

and not for general transportation purposes. If the registrar is satisfied that the affidavit is true and correct and the owner pays a \$6 tax, the registrar shall list such vehicle for taxation and registration and shall issue number plates.

The number plates so issued shall bear the inscription "Pioneer", "Minnesota" and the registration number but no date. The number plates are valid without renewal as long as the vehicle is in existence and shall be issued for the applicant's use only for such vehicle. The registrar has the power to revoke said plates for failure to comply with this subdivision.

In the event of the defacement, loss or destruction of such number plates, the registrar, upon receiving and filing a sworn statement of the vehicle owner, setting forth the circumstances, together with any defaced plates and the payment of a \$1 fee, shall issue duplicate plates specially designed for that purpose. The registrar shall then note on his records the issue of such new number plates and shall proceed in such manner as he may deem advisable to cancel and call in the original plates.

Approved March 6, 1953.

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#### CHAPTER 89—S. F. No. 361

*An act relating to voluntary nonprofit medical service plan corporations; amending Minnesota Statutes 1949, Sections 159.02, 159.03, 159.06, 159.07, 159.08, 159.09, 159.10, 159.12, 159.18.*

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1949, Section 159.02, is amended to read as follows:

**159.02 Incorporation and organization.** Nonprofit medical service plan corporations hereinafter incorporated may be organized under and in accordance with the provisions of this chapter by not less than 21 persons, all of whom shall be legal residents of this state and duly licensed and registered doctors of medicine under the laws of this state.

Such nonprofit medical service plan corporation shall have the right to establish, maintain, and operate a voluntary nonprofit medical service plan, whereby the services of duly licensed and registered doctors of medicine and dentistry are provided in the manner hereinafter specified at the expense of such corporation to persons who become subscribers to said plan under contracts which entitle such subscribers to specified medical, surgical and dental care, appliances and supplies, by

such duly licensed and registered doctors of medicine *and dentistry*. Such medical, surgical *and dental* care, appliances and supplies may be provided in their entirety or in part as such corporation may determine and as set forth in such contracts. The term "subscribers" shall include all persons covered under such contracts.

All such nonprofit medical service plan corporations shall be subject to and governed by the provisions of this chapter, and shall not be subject to the laws of this state relating to insurance and insurance companies, except as hereinafter specifically provided.

No such medical service contract by or on behalf of any such nonprofit medical service plan corporation shall provide for the payment of any cash indemnification by the corporation to the subscriber or his estate on account of death, illness or other injury.

Sec. 2. Minnesota Statutes 1949, Section 159.03, is amended to read as follows:

159.03 Contents of articles. Articles of incorporation shall be signed and acknowledged by each of the incorporators and shall state the following:

(a) The name of the corporation, such name not to include the words "insurance", "casualty", "surety", "mutual", or any other words descriptive of the insurance, casualty or surety business.

The corporate name shall not be the same as, nor deceptively similar to the name of any other domestic corporation.

(b) Its purposes, which shall be in strict conformity with the provisions of this chapter, and which shall clearly set forth that all medical, surgical *and dental* care provided a subscriber under such contract, shall be rendered by a duly licensed and registered doctor of medicine *or dentistry*, as the case may be, of the subscriber's own choice.

(c) The name and post office address of each of the incorporators.

(d) The duration of the corporation, which may be limited or perpetual.

(e) The location and post office address of its principal office for the transaction of its affairs in this state.

(f) Such provisions as may be desired, if any, defining the terms and conditions of membership therein which the incorporators may have agreed upon and which they desire to

have set forth in such articles.

(g) The amount of stated capital with which the corporation will begin business, which shall not be less than \$25,000, all of which shall be paid in in cash before the corporation commences business.

Articles of incorporation may contain any other provisions, consistent with the laws of this state, for regulating the corporation's affairs, which said articles of incorporation and any by-laws adopted thereunder or any amendments thereto, as well as the contract to be sold to the subscribers, shall be submitted to the attorney general for examination and approval, so as to carry out the intent and purpose of this chapter.

Sec. 3. Minnesota Statutes 1949, Section 159.06, is amended to read as follows:

**159.06 Fund; contracts filed.** No such nonprofit medical service plan corporation shall enter into any contracts with any subscribers for medical, surgical or *dental* care, appliances and supplies, nor secure any applications therefor, unless there is actually available, in the corporation, for working capital, the sum of not less than \$25,000, and not less than three copies of each type of contract proposed to be issued by said corporation shall have first been filed with the commissioner of insurance; the sum contributed as the working capital of such corporation shall be repayable only out of surplus earnings of such corporation, after reserves for incurred claims, unearned subscribers' payments and a reasonable amount for contingencies have been provided and approved by the commissioner of insurance.

