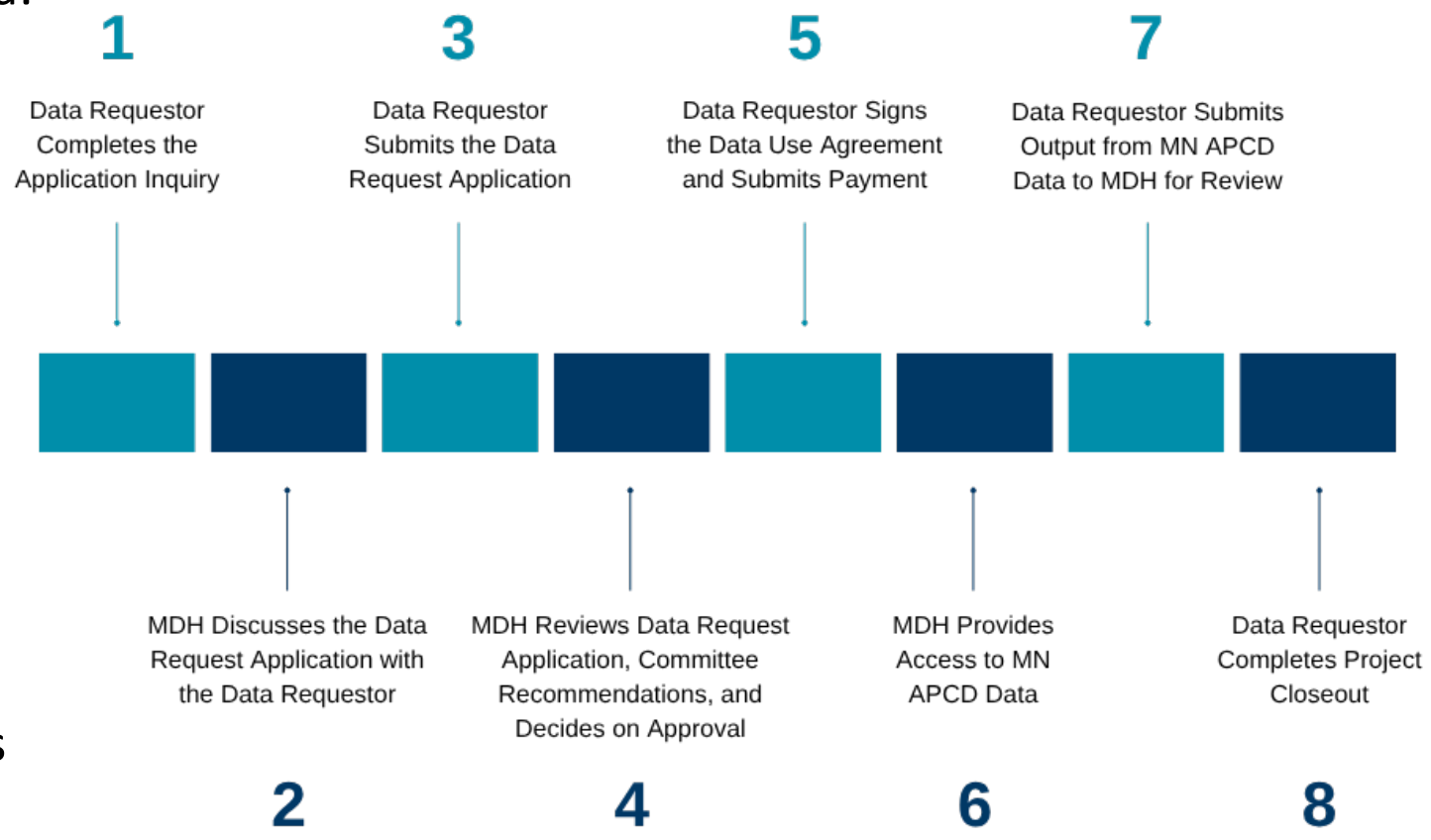
Data from the **Prescription Drug PUF** can answer questions like:

- What is the average price of an insulin prescription in Minnesota?
- Does the cost of a cholesterol drug (like Lipitor) change by manufacturer? Brand vs. generic?
- What are the most expensive drugs sold in Minnesota?



