

14.62, 148.10, 148.105, 214.10, and 214.11. The peer review committee shall file with the board a complaint against a health care provider if it determines that reasonable cause exists to believe the health care provider has violated any portion of this chapter or rules adopted under it, for which a licensed chiropractor may be disciplined. The peer review committee shall transmit all complaint information it possesses to the board. The data, information, and records are classified as private data on individuals for purposes of chapter 13. The patient records obtained by the board pursuant to this section must be used solely for the purposes of the board relating to peer review or the disciplinary process.

Sec. 7. REPEALER.

Minnesota Statutes 2000, section 148.106, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, and 9, are repealed.

Presented to the governor May 16, 2001

Signed by the governor May 18, 2001, 12:19 p.m.

CHAPTER 122—S.F.No. 1821

VETOED

CHAPTER 123—S.F.No. 2046

An act relating to workers' compensation; making technical changes; requiring interest earned on revenue collected by the special compensation fund to be deposited into the fund; extending a pilot program; providing for payment of various penalties to the commissioner of labor and industry; amending Minnesota Statutes 2000, sections 176.042, subdivision 2; 176.102, subdivisions 3a, 11, 14; 176.103, subdivision 3; 176.129, subdivisions 10, 13, by adding a subdivision; 176.1351, subdivision 5; 176.138; 176.1812, subdivision 6; 176.191, subdivision 1a; 176.192; 176.194, subdivision 4; 176.221, subdivisions 1, 3, 3a, 6; 176.231, subdivisions 2, 6, 10; 176.238, subdivision 10; repealing Minnesota Statutes 2000, section 176.445.

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

Section 1. Minnesota Statutes 2000, section 176.042, subdivision 2, is amended to read:

Subd. 2. **EXCEPTION.** An independent contractor, as described in subdivision 1, is not an employee of an employer for whom the independent contractor performs work or services if the independent contractor meets all of the following conditions:

(1) maintains a separate business with the independent contractor's own office, equipment, materials, and other facilities;

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(2) holds or has applied for a federal employer identification number or has filed business or self-employment income tax returns with the federal Internal Revenue Service based on that work or service in the previous year;

(3) operates under contracts to perform specific services or work for specific amounts of money and under which the independent contractor controls the means of performing the services or work;

(4) incurs the main expenses related to the service or work that the independent contractor performs under contract;

(5) is responsible for the satisfactory completion of work or services that the independent contractor contracts to perform and is liable for a failure to complete the work or service;

(6) receives compensation for work or service performed under a contract on a commission or per-job or competitive bid basis and not on any other basis;

(7) may realize a profit or suffer a loss under contracts to perform work or service;

(8) has continuing or recurring business liabilities or obligations; and

(9) the success or failure of the independent contractor's business depends on the relationship of business receipts to expenditures.

Sec. 2. Minnesota Statutes 2000, section 176.102, subdivision 3a, is amended to read:

Subd. 3a. **DISCIPLINARY ACTIONS.** The panel has authority to discipline qualified rehabilitation consultants and vendors and may impose a penalty of up to \$3,000 per violation, payable to the commissioner for deposit in the special compensation fund, and may suspend or revoke certification. Complaints against registered qualified rehabilitation consultants and vendors shall be made to the commissioner who shall investigate all complaints. If the investigation indicates a violation of this chapter or rules adopted under this chapter, the commissioner may initiate a contested case proceeding under the provisions of chapter 14. In these cases, the rehabilitation review panel shall make the final decision following receipt of the report of an administrative law judge. The decision of the panel is appealable to the workers' compensation court of appeals in the manner provided by section 176.421. The panel shall continuously study rehabilitation services and delivery, develop and recommend rehabilitation rules to the commissioner, and assist the commissioner in accomplishing public education.

The commissioner may appoint alternates for one-year terms to serve as a member when a member is unavailable. The number of alternates shall not exceed one labor member, one employer or insurer member, and one member representing medicine, chiropractic, or rehabilitation.

