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State of Minnesota

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HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 212

- 01/12/2017 Authored by Davids, Loonan and Rosenthal
- The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform
- 02/16/2017 Adoption of Report: Placed on the General Register
- Read for the Second Time
- 03/02/2017 Calendar for the Day
- Read for the Third Time
- Passed by the House and transmitted to the Senate
- 05/01/2017 Passed by the Senate and returned to the House
- 05/02/2017 Presented to Governor
- Governor Approval

1.1 A bill for an act

1.2 relating to insurance producers; regulating payment of commissions by issuers of

1.3 individual health plans; amending Minnesota Statutes 2016, sections 60K.31, by

1.4 adding a subdivision; 60K.48, subdivision 4.

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

1.6 Section 1. Minnesota Statutes 2016, section 60K.31, is amended by adding a subdivision

1.7 to read:

1.8 Subd. 4a. **Individual health plan.** "Individual health plan" means a health plan as defined

1.9 in section 62A.011, subdivision 4.

1.10 Sec. 2. Minnesota Statutes 2016, section 60K.48, subdivision 4, is amended to read:

1.11 Subd. 4. ~~Qualified~~ Individual health plans. (a) If a health carrier pays commissions

1.12 or service fees to licensed producers who are appointed by the health carrier for sale of a

1.13 ~~qualified~~ an individual health plan, then, within 30 days of receipt of the agent of record

1.14 agreement, the health carrier must accommodate a policyholder or applicant for coverage

1.15 by allowing a policyholder or applicant to select or change the agent of record, effective

1.16 upon the next premium cycle.

1.17 (b) The health carrier's standard commission and service fees must be paid to the

1.18 policyholder's agent of record or the agent's assignee if any premium rate for a ~~qualified~~ an

1.19 individual health plan has been approved by the commissioner with costs associated with

1.20 producer commissions included in the filed rate.

1.21 (c) A health carrier is prohibited from offering, renewing, or failing to renew ~~qualified~~

1.22 individual health plans based solely on the commission-paying status of the health plan.

2.1 (d) Nothing in this subdivision requires a health carrier to pay any commission or service
2.2 fee with respect to the sale of a ~~qualified~~ an individual health plan, unless the rate for the
2.3 ~~qualified individual~~ health plan has been approved by the commissioner with costs associated
2.4 with producer commissions included in the filed rate.

2.5 Sec. 3. **EFFECTIVE DATE.**

2.6 Sections 1 and 2 are effective January 1, 2017.