Data Sharing Program

- A data request process to access data:
  - Standard Data Sets
  - Limited Use Data Sets
  - Custom Data Sets
  - Custom Reports
- MDH releases data via a secure hosting environment
- MDH reviews data output before it is disseminated by a data user



DEPARTMENT OF HEALTH

MNAPCD

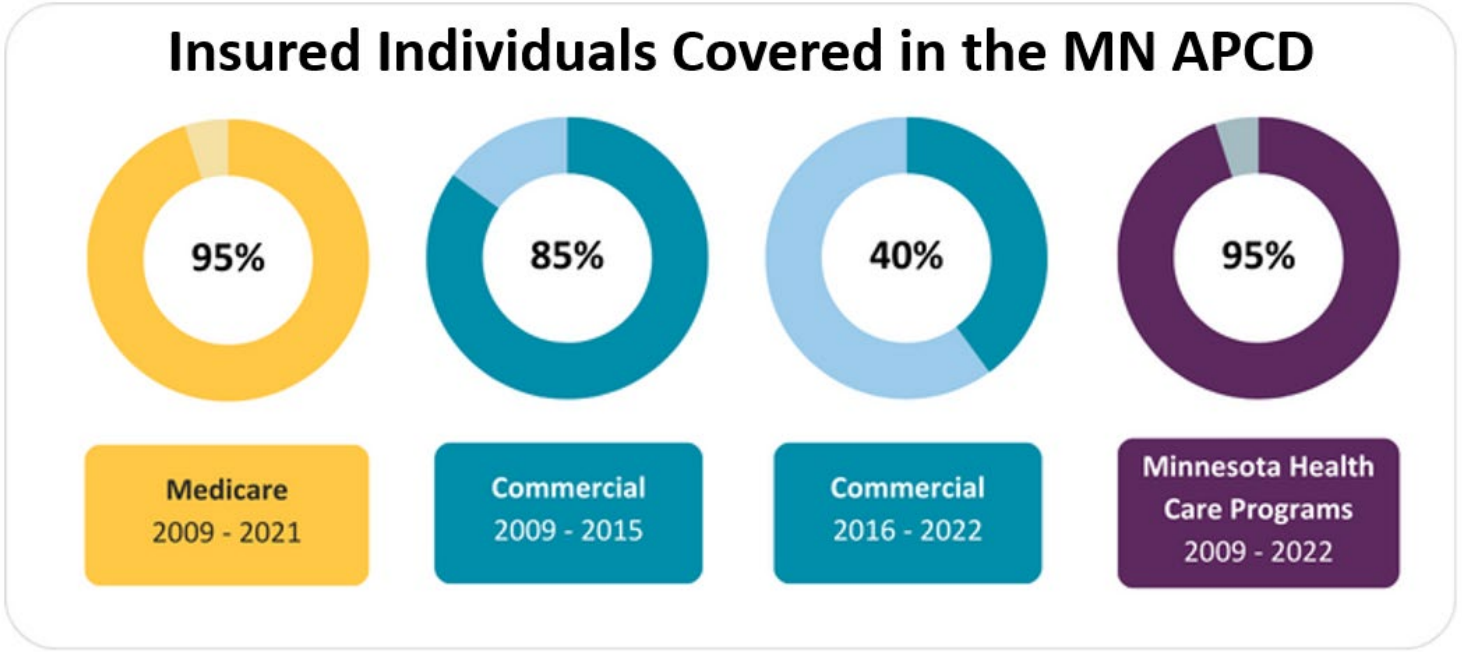
All Payer Claims Database

Voluntary Data Sharing with the Minnesota All Payer Claims Database

A Collaborative Effort with Self-Insured Employers and Third-Party Administrators

Snapshot of the MN APCD

Data for healthcare services from **2009 – present**, representing more than **100 data submitters**, and averaging **190 million medical** claims and **57 million prescription drug** claims each year.



Voluntary Data Sharing

- Bipartisan Minnesota legislation passed in 2023 requires TPAs to notify self-insured employers that they can choose to have the TPA voluntarily submit healthcare data on their behalf to the MN ACPD.
- MDH provides annual updates to TPAs to help them explain this process to employers.
- By opting in, self-insured employers help provide a more complete and more accurate picture of healthcare spending across the state.
- Questions? Email the MN APCD Team at Health.APCD@state.mn.us.

DEPARTMENT OF HEALTH

A New Tool to Help Minnesota's Employers Control Their Health Care Costs

Health care costs are one of the biggest pressures facing Minnesota businesses. The Minnesota All Payer Claims Database (MN APCD) gives employers the data they need to help keep their health care costs in check.

Getting to better value with data

Self-insured employers often feel in the dark about their health care spending. They pay the bills without knowing whether they are getting a good deal—or being overcharged.

While employers can request their health care claims data, accessing and analyzing that data can be cumbersome and costly.

With the MN APCD, employers can easily and securely see where their health care dollars go. They also can receive custom reports with actionable insights that can help them manage their spending.

Participating in the MN APCD is easy

- Employers notify their Third-Party Administrators (TPAs) that they want to "opt-in" to the MN APCD.
- TPAs submit de-identified claims data to the MN APCD each month on behalf of the employer.
- MN APCD holds the data secure and confidential, and prepares dashboards and reports for each employer.

