- (b) Suspend or revoke, after notice and hearing, the certificate of authority to transact insurance or to execute surety bonds in this state of any member insurer which fails to pay an assessment when due or fails to comply with the plan of operation. As an alternative, the commissioner may levy a fine on any member insurer which fails to pay an assessment when due. The fine shall not exceed five percent of the unpaid assessment per month, except that no fine shall be less than \$100 per month.
- (c) Revoke the designation of any servicing facility if he finds claims are being handled unsatisfactorily.
- Sec. 8. Minnesota Statutes 1974, Section 60C.18, is amended to read:
- 60C.18 RECOGNITION OF ASSESSMENTS IN RATES. The rates and premiums charged for insurance policies and fidelity and surety bonds to which Laws 1971, Chapter 145-this chapter applies may include amounts sufficient to recoup a sum equal to the amounts paid to the association by the member insurer less any amounts returned to the member insurer by the association. The rates shall not be deemed excessive because they contain an amount reasonably calculated to recoup assessments paid by the member insurer.

Approved April 8, 1976.

CHAPTER 186-S.F.No.1872

An act relating to health; providing that persons eligible for medical assistance have free selection of a medical care vendor; amending Minnesota Statutes, 1975 Supplement, Sections 256D.03, Subdivision 3; 261.21, Subdivision 2; and 261.22, Subdivision 2.

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

Section 1. Minnesota Statutes, 1975 Supplement, Section 256D.03, Subdivision 3, is amended to read:

Subd. 3. PUBLIC HEALTH; MEDICAL ASSISTANCE; SELECTION OF VENDOR. State aid shall be paid to local agencies or counties for 90 percent of the cost of general relief medical care paid by the local agency or county pursuant to section 256D.02, subdivision 4 on behalf of persons eligible according to standards established by the commissioner of welfare in accordance with the rates established by rule of the commissioner. The local agency or county may select the Persons eligible for benefits under sections 256D.01 to 256D.19 shall have free choice in the selection of a vendor for the delivery of the medical care. Any local agency or county may, from its own resources,

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make payments for medical care for persons not otherwise eligible for the care pursuant to standards established by the commissioner.

The commissioner of public welfare shall promulgate rules and regulations to establish administrative and fiscal procedures for payment of the state share of the medical costs incurred by the counties under section 256D.02, subdivision 4. The rules and regulations may include:

- (a) procedures by which state liability for the costs of medical care incurred pursuant to section 256D.02, subdivision 4 may be deducted from county liability to the state under any other public assistance program authorized by law;
- (b) procedures for processing claims of counties for reimbursement by the state for expenditures for medical care made by the counties pursuant to section 256D.02, subdivision 4;
- (c) procedures by which the local agencies may contract with the commissioner of public welfare for state administration of general relief medical payments; and
 - (d) standards of eligibility and utilization of services.
- Sec. 2. Minnesota Statutes, 1975 Supplement, Section 261.21, Subdivision 2, is amended to read:
- Subd. 2. The county board may select the hospital at which the An indigent person shall eligible to receive care under this section shall have free choice in the selection of a hospital for the delivery of medical care.
- Sec. 3. Minnesota Statutes, 1975 Supplement, Section 261.22, Subdivision 2, is amended to read:
- Subd. 2. **DUTIES OF COUNTY BOARD.** If upon filing of such-the report and a full investigation of the application the county board shall be satisfied that the case is one which could be remedied by hospital treatment and, that such the afflicted person is financially unable to secure or provide the same for himself and that the persons legally charged with the support and maintenance of such-that person, if any there be, are financially unable to provide such hospitalization, the county board may grant or approve said-the application. If the county board is not so satisfied, it may take additional testimony or make such any further investigation as it shall deem-deems proper and it shall reject any application if it finds that the facts do not merit the expenditure of public money for the relief of such afflicted-the person. Upon the approving and granting such approval of the application and the relief therein prayed for , the chairman of such the county board shall arrange for the hospitalization of such afflicted-the person, in a hospital selected by the county-person to be hospitalized. If the

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county board shall find that the applicant or the person legally responsible for his support and maintenance is not able to pay in full but is able to pay in part for such the hospitalization at such the hospital, the county board may approve such-the application of such afflicted-the person on such-any terms of division of hospital charges and costs as it may deem equitable and just. The county board shall provide for taking such afflicted transportation of the person to the hospital. When a physician certifies that an emergency exists in any case and that he believes that the person suffering is unable to pay for hospitalization such, that person shall be admitted to any such hospital he selects upon the order of the chairman of the county board or upon the order of the county commissioner of the district in which such the alleged indigent person resides; and thereafter an investigation shall be made in the manner hereinbefore provided. When a physician certifies in a case of an injury (or an emergency) that immediate surgical or medical treatment is necessary, the patient shall forthwith be admitted to any such hospital he selects upon said certificate for a period not to exceed 72 hours; and thereafter an investigation shall be certified and made in the manner provided in sections 261.21 to 261.23.

Approved April 8, 1976.

CHAPTER 187—S.F.No.1932

[Coded]

An act relating to banking; providing for mailed notice of automatic renewal of time deposits and possible penalties or loss of interest or reduction of interest; amending Minnesota Statutes 1974, Chapter 47, by adding a section.

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

Section 1. Minnesota Statutes 1974, Chapter 47, is amended by adding a section to read:

[47.096] BANKING; TIME DEPOSITS, NOTICE OF AUTOMATIC RENEWAL. If a deposit for a term of one year or more, including a savings certificate and a certificate of deposit, is automatically renewable by its own terms if not redeemed at a specified redemption date, the financial corporation receiving the deposit shall give mailed written notice to the owner or holder of the deposit not less than 30 days prior to the redemption date. The written notice shall be sent to the last known address of the owner or holder as filed with the financial corporation, shall state the date of the automatic renewal and shall state any penalty diminution of interest or other consequences to the owner or holder arising out of the failure to redeem prior to automatic renewal.

Sec. 2. Section 1 is effective on July 1, 1976.

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