

Sec. 8. Minnesota Statutes 1978, Section 161.434, is amended to read:

**161.434 RIGHT OF WAYS OF INTERSTATE AND TRUNK HIGHWAYS; LIMITED LAND USE.** The commissioner may also make such arrangements and agreements as he deems necessary in the public interest for the limited use of land owned as interstate or trunk highway right of way, which use shall be for highway purposes, including aesthetic purposes, but not including the erection of permanent buildings, except buildings or structures erected for the purpose of providing information to travelers through commercial and public service advertising pursuant to franchise agreements as provided in sections 2 to 4. The commissioner shall secure the approval of the appropriate federal agency where such approval is required.

Sec. 9. **EFFECTIVE DATE.** This act is effective the day following its final enactment.

Approved April 7, 1980

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**CHAPTER 495—H.F.No. 1794**

*An act relating to county court district 8C; providing for residency of county court judges in the counties of Big Stone, Grant, Pope, Stevens, Traverse and Wilkin; providing for election of judges in those counties.*

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

Section 1. In order to make judicial services available to the widest geographic area in county court district 8C, consisting of the counties of Big Stone, Grant, Pope, Stevens, Traverse and Wilkin, no more than one county court judge may reside in any one county unless there is a resident judge in each county of that district. This section shall not apply during the first two years after a second judge resident of the county is appointed or elected.

Sec. 2. The voters in Grant County shall be entitled to vote in the election of any county court judge in county court district 8C occurring prior to the regular elections for county court judges in November 1982.

Sec. 3. This act is effective the day following final enactment.

Approved April 7, 1980

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**CHAPTER 496—H.F.No. 1800**

*An act relating to health care; regulating benefits made available under certain health care plans; requiring coverage for reconstructive surgery under certain condi-*

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*tions; exempting certain policies from requiring benefits for alcoholism, chemical dependency or drug addiction; amending Minnesota Statutes 1978, Section 62A.149, Subdivision 1; Chapter 62A, by adding a section; and Minnesota Statutes, 1979 Supplement, Section 62E.06, Subdivision 1.*

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

Section 1. Minnesota Statutes 1978, Chapter 62A, is amended by adding a section to read:

**[62A.046] RECONSTRUCTIVE SURGERY.** Subdivision 1. This section applies to all policies of accident and health insurance, health maintenance contracts regulated under chapter 62D, health benefit certificates offered through a fraternal beneficiary association regulated under chapter 64A, and group subscriber contracts offered by nonprofit health service plan corporations regulated under chapter 62C but does not apply to policies designed primarily to provide coverage payable on a per diem, fixed indemnity or nonexpense incurred basis, or policies that provide only accident coverage.

Subd. 2. Every policy, plan, certificate or contract to which this section applies shall provide benefits for reconstructive surgery when such service is incidental to or follows surgery resulting from injury, sickness or other diseases of the involved part or when such service is performed on a covered dependent child because of congenital disease or anomaly which has resulted in a functional defect as determined by the attending physician.

Sec. 2. Minnesota Statutes 1978, Section 62A.149, Subdivision 1, is amended to read:

**62A.149 BENEFITS FOR ALCOHOLICS AND DRUG DEPENDENTS.** Subdivision 1. The provisions of this section shall apply to all group policies of accident and health insurance and group subscriber contracts offered by nonprofit health service plan corporations regulated under chapter 62C, and to a plan or policy that is individually underwritten or provided for a specific individual and the members of his family as a nongroup policy unless the individual elects in writing to refuse benefits under this subdivision in exchange for an appropriate reduction in premiums or subscriber charges under the policy or plan, when the policies or subscriber contracts are issued or delivered in Minnesota or provide benefits to Minnesota residents enrolled thereunder.

This section does not apply to policies designed primarily to provide coverage payable on a per diem, fixed indemnity or nonexpense incurred basis or policies that provide accident only coverage.

Every insurance policy or subscriber contract included within the provisions of this subdivision, upon issuance or renewal, shall provide for payment of benefits for the treatment of alcoholism, chemical dependency or drug addiction to any Minnesota resident entitled to coverage thereunder on the same basis as coverage for other benefits when treatment is rendered in

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(1) a licensed hospital,

(2) a residential treatment program as licensed by the state of Minnesota pursuant to diagnosis or recommendation by a doctor of medicine,

(3) a non-residential treatment program approved or licensed by the state of Minnesota.

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 62E.06, is amended to read:

**62E.06 MINIMUM BENEFITS OF QUALIFIED PLAN.** Subdivision 1. **NUMBER THREE PLAN.** A plan of health coverage shall be certified as a number three qualified plan if it otherwise meets the requirements established by chapters 62A and 62C, and the other laws of this state, whether or not the policy is issued in Minnesota, and meets or exceeds the following minimum standards:

(a) The minimum benefits for a covered individual shall, subject to the other provisions of this subdivision, be equal to at least 80 percent of the cost of covered services in excess of an annual deductible which does not exceed \$150 per person. The coverage shall include a limitation of \$3,000 per person on total annual out-of-pocket expenses for services covered under this subdivision. The coverage shall be subject to a maximum lifetime benefit of not less than \$250,000.