Sec. 4. Minnesota Statutes 1949, Section 159.07, is amended to read as follows:

**159.07 Contract, limitations.** Every subscriber under such nonprofit medical service plan shall receive a copy of the contract and such contract shall clearly state the medical, surgical and *dental* care, appliances and supplies to be provided under such contract and the rate charged such subscriber. Every subscriber shall have, at all times, free choice of the doctor of medicine or *dentistry* who is to treat him and such right shall be prominently printed in such contract. The personal and direct relationship between patient and physician or *dentist* shall not be restricted in any manner. No employee, agent, officer, or member of the board of directors of any such corporation shall directly or indirectly influence or attempt to influence any subscriber in the choosing and selecting of the doctor of medicine or *dentistry* who is to treat him. The names of the doctors of medicine or *dentistry* belonging to said

corporation or enrolled as members therein, shall not be printed or listed upon any contracts furnished to subscribers.

Sec. 5. Minnesota Statutes 1949, Section 159.08, is amended to read as follows:

**159.08 Contract between subscriber and physician.** No nonprofit medical service plan corporation shall enter into any contract, agreement or understanding, directly or indirectly, with any physician and surgeon *or dentist* whereby such physician and surgeon *or dentist* shall render any services to any subscriber, but all such matters shall be a matter of agreement directly between the patient and the doctor of medicine *or dentistry* selected by the patient to treat him.

Sec. 6. Minnesota Statutes 1949, Section 159.09, is amended to read as follows:

**159.09 Emergency service.** In case of emergency or expediency, and subject to the approval of the governing body of such nonprofit medical service plan corporation, the benefits to which a subscriber is entitled under his contract, may be rendered in another state or country, provided such services are rendered by a duly licensed doctor of medicine *or dentistry*, as the case may be, in such other state or country.

Sec. 7. Minnesota Statutes 1949, Section 159.10, is amended to read as follows:

**159.10 Classes of service.** Every nonprofit medical service plan corporation may, as determined by its board of directors, or as provided in its articles of incorporation or by-laws, limit the benefits that it will provide, and may divide such benefits as it determines to provide, into various classifications, including general and special medical, surgical *and dental* care benefits and such services and supplies as may be incidental to such medical, surgical *and dental* care.

Sec. 8. Minnesota Statutes 1949, Section 159.12, is amended to read as follows:

**159.12 Service, prevailing practice.** All medical, surgical *and dental* care rendered to a subscriber under his contract shall be in accordance with the accepted standards of medical *or dental* practice prevailing in the community in which such service is rendered.

All such medical, surgical *and dental* services shall be rendered by doctors of medicine *or dentistry*, respectively, duly licensed and registered to practice their profession in the state, except as otherwise provided in section 159.09.

Sec. 9. Minnesota Statutes 1949, Section 159.18, is amended to read as follows:

159.18 **Corporation not to practice.** Nothing in this chapter shall authorize any person, association, or corporation to engage, in any manner, directly or indirectly, in the practice of healing or the practice of medicine or *dentistry* as defined by law.

Approved March 6, 1953.

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CHAPTER 90—S. F. No. 438

[Not Coded]

*An act to legalize proceedings in certain cities preliminary to and in the issuance of street improvement and snow removal equipment bonds.*

Be it enacted by the Legislature of the State of Minnesota:

**Section 1. Validation.** When any city in this state has, prior to January 1, 1953, adopted a resolution for the issuance of bonds in an amount not to exceed \$70,000 for the betterment, repair and improvement of streets in such city and for acquisition of equipment for snow removal from city streets, and has submitted the question of issuing of such bonds as a single proposition to the voters of the city at an election called and held therein, and such proposition has been approved by at least two-thirds of said voters voting thereon, all such proceedings and all bonds so authorized are hereby legalized and validated, and any such city is hereby authorized to issue, sell and deliver such bonds pursuant to and in accordance with said proceedings heretofore taken; provided, that nothing herein shall be deemed to permit the issuance of bonds by any city in an amount which would cause its net indebtedness to exceed the limitations prescribed by law, and all bonds so issued shall be sold and provision shall be made for the security and payment thereof in the manner provided by Minnesota Statutes 1949, Sections 475.60 to 475.66.

**Sec. 2. Remedial.** It is expressly found and determined that this act is remedial in nature, being necessary to protect the financial credit of such cities and to provide for the necessary improvement and care of the streets of such cities, and this act shall be in full force and effect from and after its passage and approval.

**Sec. 3. Limitation.** This act shall not apply to or affect any action or appeal now pending in which the validity of any such proceedings or of any such bonds is called in question.

Approved March 6, 1953.