Sec. 3. Minnesota Statutes 2000, section 176.102, subdivision 11, is amended to read:

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Subd. 11. **RETRAINING; COMPENSATION.** (a) Retraining is limited to 156 weeks. An employee who has been approved for retraining may petition the commissioner or compensation judge for additional compensation not to exceed 25 percent of the compensation otherwise payable. If the commissioner or compensation judge determines that this additional compensation is warranted due to unusual or unique circumstances of the employee's retraining plan, the commissioner may award additional compensation in an amount not to exceed the employee's request. This additional compensation shall cease at any time the commissioner or compensation judge determines the special circumstances are no longer present.

(b) If the employee is not employed during a retraining plan that has been specifically approved under this section, temporary total compensation is payable for up to 90 days after the end of the retraining plan; except that, payment during the 90-day period is subject to cessation in accordance with section 176.101. If the employee is employed during the retraining plan but earning less than at the time of injury, temporary partial compensation is payable at the rate of 66-2/3 percent of the difference between the employee's weekly wage at the time of injury and the weekly wage the employee is able to earn in the employee's partially disabled condition, subject to the maximum rate for temporary total compensation. Temporary partial compensation is not subject to the 225-week or 450-week limitations provided by section 176.101, subdivision 2, during the retraining plan, but is subject to those limitations before and after the plan.

(c) Any request for retraining shall be filed with the commissioner before 156 weeks of any combination of temporary total or temporary partial compensation have been paid. Retraining shall not be available after 156 weeks of any combination of temporary total or temporary partial compensation benefits have been paid unless the request for the retraining has been filed with the commissioner prior to the time the 156 weeks of compensation have been paid.

(d) The employer or insurer must notify the employee in writing of the 156-week limitation for filing a request for retraining with the commissioner. This notice must be given before 80 weeks of temporary total disability or temporary partial disability compensation have been paid, regardless of the number of weeks that have elapsed since the date of injury. If the notice is not given before the 80 weeks, the period of time within which to file a request for retraining is extended by the number of days the notice is late, but in no event may a request be filed later than 225 weeks after any combination of temporary total disability or temporary partial disability compensation have been paid. The commissioner may assess a penalty of \$25 per day that the notice is late, up to a maximum penalty of \$2,000, against an employer or insurer for failure to provide the notice. The penalty is payable to the commissioner for deposit in the assigned risk safety account.

Sec. 4. Minnesota Statutes 2000, section 176.102, subdivision 14, is amended to read:

Subd. 14. **FEES.** The commissioner shall impose fees sufficient to cover the cost of approving and monitoring qualified rehabilitation consultants, consultant firms, and

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vendors of rehabilitation services. These fees are payable to the commissioner for deposit in the special compensation fund.

Sec. 5. Minnesota Statutes 2000, section 176.103, subdivision 3, is amended to read:

Subd. 3. **MEDICAL SERVICES REVIEW BOARD; SELECTION; POWERS.** (a) There is created a medical services review board composed of the commissioner or the commissioner's designee as an ex officio member, two persons representing chiropractic, one person representing hospital administrators, one physical therapist, one registered nurse, and six physicians representing different specialties which the commissioner determines are the most frequently utilized by injured employees. The board shall also have one person representing employees, one person representing employers or insurers, and one person representing the general public. The members shall be appointed by the commissioner and shall be governed by section 15.0575. Terms of the board's members may be renewed. The board may appoint from its members whatever subcommittees it deems appropriate.

The commissioner may appoint alternates for one-year terms to serve as a member when a member is unavailable. The number of alternates shall not exceed one chiropractor, one physical therapist, one registered nurse, one hospital administrator, three physicians, one employee representative, one employer or insurer representative, and one representative of the general public.

The board shall review clinical results for adequacy and recommend to the commissioner scales for disabilities and apportionment.

The board shall review and recommend to the commissioner rates for individual clinical procedures and aggregate costs. The board shall assist the commissioner in accomplishing public education.

In evaluating the clinical consequences of the services provided to an employee by a clinical health care provider, the board shall consider the following factors in the priority listed:

- (1) the clinical effectiveness of the treatment;
- (2) the clinical cost of the treatment; and
- (3) the length of time of treatment.

The board shall advise the commissioner on the adoption of rules regarding all aspects of medical care and services provided to injured employees.

