

2730.0500 DETERMINATION OF UNREASONABLE EXPENSES.

Not less frequently than once every three years, the commissioner of health or the commissioner of commerce shall determine whether any expense a health maintenance organization incurs or pays is unreasonably high in relation to the value of any service or good provided to it. In making such determinations, to the extent possible, due consideration shall be given to:

A. the expense incurred or paid by other health maintenance organizations and other health care delivery systems for the same or similar service or goods;

B. the cost of such service or goods to the supplier thereof;

C. the impact of such expense upon the finance solvency of the health maintenance organization;

D. all pertinent cost/service data obtained or obtainable by the commissioner of health from the health maintenance organization pursuant to Minnesota Statutes, sections 62D.03, 62D.04, 62D.08, 62D.10, and 62D.14;

E. guidelines developed and published pursuant to Minnesota Statutes, section 145.61, subdivision 5, clause (e);

F. pertinent data available from any rating organization approved by the commissioner of commerce;

G. such other information and information collection techniques as the commissioner of health may employ that show the real cost or fair market value of such service or goods; and

H. whether the officers and trustees of the health maintenance organization have acted with good faith and in the best interests of the health maintenance organization in entering into, and performing under, a contract under which the health maintenance organization has incurred an expense.

Statutory Authority: *MS s 62D.10; 62D.19*

History: *9 SR 1187*

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