MN APCD
All Payer Claims Database

Key Participants in Voluntary Data Efforts

MDH

- Operates the MN APCD
- Developed a simple MN APCD opt-in process
- Streamlines data collection efforts
- Analyzes the data and produces regular public reports to inform the legislature and public on utilization of healthcare services and prescription drugs provided across Minnesota, their costs, and impacts on health outcomes

TPAs

- Fiduciary responsibility to employers, under ERISA to manage health plan services, including plan design and claims processing
- Supports clients so they have more resources to dedicate to their mission
- Notifies clients of the benefits and opportunity to submit data
- Completes annual registration and submits employer data to the MN APCD to provide insights into insurance coverage across Minnesota

Self-Insured Employers

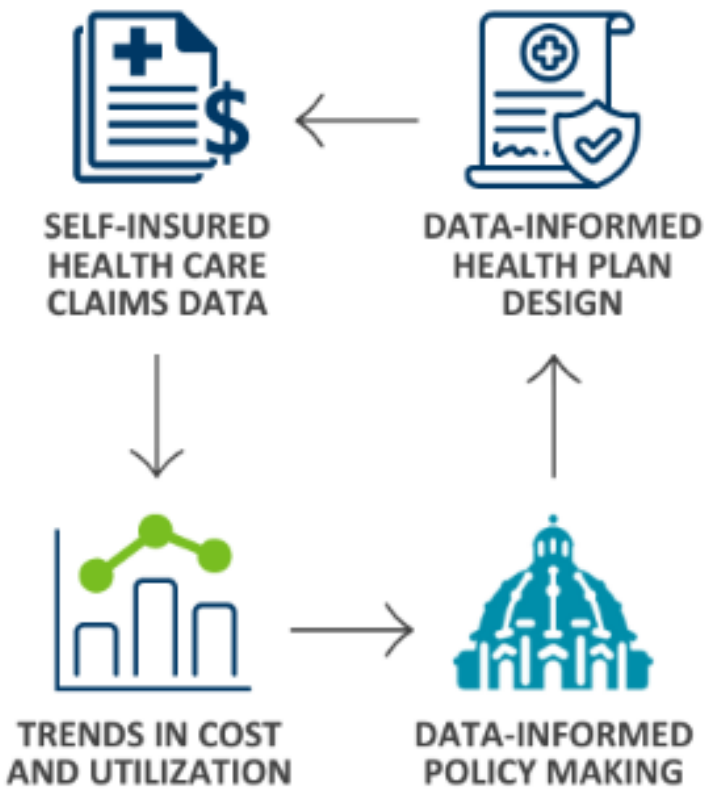
Solely decide to opt-in to submit data to the MN APCD

Use data to evaluate their healthcare plan and negotiate health plan contracts to reduce costs for care

Advocate for healthcare transparency and cost reduction efforts in Minnesota

Opt-In Process

1. Annual Notification from TPA to Self-Insured Employer.
2. Self-Insured Employers notify their TPA that they want to "opt-in" to the MN APCD.
3. MDH confirms TPA registration with the MN APCD.
4. TPA submits data monthly on behalf of the self-insured employer to the MN APCD.
5. MN APCD holds the data secure and confidential, prepares dashboards, and engages with employers on data needs and custom reports.



Benefits of Data Submission

Through reaching out to MDH, self-insured employers can learn more about how MN APCD data can support employer goals in managing healthcare costs.

Understand Price Variation

Price transparency can help employers learn more about market variations and differences between providers, compare to other commercial payers to set benchmarks, and potentially negotiate better contracts.

Track Cost Drivers

Employers can document and inform their employees about appropriate utilization of emergency departments, inpatient hospitalization usage, and consider generic prescription drug scripts.

Estimate Future Spending

By understanding the current prevalence and costs of healthcare conditions, employers can set premiums that reflect actual costs and explore additional questions about future spending.

How to Get Started

- Visit our Employer Resources page on the MN APCD Website.
- Tell your TPA you want to opt-in to data sharing.
- Contact MDH for more information: health.apcd@state.mn.us.

Resources

MN APCD Website	www.health.state.mn.us/data/apcd/index.html
Employer Benchmarking Dashboard	www.health.state.mn.us/data/apcd/selffunded/index.html
MN APCD Public Use Files	www.health.state.mn.us/data/apcd/publicusefiles/index.html
MDH Health Economics Program	www.health.state.mn.us/data/economics/index.html
Contact us at:	Health.APCD@state.mn.us and Health.Hep@state.mn.us

Questions?

Check out our website to learn more and stay informed about upcoming webinars!

https://www.health.state.mn.us/data/apcd/index.html