(b) The medical services review board may upon petition from the commissioner and after hearing, issue a warning, a penalty of \$200 per violation, a restriction on providing treatment that requires preauthorization by the board, commissioner, or compensation judge for a plan of treatment, disqualify, or suspend a provider from receiving payment for services rendered under this chapter if a provider has violated any part of this chapter or rule adopted under this chapter, or where there has been a pattern of, or an egregious case of, inappropriate, unnecessary, or excessive treatment

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by a provider. The hearings are initiated by the commissioner under the contested case procedures of chapter 14. The board shall make the final decision following receipt of the recommendation of the administrative law judge. The board's decision is appealable to the workers' compensation court of appeals in the manner provided by section 176.421.

(c) The board may adopt rules of procedure. The rules may be joint rules with the rehabilitation review panel.

Sec. 6. Minnesota Statutes 2000, section 176.129, is amended by adding a subdivision to read:

Subd. 1a. INTEREST. Interest earned on revenue collected by the special compensation fund shall be deposited into the special compensation fund.

Sec. 7. Minnesota Statutes 2000, section 176.129, subdivision 10, is amended to read:

Subd. 10. **PENALTY.** Sums paid to the commissioner pursuant to this section shall be in the manner prescribed by the commissioner. The commissioner may impose a penalty payable to the commissioner for deposit in the assigned risk safety account of up to 15 percent of the amount due under this section but not less than \$1,000 in the event payment is not made in the manner prescribed.

Sec. 8. Minnesota Statutes 2000, section 176.129, subdivision 13, is amended to read:

Subd. 13. **EMPLOYER REPORTS.** All employers and insurers shall make reports to the commissioner as required for the proper administration of this section and Minnesota Statutes 1990, section 176.131, and Minnesota Statutes 1994, section 176.132. Employers and insurers may not be reimbursed from the special compensation fund for any periods for which the employer has not properly filed reports as required by this section and made all payments due unless the employer or insurer is up to date with all past due and currently due assessments, penalties, and reports to the special compensation fund under subdivision 3.

Sec. 9. Minnesota Statutes 2000, section 176.1351, subdivision 5, is amended to read:

Subd. 5. **REVOCATION, SUSPENSION, AND REFUSAL TO CERTIFY; PENALTIES AND ENFORCEMENT.** (a) The commissioner shall refuse to certify or shall revoke or suspend the certification of a managed care plan if the commissioner finds that the plan for providing medical or health care services fails to meet the requirements of this section, or service under the plan is not being provided in accordance with the terms of a certified plan.

(b) In lieu of or in addition to suspension or revocation under paragraph (a), the commissioner may, for any noncompliance with the managed care plan as certified or any violation of a statute or rule applicable to a managed care plan, assess an administrative penalty payable to the commissioner for deposit in the special compensation fund in an amount up to \$25,000 for each violation or incidence of

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noncompliance. The commissioner may adopt rules necessary to implement this subdivision. In determining the level of an administrative penalty, the commissioner shall consider the following factors:

(1) the number of workers affected or potentially affected by the violation or noncompliance;

(2) the effect or potential effect of the violation or noncompliance on workers' health, access to health services, or workers' compensation benefits;

(3) the effect or potential effect of the violation or noncompliance on workers' understanding of their rights and obligations under the workers' compensation law and rules;

(4) whether the violation or noncompliance is an isolated incident or part of a pattern of violations; and

(5) the potential or actual economic benefits derived by the managed care plan or a participating provider by virtue of the violation or noncompliance.

The commissioner shall give written notice to the managed care plan of the penalty assessment and the reasons for the penalty. The managed care plan has 30 days from the date the penalty notice is issued within which to file a written request for an administrative hearing and review of the commissioner's determination pursuant to section 176.85, subdivision 1.

(c) If the commissioner, for any reason, has cause to believe that a managed care plan has or may violate a statute or rule or a provision of the managed care plan as certified, the commissioner may, before commencing action under paragraph (a) or (b), call a conference with the managed care plan and other persons who may be involved in the suspected violation or noncompliance for the purpose of ascertaining the facts relating to the suspected violation or noncompliance and arriving at an adequate and effective means of correcting or preventing the violation or noncompliance. The commissioner may enter into stipulated consent agreements with the managed care plan for corrective or preventive action or the amount of the penalty to be paid. Proceedings under this paragraph shall not be governed by any formal procedural requirements, and may be conducted in a manner the commissioner deems appropriate under the circumstances.

