

on the land will be owned by the watershed district for the construction and operation of the impoundment structure.

Sec. 2. **EFFECTIVE DATE.**

This act is effective the day following final enactment.

Presented to the governor May 20, 1991

Signed by the governor May 23, 1991, 7:25 p.m.

---

**CHAPTER 165—H.F.No. 815**

*An act relating to insurance; the Minnesota comprehensive health insurance plan; regulating premium determinations, meetings, and experimental delivery and managed care delivery methods; authorizing preferred provider networks; classifying PPO agreement data; regulating access; amending Minnesota Statutes 1990, sections 13.71, by adding a subdivision; 62E.08, by adding a subdivision; 62E.10, subdivisions 4 and 9; 62E.12; 62E.13, by adding a subdivision; and 62E.14, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 62E.*

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

Section 1. Minnesota Statutes 1990, section 13.71, is amended by adding a subdivision to read:

Subd. 7. CLASSIFICATION OF PPO AGREEMENT DATA. Data described in section 62E.13, subdivision 11, are nonpublic data.

Sec. 2. Minnesota Statutes 1990, section 62E.08, is amended by adding a subdivision to read:

Subd. 3. DETERMINATION OF RATES. Premium rates under this section must be determined annually. These rates are effective July 1 of each year and must be based on a survey of approved rates of insurers in effect, or to be in effect, on April 1 of the same calendar year.

Sec. 3. Minnesota Statutes 1990, section 62E.10, subdivision 4, is amended to read:

Subd. 4. **OPEN MEETINGS.** All meetings of the association, its board, and any committees of the association shall comply with the provisions of section 471.705, except that during any portion of a meeting during which an enrollee's appeal of an action of the writing carrier is being heard, that portion of the meeting must be closed at the enrollee's request.

New language is indicated by underline, deletions by ~~strikeout~~.

Sec. 4. Minnesota Statutes 1990, section 62E.10, subdivision 9, is amended to read:

Subd. 9. **EXPERIMENTAL DELIVERY METHOD.** The association may petition the commissioner of commerce for a waiver to allow the experimental use of alternative means of health care delivery. The commissioner may approve the use of the alternative means the commissioner considers appropriate. The commissioner may waive any of the requirements of this chapter and chapters 60A, 62A, and 62D in granting the waiver. The commissioner may also grant to the association any additional powers as are necessary to facilitate the specific waiver, including the power to implement a provider payment schedule.

This subdivision is effective until August 1, ~~1994~~ 1992.

Sec. 5. **[62E.101] MANAGED CARE DELIVERY METHOD.**

The association may form a preferred provider network or contract with an existing provider network to deliver the services and benefits provided for in the plans of health coverage offered. If the association does not contract with an existing provider network, the association may adopt a provider payment schedule and negotiate provider payment rates subject to the approval of the commissioner.

Sec. 6. Minnesota Statutes 1990, section 62E.12, is amended to read:

**62E.12 MINIMUM BENEFITS OF COMPREHENSIVE HEALTH INSURANCE PLAN.**

The association through its comprehensive health insurance plan shall offer policies which provide the benefits of a number one qualified plan, a number two qualified plan and a ~~qualified basic and extended basic~~ qualified basic and extended basic medicare supplement ~~plan plans.~~ plans. The requirement that a policy issued by the association must be a qualified plan is satisfied if the association contracts with a preferred provider network and the level of benefits for services provided within the network satisfies the requirements of a qualified plan. If the association uses a preferred provider network, payments to nonparticipating providers must meet the minimum requirements of section 72A.20, subdivision 15. They shall offer health maintenance organization contracts in those areas of the state where a health maintenance organization has agreed to make the coverage available and has been selected as a writing carrier. Notwithstanding the provisions of section 62E.06 the state plan shall exclude coverage of services of a private duty nurse other than on an inpatient basis and any charges for treatment in a hospital located outside of the state of Minnesota in which the covered person is receiving treatment for a mental or nervous disorder, unless similar treatment for the mental or nervous disorder is medically necessary, unavailable in Minnesota and provided upon referral by a licensed Minnesota medical practitioner.

Sec. 7. Minnesota Statutes 1990, section 62E.13, is amended by adding a subdivision to read:

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 11. CLASSIFICATION OF PPO AGREEMENT DATA. If the writing carrier uses its own provider agreements for the association's preferred provider network in lieu of agreements exclusively between the association and the providers, then the terms and conditions of those agreements are nonpublic data as defined in section 13.02, subdivision 9.

Sec. 8. Minnesota Statutes 1990, section 62E.14, is amended by adding a subdivision to read:

Subd. 4c. WAIVER OF PREEXISTING CONDITIONS FOR PERSONS WHOSE COVERAGE IS TERMINATED OR WHO EXCEED THE MAXIMUM LIFETIME BENEFIT. A Minnesota resident may enroll in the comprehensive health plan with a waiver of the preexisting condition limitation described in subdivision 3 if that person applies for coverage within 90 days of termination of prior coverage and if the termination is for reasons other than fraud or nonpayment of premiums.

For purposes of this subdivision, termination of prior coverage includes exceeding the maximum lifetime benefit of existing coverage.

Coverage in the comprehensive health plan is effective on the date of termination of prior coverage. The availability of conversion rights does not affect a person's rights under this subdivision.

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

Sec. 9. EFFECTIVE DATE.

Sections 1 and 3 to 7 are effective the day following final enactment. Section 8 is effective retroactively to May 1, 1991.

Presented to the governor May 21, 1991

Signed by the governor May 24, 1991, 5:10 p.m.

---

#### CHAPTER 166—H.F.No. 1001

*An act relating to game and fish; authorizing radio communication between a handler and dog; amending Minnesota Statutes 1990, section 97B.085, by adding a subdivision.*

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

Section 1. Minnesota Statutes 1990, section 97B.085, is amended by adding a subdivision to read:

New language is indicated by underline, deletions by ~~strikeout~~.