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## IMPLEMENTATION AND COMPLIANCE UPDATE #4

Continued Through July 31, 2025:

# Limited Exception for Payers Not Subject to HIPAA from Minnesota's Requirements for Only the Standard, Electronic Exchange of Eligibility Transactions (270-271)

## Intended Audience and Purpose

This update provides guidance regarding implementation and enforcement of [Minnesota Statutes, chapter 62J, section 536](http://www.revisor.mn.gov/statutes/cite/62J.536) ([www.revisor.mn.gov/statutes/cite/62J.536](http://www.revisor.mn.gov/statutes/cite/62J.536)) and is intended for health care group purchasers and providers, as well as clearinghouses, billing services, other vendors, and any interested parties. The law and related rules require health care providers, clearinghouses, and group purchasers (payers) exchange specified health care administrative transactions electronically, using a standard data content and format adopted in rule.

## Targeted, Limited Exceptions

Minnesota Statutes, chapter 62J, section 536 authorizes the Commissioner of Health to exempt group purchasers not subject to federal HIPAA transactions regulations (United States Code, title 42, sections 1320d to 1320d-8) from one or more of the Minnesota Statutes, chapter 62J, section 536 data exchange regulations if the Commissioner determines that:

- A transaction is incapable of exchanging data that are currently being exchanged on paper and is necessary to accomplish the purpose of the transaction; or
- Another national electronic transaction standard would be more appropriate and effective to accomplish the purpose of the transaction.

## Reviews and Determinations

Minnesota Department of Health (MDH) consults annually with the Minnesota Administrative Uniformity Committee (AUC) to determine whether to grant the exemptions described above. Based on these consultations, MDH previously granted a series of annually renewable limited exceptions to non-HIPAA covered payers from the state's data exchange requirements for only the ANSI ASC X12N/005010X279A1 Health Care Eligibility Benefit Inquiry and Response (270-271) transaction for the years 2009-2019.

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**Note:** As a result of the competing demands of the COVID-19 pandemic response, the annual cycle of exception reviews and renewals described above was suspended from 2020-2023.

During that time, the previously approved exception from 2019 continued to remain in force unchanged. The annual exception review process was restarted in 2023 and the exception was renewed for the period June 2023 through June 2024.

### Current Limited Exemption Continued Through July 31, 2025

MDH consulted with the AUC in May-June 2024 regarding the continued need for the very narrow exemption described above. It was determined through the review process the limited exception to Minnesota's health care administrative data exchange rules will continue through July 31, 2025.

The continued exception applies only to exchanges of the ASC X12N/005010X279A1 Health Care Eligibility Benefit Inquiry and Response (270-271) with health care group purchasers not subject to federal HIPAA transactions regulations. Examples of such payers include workers' compensation, property & casualty, and auto insurers. All other requirements of Minnesota Statutes, chapter 62J, section 536 remain in force.

The next annual review of this exception to rules adopted pursuant to Minnesota Statutes, chapter 62J, section 536 is scheduled for May-June 2025.

### Additional Resources and Information

- [Health Care Administrative Simplification \(www.health.state.mn.us/facilities/ehealth/asa\)](http://www.health.state.mn.us/facilities/ehealth/asa)
- [Minnesota Administrative Uniformity Committee \(www.health.state.mn.us/facilities/ehealth/auc\)](http://www.health.state.mn.us/facilities/ehealth/auc)
- [CMS Administrative Simplification \(www.cms.gov/priorities/key-initiatives/burden-reduction/administrative-simplification\)](http://www.cms.gov/priorities/key-initiatives/burden-reduction/administrative-simplification)

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