(d) The commissioner may issue an order directing a managed care plan or a representative of a managed care plan to cease and desist from engaging in any act or practice that is not in compliance with the managed care plan as certified, or that it is in violation of an applicable statute or rule. Within 30 days of service of the order, the managed care plan may request review of the cease and desist order by an administrative law judge pursuant to chapter 14. The decision of the administrative law judge shall include findings of fact, conclusions of law and appropriate orders, which shall be the final decision of the commissioner. In the event of noncompliance with a cease and desist order, the commissioner may institute a proceeding in district court to obtain injunctive or other appropriate relief.

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(e) A managed care plan, participating health care provider, or an employer or insurer that receives services from the managed care plan, shall cooperate fully with an investigation by the commissioner. For purposes of this section, cooperation includes, but is not limited to, attending a conference called by the commissioner under paragraph (c), responding fully and promptly to any questions relating to the subject of the investigation, and providing copies of records, reports, logs, data, and other information requested by the commissioner to assist in the investigation.

(f) Any person acting on behalf of a managed care plan who knowingly submits false information in any report required to be filed by a managed care plan is guilty of a misdemeanor.

Sec. 10. Minnesota Statutes 2000, section 176.138, is amended to read:

176.138 MEDICAL DATA; ACCESS.

(a) Notwithstanding any other state laws related to the privacy of medical data or any private agreements to the contrary, the release in writing, by telephone discussion, or otherwise of medical data related to a current claim for compensation under this chapter to the employee, employer, or insurer who are parties to the claim, or to the department of labor and industry, shall not require prior approval of any party to the claim. This section does not preclude the release of medical data under section 175.10 or 176.231, subdivision 9. Requests for pertinent data shall be made, and the date of discussions with medical providers about medical data shall be confirmed, in writing to the person or organization that collected or currently possesses the data. Written medical data that exists at the time the request is made shall be provided by the collector or possessor within seven working days of receiving the request. Nonwritten medical data may be provided, but is not required to be provided, by the collector or possessor. In all cases of a request for the data or discussion with a medical provider about the data, except when it is the employee who is making the request, the employee shall be sent written notification of the request by the party requesting the data at the same time the request is made or a written confirmation of the discussion. This data shall be treated as private data by the party who requests or receives the data and the party receiving the data shall provide the employee or the employee's attorney with a copy of all data requested by the requester.

(b) Medical data which is not directly related to a current injury or disability shall not be released without prior authorization of the employee.

(c) The commissioner may impose a penalty of up to \$600 payable to the commissioner for deposit in the assigned risk safety account against a party who does not timely release data as required in this section. A party who does not treat this data as private pursuant to this section is guilty of a misdemeanor. This paragraph applies only to written medical data which exists at the time the request is made.

(d) Workers' compensation insurers and self-insured employers may, for the sole purpose of identifying duplicate billings submitted to more than one insurer, disclose to health insurers, including all insurers writing insurance described in section 60A.06, subdivision 1, clause (5)(a), nonprofit health service plan corporations subject to

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chapter 62C, health maintenance organizations subject to chapter 62D, and joint self-insurance employee health plans subject to chapter 62H, computerized information about dates, coded items, and charges for medical treatment of employees and other medical billing information submitted to them by an employee, employer, health care provider, or other insurer in connection with a current claim for compensation under this chapter, without prior approval of any party to the claim. The data may not be used by the health insurer for any other purpose whatsoever and must be destroyed after verification that there has been no duplicative billing. Any person who is the subject of the data which is used in a manner not allowed by this paragraph has a cause of action for actual damages and punitive damages for a minimum of \$5,000.

