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State of Minnesota
HOUSE OF REPRESENTATIVES
NINETIETH SESSION

H. F. No. **4481**

05/07/2018 Authored by Hoppe
The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

1.1 A bill for an act
1.2 relating to insurance; auto; changing requirements relating to the assignment of
1.3 benefits and arbitration; amending Minnesota Statutes 2016, sections 65B.525, by
1.4 adding a subdivision; 65B.54, subdivision 1.

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

1.6 Section 1. Minnesota Statutes 2016, section 65B.525, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 3. Commencement of arbitration. Arbitration may be commenced by either the
1.9 insured or the insured's assignee.

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

1.11 Sec. 2. Minnesota Statutes 2016, section 65B.54, subdivision 1, is amended to read:

1.12 Subdivision 1. **Payment of basic economic loss benefits.** Basic economic loss benefits
1.13 are payable monthly as loss accrues. Loss accrues not when injury occurs, but as income
1.14 loss, replacement services loss, survivor's economic loss, survivor's replacement services
1.15 loss, or medical or funeral expense is incurred. Notwithstanding the foregoing, for the
1.16 purpose of ensuring the validity of an insured's assignment of benefits, loss occurs at the
1.17 time of the accident causing the injury. Benefits are overdue if not paid within 30 days after
1.18 the reparation obligor receives reasonable proof of the fact and amount of loss realized,
1.19 unless the reparation obligor elects to accumulate claims for periods not exceeding 31 days
1.20 and pays them within 15 days after the period of accumulation. If reasonable proof is supplied
1.21 as to only part of a claim, and the part totals \$100 or more, the part is overdue if not paid
1.22 within the time provided by this section. Medical or funeral expense benefits may be paid

2.1 by the reparation obligor directly to persons supplying products, services, or accommodations
2.2 to the claimant. Claims by a health provider defined in section 62J.03, subdivision 8, for
2.3 medical expense benefits covered by this chapter shall be submitted to the reparation obligor
2.4 pursuant to the uniform electronic transaction standards required by section 62J.536 and
2.5 the rules promulgated under that section. Payment of benefits for such claims for medical
2.6 expense benefits are not due if the claim is not received by the reparation obligor pursuant
2.7 to those electronic transaction standards and rules. Notwithstanding any such submission,
2.8 a reparation obligor may require additional reasonable proof regarding the fact and the
2.9 amount of loss realized regarding such a claim. A health care provider cannot directly bill
2.10 an insured for the amount of any such claim not remitted pursuant to the transaction standards
2.11 required by section 62J.536 if the reparation obligor is acting in compliance with these
2.12 standards in receiving or paying such a claim.

2.13 **EFFECTIVE DATE.** This section is effective retroactively and applies to assignments
2.14 executed on or after January 1, 2010.