

SENATE  
STATE OF MINNESOTA  
NINETY-FIRST SESSION

S.F. No. 2524

(SENATE AUTHORS: ABELER, Franzen, Jensen, Klein and Anderson, P.)

DATE	D-PG	OFFICIAL STATUS
03/18/2019	1001	Introduction and first reading Referred to Health and Human Services Finance and Policy

1.1

A bill for an act

1.2

relating to health; establishing requirements for use of net earnings of nonprofit

1.3

health maintenance organizations; amending Minnesota Statutes 2018, section

1.4

62D.12, by adding a subdivision.

1.5

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

1.6

Section 1. Minnesota Statutes 2018, section 62D.12, is amended by adding a subdivision

1.7

to read:

1.8

Subd. 8a. **Net earnings.** All net earnings of a nonprofit health maintenance organization

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must be devoted to the nonprofit purposes of the health maintenance organization in providing

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comprehensive health care. A nonprofit health maintenance organization must not provide

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for the payment, whether directly or indirectly, of any part of its net earnings to any person

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for a purpose other than providing comprehensive health care, except that the health

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maintenance organization may make payments to providers or other persons based on the

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efficient provision of services or as incentives to provide quality care. The commissioner

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of health shall, pursuant to this chapter, revoke the certificate of authority of any nonprofit

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health maintenance organization in violation of this subdivision.

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