Sec. 11. Minnesota Statutes 2000, section 176.1812, subdivision 6, is amended to read:

Subd. 6. **PILOT PROGRAM.** The commissioner shall establish a pilot program ending December 31, ~~2001~~ 2004, in which up to ~~ten~~ 20 private and up to ~~ten~~ 20 public employers shall be authorized to enter into valid agreements under this section with their employees. The agreements shall be recognized and enforced as provided by this section. Employers shall participate in the pilot program through collectively bargained agreements with the certified and exclusive representatives of their employees and without regard to the dollar insurance premium limitations in subdivision 1. A group of employers engaged in workers' compensation group self-insurance complying with chapter 79A, or a group of employers who purchase workers' compensation insurance as a group, may not participate in any pilot program under this subdivision.

Sec. 12. Minnesota Statutes 2000, section 176.191, subdivision 1a, is amended to read:

Subd. 1a. **EQUITABLE APPORTIONMENT.** Equitable apportionment of liability for an injury under this chapter is not allowed except that apportionment among employers and insurers is allowed in a settlement agreement filed pursuant to section 176.521, and an employer or insurer may request equitable apportionment of liability for workers' compensation benefits among employer and insurers by arbitration pursuant to subdivision 5. For purposes of this subdivision, the term "equitable apportionment of liability" shall include all attempts to obtain contribution and/or reimbursement from other employers or insurers. To the same extent limited by this subdivision, contribution and reimbursement actions based on equitable apportionment are not allowed under this chapter. If the insurers choose to arbitrate apportionment, contribution, or reimbursement issues pursuant to subdivision 5, the arbitration proceeding is for the limited purpose of apportioning liability for workers' compensation benefits payable among employers and insurers. This subdivision applies without regard to whether one or more of the injuries results from cumulative trauma or a specific injury, but does not apply to an occupational disease. In the case of an occupational disease, section 176.66 applies. ~~In the arbitration of equitable apportionment under subdivision 5, the parties and the arbitrator must be guided by general rules of arbitrator selection and presumptive apportionment among employers and insurers that are developed and approved by the commissioner of the department of labor and industry.~~ Apportionment against preexisting disability is allowed only for permanent

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partial disability as provided in section 176.101, subdivision 4a. Nothing in this subdivision shall be interpreted to repeal or in any way affect the law with respect to special compensation fund statutory liability or benefits.

Sec. 13. Minnesota Statutes 2000, section 176.192, is amended to read:

176.192 BOMB DISPOSAL UNIT EMPLOYEES.

For purposes of this chapter, a member of a bomb disposal unit approved by the commissioner of public safety and employed by a municipality defined in section 466.01, is considered an employee of the department of public safety solely for the purposes of this chapter when disposing of or neutralizing bombs or other similar hazardous explosives, as defined in section 299C.063, ~~for another municipality or otherwise outside the jurisdiction of the employer-municipality but within the state.~~

Sec. 14. Minnesota Statutes 2000, section 176.194, subdivision 4, is amended to read:

Subd. 4. **PENALTIES.** The penalties for violations of subdivision 3, clauses (1) through (6), are as follows:

1st through 5th violation of each paragraph	written warning
6th through 10th violation of each paragraph	\$3,000 per violation in excess of five
11 or more violations of each paragraph	\$6,000 per violation in excess of ten

For violations of subdivision 3, clauses (7) and (8), the penalties are:

1st through 5th violation of each paragraph	\$3,000 per violation
6 or more violations of each paragraph	\$6,000 per violation in excess of five

The penalties under this section may be imposed in addition to other penalties under this chapter that might apply for the same violation. The penalties under this section are assessed by the commissioner and are payable to the commissioner for deposit in the assigned risk safety account. A party may object to the penalty and request a formal hearing under section 176.85. If an entity has more than 30 violations within any 12-month period, in addition to the monetary penalties provided, the commissioner may refer the matter to the commissioner of commerce with recommendation for suspension or revocation of the entity's (a) license to write workers' compensation insurance; (b) license to administer claims on behalf of a self-insured, the assigned risk plan, or the Minnesota insurance guaranty association; (c) authority to self-insure; or (d) license to adjust claims. The commissioner of commerce shall follow the procedures specified in section 176.195.

