

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 1665

04/02/2013 Authored by Atkins

The bill was read for the first time and referred to the Committee on Commerce and Consumer Protection Finance and Policy

1.1 A bill for an act
1.2 relating to insurance; modifying pilot project requirements for the agricultural
1.3 cooperative health plan for farmers; amending Laws 2007, chapter 147, article
1.4 12, section 14, as amended.

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

1.6 Section 1. Laws 2007, chapter 147, article 12, section 14, as amended by Laws 2010,
1.7 chapter 344, section 4, is amended to read:

1.8 Sec. 14. **AGRICULTURAL COOPERATIVE HEALTH PLAN FOR**
1.9 **FARMERS.**

1.10 Subdivision 1. **Pilot project requirements.** Notwithstanding contrary provisions
1.11 of Minnesota Statutes, chapter 62H, the following apply to a joint self-insurance pilot
1.12 project administered by a trust, cooperative, or other entity sponsored by one or more
1.13 agricultural cooperatives organized under Minnesota Statutes, chapter 308A or 308B, or
1.14 under a federal charter for the purpose of offering health coverage to members of the
1.15 cooperatives and their families, provided the project satisfies the other requirements of
1.16 Minnesota Statutes, chapter 62H:

1.17 (1) Minnesota Statutes, section 62H.02, paragraph (b), does not apply;

1.18 (2) the notice period required under Minnesota Statutes, section 62H.02, paragraph
1.19 (e), is 90 days;

1.20 (3) a joint self-insurance plan may elect to treat the sale of a health plan to or for an
1.21 employer that has only one eligible employee who has not waived coverage as the sale of an
1.22 individual health plan as allowed under Minnesota Statutes, section 62L.02, subdivision 26;

1.23 (4) Minnesota Statutes, section 62H.11, does not apply and, notwithstanding
1.24 contrary provisions of Minnesota law, the agricultural cooperatives may undertake

activities directly and through agents, brokers, third-party administrators, and other entities to promote and market the health plan to members of the cooperatives prior to filing and approval of the joint self-insurance plan;

(5) the joint self-insurance plan is exempt from the requirement in Minnesota Statutes, section 62H.01, to have 1,000 covered enrollees at initial enrollment. The plan must attain enrollment of 1,000 covered lives within one year after initial enrollment;

(6) Minnesota Statutes, section 62H.02, does not apply;

(7) the provision of section 62H.05 specifying the number of trustees does not apply;

(8) the commissioner may not deny an application or impose restrictions or requirements on an application related to collectibility of premiums;

~~(4)~~ (9) Minnesota Statutes, section 297I.05, subdivision 12, paragraph (c), applies; and

~~(5)~~ (10) the trust must pay the assessment for the Minnesota Comprehensive Health Association as provided under Minnesota Statutes, section 62E.11.

Subd. 2. **Evaluation and renewal.** The pilot project authorized under this section is for a period of four years from the date of initial enrollment. The commissioner of commerce shall grant an extension of four additional years if the trust provides evidence that it remains in compliance with the requirements of this section and other applicable laws and rules. If the commissioner determines that the operation of the trust has not improved access, expanded health plan choices, or improved the affordability of health coverage for farm families, or that it has significantly damaged access, choice, or affordability for other consumers not enrolled in the trust, the commissioner shall provide at least 180 days' advance written notice to the trust and to the chairs of the senate and house finance and policy committees with jurisdiction over health and insurance of the commissioner's intention not to renew the pilot project at the expiration of a four-year period.

Subd. 3. **Use of surplus lines.** Plans created under this section may use surplus lines carriers to fulfill its obligations under chapter 62H.

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