



Protecting, maintaining and improving the health of all Minnesotans

Application Guidance for Health Provider Cooperatives Minnesota Statutes, Section 62R.09

Minnesota Statutes §62R.09, which became effective August 1, 2009, requires the Minnesota Department of Health to review and authorize contracts and business or other financial arrangements of health provider cooperatives under Minnesota Statutes §62R.06, subdivision 1. Under the law, all contracts and business or financial arrangements, modifications, renewals, or extensions must be submitted on an application for approval to the Commissioner of Health.

The law requires provider health cooperatives to submit an application for approval of the proposed arrangement. Within 30 days after receiving an application, the commissioner may request additional information that is necessary to complete the review. This 30-day “clock” starts after the commissioner has received a complete application (as described below) and the appropriate application fee as specified in Minnesota Statutes §62R.09. If the commissioner does not request additional information, the application must be approved or denied within 60 days of receipt; if additional information is requested, the application must be approved or denied within 60 days after receiving the additional information.

An application under this section must include the following:

1. A complete copy of the contract, including all attachments or previous amendments. If the application is for modification, renewal, or extension of an existing contract, provide a complete copy of the original contract and all attachments and previous modifications to the agreement.
 - a. For a new contract, provide a copy of the contract that was previously in effect, if applicable.
 - b. If not addressed in the contract, please provide information on whether the contract requires the third-party payer to contract with all providers that are members of the cooperative and accept all services offered by members.
2. The identities of all parties to the arrangement, including contact information.
3. A list of all health plans or other third-party payers with which the cooperative has contracting arrangements.
 - a. Include for each member of the cooperative the approximate percentage of revenue received through contracting arrangements executed through the cooperative.

4. A list of all members of the cooperative, including contact information, the date the provider joined the cooperative, the scope of services provided by each member of the cooperative, and the geographic area (primary zip codes) served by each member of the cooperative.
 - a. Please provide a copy of the written agreements between the cooperative and its members that allow the cooperative to act on behalf of the members.
 - b. For scope of services, please indicate whether each member of the cooperative provides the following services: primary care, specialty ambulatory care services, inpatient hospital services, outpatient hospital services, outpatient surgery, imaging services, and laboratory services.
5. The most recent financial statements of the cooperative. If audited financial statements exist, provide these audited statements.
6. A complete copy of the participation rules for the cooperative, including the terms and conditions under which participating providers may be members of the cooperative.
 - a. Document any restrictions on members of the cooperative entering into other contracts with third-party payers.
 - b. Include a list of any separate contracting arrangements that members of the cooperative have with third-party payers.
 - c. Document any circumstances under which cooperative members must refer patients to other members of the cooperative instead of to non-participating providers.
7. A description of the services that the cooperative provides to its members and credentialed non-members.
8. A list of competing providers that are not members of the cooperative and that serve patients from the same geographic areas served by the cooperative's members.
9. A description of the impact of the cooperative on the prices received by its members for services, and a description of the cooperative's impact on overall health care costs.
10. A description of the impact of the cooperative on access to health care services, access to health insurance, and the affordability of health insurance to employers and consumers.
11. A description of the cooperative's effect on health care quality.
12. A description of the cooperative's impact on the adoption and effective use of health information technology by its members.
13. A description of the increased efficiency, improved health care access, improved health care quality, or increased market competition that will result from the proposed arrangement.

14. A description of the ways in which cooperative members collaborate to improve health care quality, efficiency, and access.
 - a. Document whether any cooperative members share accountability for quality or cost.
 - b. Document any financial risk sharing mechanisms that are in place between cooperative members.
15. An attestation by the applicant that the information included in the application is complete and accurate, to the best of the applicant's knowledge.

Data on health care providers collected under Minnesota Statutes §62R.09 are private data on individuals or nonpublic data, as defined in §13.02.

Because of the need to ensure proper protection of this data, applications must be delivered by courier service or in person to:

Stefan Gildemeister
Assistant Director, Health Economics Program
Minnesota Department of Health
85 E. 7th Place, Suite 220
Saint Paul, MN 55164

Applications may be delivered between 8 a.m. and 4:30 p.m., Monday through Friday.

For questions about this process or about the contents of an application, please contact April Todd-Malmlov at (651) 201-3561 or Stefan Gildemeister at (651) 201-3554.