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Sec. 15. Minnesota Statutes 2000, section 176.221, subdivision 1, is amended to read:

Subdivision 1. **COMMENCEMENT OF PAYMENT.** Within 14 days of notice to or knowledge by the employer of an injury compensable under this chapter the payment of temporary total compensation shall commence. Within 14 days of notice to or knowledge by an employer of a new period of temporary total disability which is caused by an old injury compensable under this chapter, the payment of temporary total compensation shall commence; provided that the employer or insurer may file for an extension with the commissioner within this 14-day period, in which case the compensation need not commence within the 14-day period but shall commence no later than 30 days from the date of the notice to or knowledge by the employer of the new period of disability. Commencement of payment by an employer or insurer does not waive any rights to any defense the employer has on any claim or incident either with respect to the compensability of the claim under this chapter or the amount of the compensation due. Where there are multiple employers, the first employer shall pay, unless it is shown that the injury has arisen out of employment with the second or subsequent employer. Liability for compensation under this chapter may be denied by the employer or insurer by giving the employee written notice of the denial of liability. If liability is denied for an injury which is required to be reported to the commissioner under section 176.231, subdivision 1, the denial of liability must be filed with the commissioner and served on the employee within 14 days after notice to or knowledge by the employer of an injury which is alleged to be compensable under this chapter. If the employer or insurer has commenced payment of compensation under this subdivision but determines within 60 days of notice to or knowledge by the employer of the injury that the disability is not a result of a personal injury, payment of compensation may be terminated upon the filing of a notice of denial of liability within 60 days of notice or knowledge. After the 60-day period, payment may be terminated only by the filing of a notice as provided under section 176.239. Upon the termination, payments made may be recovered by the employer if the commissioner or compensation judge finds that the employee's claim of work related disability was not made in good faith. A notice of denial of liability must state in detail the facts forming the basis for the denial and specific reasons explaining why the claimed injury or occupational disease was determined not to be within the scope and course of employment and shall include the name and telephone number of the person making this determination.

Sec. 16. Minnesota Statutes 2000, section 176.221, subdivision 3, is amended to read:

Subd. 3. **PENALTY.** If the employer or insurer does not begin payment of compensation within the time limit prescribed under subdivision 1 or 8, the commissioner may assess a penalty, payable to the commissioner for deposit in the assigned risk safety account, which shall be a percentage of the amount of compensation to which the employee is entitled to receive up to the date compensation payment is made.

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The amount of penalty shall be determined as follows:

Numbers of days late	Penalty
1 – 15	30 percent of compensation due, not to exceed \$500,
16 – 30	55 percent of compensation due, not to exceed \$1,500,
31 – 60	80 percent of compensation due, not to exceed \$3,500,
61 or more	105 percent of compensation due, not to exceed \$5,000.

The penalty under this section is in addition to any penalty otherwise provided by statute.

Sec. 17. Minnesota Statutes 2000, section 176.221, subdivision 3a, is amended to read:

Subd. 3a. **PENALTY.** In lieu of any other penalty under this section, the commissioner may assess a penalty of up to \$2,000 payable to the commissioner for deposit in the assigned risk safety account for each instance in which an employer or insurer does not pay benefits or file a notice of denial of liability within the time limits prescribed under this section.

Sec. 18. Minnesota Statutes 2000, section 176.221, subdivision 6, is amended to read:

Subd. 6. **ASSESSMENT OF PENALTIES.** The division or compensation judge shall assess the penalty payments provided for by subdivision 3 or 3a and any increase in benefit payments provided by section 176.225, subdivision 5, against the insurer. The insurer is liable for a penalty payment assessed against it even if the delay is attributable to the employer.

An insurer who has paid a penalty under this section may recover from the employer the portion of the penalty attributable to the acts of the employer which resulted in the delay. A penalty paid by an insurer under this section which is attributable to the fault of the employer shall be treated as a loss in an experience rated plan, retrospective rating plan, or dividend calculation where appropriate.

Sec. 19. Minnesota Statutes 2000, section 176.231, subdivision 2, is amended to read:

Subd. 2. **INITIAL REPORT, WRITTEN REPORT.** Where subdivision 1 requires an injury to be reported within 48 hours, the employer may make an initial report by telephone, telegraph, or personal notice, and file a written report of the injury

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within seven days from its occurrence or within such time as the commissioner of labor and industry designates. All written reports of injuries required by subdivision 1 shall include the date of injury, ~~amounts of payments made, if any, and the date of the first payment.~~ The reports shall be on a form designed by the commissioner, with a clear copy suitable for imaging to the commissioner, one copy to the insurer, and one copy to the employee.