The \$3,000 limitation on total annual out-of-pocket expenses and the \$250,000 maximum lifetime benefit shall not be subject to change or substitution by use of an actuarially equivalent benefit.

(b) Covered expenses shall be the usual and customary charges for the following services and articles when prescribed by a physician:

(1) Hospital services;

(2) Professional services for the diagnosis or treatment of injuries, illnesses, or conditions, other than outpatient mental or dental, which are rendered by a physician or at his direction;

(3) Drugs requiring a physician's prescription;

(4) Services of a nursing home for not more than 120 days in a year if the services would qualify as reimbursable services under medicare;

(5) Services of a home health agency if the services would qualify as reimbursable services under medicare;

(6) Use of radium or other radioactive materials;

(7) Oxygen;

(8) Anesthetics;

(9) Prostheses other than dental;

(10) Rental or purchase, as appropriate, of durable medical equipment other than eyeglasses and hearing aids;

(11) Diagnostic X-rays and laboratory tests;

(12) Oral surgery for partially or completely unerupted impacted teeth, a tooth root without the extraction of the entire tooth, or the gums and tissues of the mouth when not performed in connection with the extraction or repair of teeth;

(13) Services of a physical therapist; and

(14) Transportation provided by licensed ambulance service to the nearest facility qualified to treat the condition; or a reasonable mileage rate for transportation to a kidney dialysis center for treatment.

(c) Covered expenses for the services and articles specified in this subdivision do not include the following:

(1) Any charge for care for injury or disease either (i) arising out of an injury in the course of employment and subject to a workers' compensation or similar law, (ii) for which benefits are payable without regard to fault under coverage statutorily required to be contained in any motor vehicle, or other liability insurance policy or equivalent self-insurance, or (iii) for which benefits are payable under another policy of accident and health insurance, medicare or any other governmental program except as otherwise provided by law;

(2) Any charge for treatment for cosmetic purposes other than for reconstructive surgery for the repair of an injury or birth defect when such service is incidental to or follows surgery resulting from injury, sickness or other diseases of the involved part or when such service is performed on a covered dependent child because of congenital disease or anomaly which has resulted in a functional defect as determined by the attending physician;

(3) Care which is primarily for custodial or domiciliary purposes which would not qualify as eligible services under medicare;

(4) Any charge for confinement in a private room to the extent it is in excess of the institution's charge for its most common semi-private room, unless a private room is prescribed as medically necessary by a physician, provided, however, that if the institution does not have semi-private rooms, its most common semi-private room charge shall be considered to be 90 percent of its lowest private room charge;

(5) That part of any charge for services or articles rendered or prescribed by a physician, dentist, or other health care personnel which exceeds the prevailing charge in the locality where the service is provided; and

(6) Any charge for services or articles the provision of which is not within the scope of authorized practice of the institution or individual rendering the services or articles.

(d) The minimum benefits for a qualified plan shall include, in addition to those benefits specified in clauses (a) and (e), benefits for the following services subject to applicable deductibles, coinsurance provisions, and maximum lifetime benefit limitations:

(1) Well baby care, effective July 1, 1980;

(2) Physicians' services for routine check-ups and annual physicals when prescribed by a physician, effective July 1, 1982;

(3) Multiphasic screening and other diagnostic testing, effective July 1, 1982. The commissioner by rule shall prescribe reasonable limits on the reimbursement required for services listed in this clause.

(e) Effective July 1, 1979, the minimum benefits of a qualified plan shall include, in addition to those benefits specified in clause (a), a second opinion from a physician on all surgical procedures expected to cost a total of \$500 or more in physician, laboratory and hospital fees, provided that the coverage need not include the repetition of any diagnostic tests.

Approved April 7, 1980

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#### CHAPTER 497—H.F.No. 1814

*An act relating to agriculture; altering the definition of family farm corporation for the purpose of the Minnesota agricultural property tax law; clarifying certain requirements for authorized farm corporations; limiting liability of donors of distressed food; amending Minnesota Statutes 1978, Sections 273.111, Subdivision 3; and 500.24, Subdivision 2.*

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

Section 1. Minnesota Statutes 1978, Section 273.111, Subdivision 3, is amended to read:

Subd. 3. Real estate consisting of ten acres or more shall be entitled to valuation and tax deferral under this section only if it is actively and exclusively devoted to agricultural use as defined in subdivision 6 and either (1) is the homestead ~~or thereafter becomes the homestead of the owner, or of a surviving spouse, child, or sibling of the said owner~~ or is real estate which is farmed with the real estate which contains the homestead property, or (2) has been in possession of the applicant, his spouse, parent, or sibling, or any combination thereof, for a period of at least seven years prior to application for benefits under the provisions of Laws 1969, Chapter 1039, or (3) is the homestead of a shareholder in a family farm corporation as defined in section 500.24, notwithstanding the fact that legal title to the real estate may be held in the name of the family farm corporation. ~~"Family farm corporation" for the purpose of this subdivision means a corporation founded for the purpose of farming and owning agricultural land, in which all~~

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