

SENATE
STATE OF MINNESOTA
NINETIETH SESSION

S.F. No. 1106

(SENATE AUTHORS: UTKE and Sparks)

DATE	D-PG	OFFICIAL STATUS
02/16/2017	642	Introduction and first reading Referred to Commerce and Consumer Protection Finance and Policy
03/02/2017	935	Comm report: To pass
	980	Second reading
03/07/2017	1127	Rule 45; subst. General Orders HF212

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.