The employer must give the employee the "Minnesota Workers' Compensation System Employee Information Sheet" at the time the employee is given a copy of the first report of injury.

If an insurer or self-insurer repeatedly fails to pay benefits within three days of the due date, pursuant to section 176.221, the insurer or self-insurer shall be ordered by the commissioner to explain, in person, the failure to pay benefits due in a reasonable time. If prompt payments are not thereafter made, the commissioner shall refer the insurer or self-insurer to the commissioner of commerce for action pursuant to section 176.225, subdivision 4.

Sec. 20. Minnesota Statutes 2000, section 176.231, subdivision 6, is amended to read:

Subd. 6. COMMISSIONER OF THE DEPARTMENT OF LABOR AND INDUSTRY; DUTY TO KEEP INFORMED. The commissioner of the department of labor and industry shall keep fully informed of the nature and extent of all injuries compensable under this chapter, their resultant disabilities, and of the rights of employees to compensation. The insurer or self-insured employer must keep the department advised of all payments of compensation, the amounts of payments made, and the date of the first payment. Where a physician or surgeon has examined, treated, or has special knowledge relating to an injury which may be compensable under this chapter, the commissioner of the department of labor and industry or any member or employee thereof shall request in writing a report from such person of the attendant facts.

Sec. 21. Minnesota Statutes 2000, section 176.231, subdivision 10, is amended to read:

Subd. 10. FAILURE TO FILE REQUIRED REPORT, PENALTY. If an employer, insurer, physician, chiropractor, or other health provider fails to file with the commissioner any report required by this section in the manner and within the time limitations prescribed, or otherwise fails to provide a report required by this section in the manner provided by this section, the commissioner may impose a penalty of up to \$500 for each failure.

The imposition of a penalty may be appealed to a compensation judge within 30 days of notice of the penalty.

Penalties collected by the state under this subdivision shall be paid payable to the commissioner for deposit into the assigned risk safety account.

Sec. 22. Minnesota Statutes 2000, section 176.238, subdivision 10, is amended to read:

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Subd. 10. **FINES; VIOLATION.** An employer who violates requirements set forth in this section or section 176.239 is subject to a fine of up to \$1,000 for each violation payable to the commissioner for deposit in the special compensation fund.

Sec. 23. REPEALER.

Minnesota Statutes 2000, section 176.445, is repealed.

Sec. 24. EFFECTIVE DATE.

Section 23 is effective the day following final enactment.

Presented to the governor May 16, 2001

Signed by the governor May 18, 2001, 12:20 p.m.

CHAPTER 124—S.F.No. 1264

An act relating to insurance; no-fault auto; regulating income loss benefits to senior citizens; amending Minnesota Statutes 2000, section 65B.491.

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

Section 1. Minnesota Statutes 2000, section 65B.491, is amended to read:

65B.491 SENIOR CITIZENS.

After August 1, 1987, no A plan of reparation security issued to or renewed with a person who has attained the age of 65 years may must provide coverage for wage disability and income loss reimbursement that benefits under section 65B.44, subdivision 3, unless the insured will not reasonably be expected to be able to receive. It is the responsibility of the person issuing or renewing the plan to inquire as to the applicability of this section elects not to have this coverage. An election by the insured not to have this coverage remains in effect until revoked by the insured. The reparation obligor shall notify a person of the person's rights under this section at the time of the sale or the first renewal of the policy after the insured has attained the age of 65 years, and at least annually after that. The rate for any plan for which coverage has been excluded or reduced pursuant to this section must be reduced accordingly. This section does apply to self-insurance.

Sec. 2. REVISOR INSTRUCTION.

The revisor of statutes shall recode Minnesota Statutes, section 65B.491, as section 65B.44, subdivision 3a.

Presented to the governor May 16, 2001

Signed by the governor May 18, 2001, 12:16 p.m.

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