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CHAPTER 101—S.F.No.21  
[Coded]

*An act relating to insurance; group hospital and medical coverage; continuation of group coverage upon termination of employment.*

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

Section 1. **[62A.16] INSURANCE; GROUP HOSPITAL AND MEDICAL COVERAGE; TERMINATION OF EMPLOYMENT.** The provisions of this act shall apply to all group insurance policies or group subscriber contracts providing coverage for hospital and medical expense which are issued or renewed in this state after the effective date of this act. The act shall also apply to health care plans established by employers in this state through health maintenance organizations regulated under any health care maintenance organization enabling act enacted in 1973 or thereafter.

Sec. 2. **[62A.17] TERMINATION OF EMPLOYMENT.** Subdivision 1. **CONTINUATION OF COVERAGE.** Every group insurance policy, group subscriber contract and health care plan included within the provisions of section 1, except policies, contracts or health care ~~Changes~~ or additions indicated by underline deletions by ~~strikeout~~

plans covering employees of an agency of the federal government, shall contain a provision which permits every eligible employee whose employment is terminated, if the policy, contract or health care plan remains in force for active employees of the employer, to elect to continue the coverage for himself and his dependents.

**Subd. 2. RESPONSIBILITY OF EMPLOYEE.** Every eligible employee electing to continue coverage shall pay his former employer, on a monthly basis, the cost of the continued coverage. The employee shall be eligible to continue the coverage until he becomes re-employed by the same or another employer, or for a period of six months after the termination of employment, whichever is shorter.

**Subd. 3. ELIGIBILITY FOR CONTINUED COVERAGE.** An employee shall be eligible to make the election for himself and his dependents provided for in subdivision 1 if:

(a) In the period preceding the termination of his employment, he and his dependents were covered through his employment by a group insurance policy, subscriber's contract or health care plan included within the provisions of section 1;

(b) The termination of employment was for reasons other than the discontinuance of the business, bankruptcy, the employee's disability or retirement.

**Subd. 4. RESPONSIBILITY OF EMPLOYER.** After timely receipt of the monthly payment from an eligible employee, if the employer fails to make the payment to the insurer, the nonprofit health service plan corporation or the health maintenance organization, with the result that the employee's coverage is terminated, the employer shall become liable for the employee's coverage to the same extent as the insurer, the nonprofit health service plan corporation or the health maintenance organization, would be if the coverage were still in effect.

**Subd. 5. NOTICE OF OPTIONS.** Upon the termination of employment of an eligible employee, the employer shall inform the employee within five days of such termination of:

(a) his right to elect to continue the coverage;

(b) the amount he must pay monthly to the employer to retain the coverage;

(c) the manner in which and the office of the employer to which the payment to the employer must be made; and

(d) the time by which the payments to the employer must be made to retain coverage.

Such notice may be in writing and sent by first class mail to the em-

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ployee's home address as shown on the records of the employer. If the employer fails to so notify the employee, the employee is conclusively presumed to elect to retain coverage and is relieved of his obligation to make monthly payments to the employer.

Approved March 8, 1974.

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**CHAPTER 102—S.F.No.2537**

*An act relating to highways; adding an additional highway route to the highway routes designated as the Blue Star memorial highway; amending Minnesota Statutes 1971, Section 161.14, Subdivision 13.*

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

Section 1. Minnesota Statutes 1971, Section 161.14, Subdivision 13, is amended to read:

Subd. 13. **HIGHWAYS; BLUE STAR MEMORIAL HIGHWAY.** Trunk Highway Routes Numbered 390, 392, 394, and 395, as described in Minnesota Statutes, Section 161.12, are hereby named and designated as the Blue Star Memorial Highway.

Subject to the approval of the commissioner of highways, the Blue Star Memorial marker may be placed in roadside rest areas, waysides, or parking areas within the right-of-way of the routes described in the first paragraph of this subdivision.

Approved March 8, 1974.

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**CHAPTER 103—S.F.No.2952**  
[Not Coded]

*An act relating to motor vehicles; authorizing passenger automobiles furnished by a dealer or manufacturer without charge to delegates and guests of the 1974 Midwest Governors' Conference to operate such passenger automobile on the streets and highways between certain dates without payment of the motor vehicle registration tax.*

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

Section 1. **MIDWEST GOVERNORS' CONFERENCE; VEHICLE TAX EXEMPTIONS.** Notwithstanding the provisions of Minnesota Statutes, Chapter 168, or any other law, a manufacturer or dealer, furnishing without charge any passenger automobile for the delegates and

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