

CHAPTER 265—H. F. No. 847

An act relating to voluntary nonprofit medical service plan corporation; amending Minnesota Statutes 1961, Sections 159.02, 159.03, 159.07, 159.08, 159.09 and 159.12.

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

Section 1. Minnesota Statutes 1961, Section 159.02, is amended to read:

159.02 Nonprofit medical service plan corporations; 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 , *podiatry and duly licensed and registered doctors of osteopathy authorized to practice medicine in the state* 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 , *and podiatric* care, appliances and supplies, by such duly licensed and registered doctors of medicine , ~~and~~ dentistry , *podiatry and duly licensed and registered doctors of osteopathy authorized to practice medicine in the state.* Such medical, surgical , ~~and~~ dental , *and podiatric* 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 1961, Section 159.03 is amended to read:

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.

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 , and podiatric care provided a subscriber under such contract, shall be rendered by a duly licensed and registered doctor of medicine , or dentistry , podiatry , or duly licensed and registered doctors of osteopathy authorized to practice medicine in the state, 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 bylaws 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 1961, Section 159.08, is amended to read:

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.

159.08 Contract between subscriber and physician. No non-profit medical service plan corporation shall enter into any contract, agreement or understanding, directly or indirectly, with any physician and surgeon , ~~or~~ dentist , *podiatrist or duly licensed and registered doctors of osteopathy authorized to practice medicine in the state* whereby such physician and surgeon , ~~or~~ dentist , *podiatrist or duly licensed and registered doctors of osteopathy authorized to practice medicine in the state* 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 , *podiatry or such doctor of osteopathy duly licensed and registered and authorized to practice medicine in the state* selected by the patient to treat him.

Sec. 4. Minnesota Statutes 1961, Section 159.09, is amended to read:

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 , *podiatry, or osteopathy when such doctor of osteopathy is duly licensed and registered and authorized to practice medicine in the state* as the case may be, in such other state or country.

Sec. 5. Minnesota Statutes 1961, Section 159.12, is amended to read:

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

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

Approved April 26, 1965.

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.