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State of Minnesota

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HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH SESSION

HOUSE FILE NO. 3210

March 1, 2010
Authored by Davids and Zellers
The bill was read for the first time and referred to the Committee on Commerce and Labor
March 17, 2010
Committee Recommendation and Adoption of Report:
To Pass as Amended
Read Second Time

A bill for an act

relating to insurance; modifying provisions related to the Minnesota Comprehensive Health Association; amending Minnesota Statutes 2008, sections 62E.11, subdivision 11; 62E.12.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2008, section 62E.11, subdivision 11, is amended to read:

Subd. 11. **Rate increase or benefit change.** The association must ~~hold a public meeting to hear public comment~~ provide notice and solicit public comment at least two weeks before filing a rate increase or benefit change with the commissioner. This requirement may be satisfied by written notice, public meeting, or electronic means. If the association holds a public meeting, notice of the public meeting to hear public comment must be mailed at least two weeks before the meeting to all plan enrollees.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2008, section 62E.12, is amended to read:

62E.12 MINIMUM BENEFITS OF COMPREHENSIVE HEALTH INSURANCE PLAN.

(a) The association through its comprehensive health insurance plan shall offer policies which provide the benefits of a number one qualified plan and a number two qualified plan, except that the maximum lifetime benefit on these plans shall be $5,000,000; and an extended basic Medicare supplement plan and a basic Medicare supplement plan as described in sections 62A.3099 to 62A.44. The association may also offer a plan that is identical to a number one and number two qualified plan except that it has a $2,000 annual deductible and a $5,000,000 maximum lifetime benefit. The association, subject to

the approval of the commissioner, may also offer plans that are identical to the number one or number two qualified plan, except that they have annual deductibles of $5,000 and $10,000, respectively; have limitations on total annual out-of-pocket expenses equal to those annual deductibles and therefore cover 100 percent of the allowable cost of covered services in excess of those annual deductibles; and have a $5,000,000 maximum lifetime benefit. The association, subject to approval of the commissioner, may also offer plans that meet all other requirements of state law except those that are inconsistent with high deductible health plans as defined in sections 220 and 223 of the Internal Revenue Code and supporting regulations. As of January 1, 2006, the association shall no longer be required to offer an extended basic Medicare supplement plan.

(b) The requirement that a policy issued by the association must be a qualified plan is satisfied if the association contracts with a preferred provider network and the level of benefits for services provided within the network satisfies the requirements of a qualified plan. If the association uses a preferred provider network, payments to nonparticipating providers must meet the minimum requirements of section 72A.20, subdivision 15.

(c) The association shall offer health maintenance organization contracts in those areas of the state where a health maintenance organization has agreed to make the coverage available and has been selected as a writing carrier.

(d) Notwithstanding the provisions of section 62E.06 and unless those charges are billed by a provider that is part of the association's preferred provider network, the state plan shall exclude coverage of services of a private duty nurse other than on an inpatient basis and any charges for treatment in a hospital or other inpatient facility located outside of the state of Minnesota in which the covered person is receiving treatment for a mental or nervous disorder, unless similar treatment for the mental or nervous disorder is medically necessary, unavailable in Minnesota and provided upon referral by a licensed Minnesota medical practitioner.

EFFECTIVE DATE. This section is effective August 1, 2010.