402.01 to 402.10.

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

Approved March 27, 1974.

## CHAPTER 294—S.F.No.3129

An act relating to the state arts council; providing the lieutenant governor shall be an ex-officio member of the governing board in lieu of the governor; amending Minnesota Statutes 1971, Section 139.02.

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

Section 1. Minnesota Statutes 1971, Section 139.02, is amended to read:

139.02 STATE ARTS COUNCIL; MEMBERS; GOVERNING BOARD. The governing board of the council shall consist of the <u>lieutenant</u> governor and the president of the state university, as ex officio members, and 11 other members appointed by the governor by and with the advice and consent of the senate each for the term of four years and until his successor qualifies from among individuals well known for their competence in the fields of the performing and fine arts. Vacancies shall be filled by appointment by the governor.

Approved March 27, 1974.

## CHAPTER 295—S.F.No.3175 [Coded in Part]

An act relating to health; providing for limitations on liability of review organizations; providing for confidentiality of records of review organizations; amending Minnesota Statutes 1971, Sections 145.61, Subdivision 5, and by adding a subdivision; 145.63; and 145.64.

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

Section 1. Minnesota Statutes 1971, Section 145.61, is amended by adding a subdivision to read:

<u>Subd.</u> 4a. PUBLIC HEALTH; REVIEW ORGANIZATIONS. "Administrative staff" means the staff of a hospital or clinic.

Changes or additions indicated by underline deletions by strikeout

- Sec. 2. Minnesota Statutes 1971, Section 145.61, Subdivision 5, is amended to read:
- Subd. 5. "Review organization" means a committee whose membership is limited to professionals and administrative staff, except where otherwise provided for by state or federal law, and which is established by a hospital, by a clinic, by one or more state or local associations of professionals, or by an organization of professionals from a particular area or medical institution, by a health maintenance organization as defined in Minnesota Statutes, 1973 Supplement, Chapter 62D, by a nonprofit health service plan corporation as defined in Minnesota Statutes, Chapter 62C or by a professional standards review organization established pursuant to 42 U.S.C., Section 1320c-1 et seq. to gather and review information relating to the care and treatment of patients for the purposes of:
- (a) Evaluating and improving the quality of health care rendered in the area or medical institution;
  - (b) Reducing morbidity or mortality;
- (c) Obtaining and disseminating statistics and information relative to the treatment and prevention of diseases, illness and injuries;
- (d) Developing and publishing guidelines showing the norms of health care in the area or medical institution; and
- (e) Developing and publishing guidelines designed to keep within reasonable bounds the cost of health care :
- (f) Reviewing the quality or cost of health care services provided to enrollees of health maintenance organizations;
- (g) Acting as a professional standards review organization pursuant to 42 U.S.C., Section 1320c-1 et seq.; or
- (h) Reviewing, ruling on, or advising on controversies, disputes or questions between:
- (1) health insurance carriers or health maintenance organizations and their insureds or enrollees;
- (2) professional licensing boards acting under their powers including disciplinary, license revocation or suspension procedures and health providers licensed by them when the matter is referred to a review committee by the professional licensing board;
- (3) professionals and their patients concerning diagnosis, treatment or care, or the charges or fees therefor;
- (4) professionals and health insurance carriers or health mainte-Changes or additions indicated by <u>underline</u> deletions by <del>strikeout</del>

nance organizations concerning a charge or fee for health care services provided to an insured or enrollee; or

(5) professionals or their patients and the federal, state, or local government, or agencies thereof.

No party shall be bound by a ruling of a review organization pursuant to this clause on a controversy, dispute or question unless he agrees in advance, either specifically or generally, to be bound by the ruling.

Sec. 3. Minnesota Statutes 1971, Section 145.63, is amended to read:

145.63 LIMITATION ON LIABILITY FOR MEMBERS OF RE-VIEW ORGANIZATIONS. No person who is a member or employee of, who acts in an advisory capacity to or who furnishes counsel or services to, a review organization shall be liable for damages or other relief in any action brought by a person or persons whose activities have been or are being scrutinized or reviewed by a review organization, by reason of the performance by him of any duty, function or activity of such review organization, unless the performance of such duty, function or activity was motivated by malice toward the person affected thereby. No person shall be liable for damages or other relief in any action by reason of the performance of him of any duty, function, or activity as a member of a review committee or by reason of any recommendation or action of the review committee when the person acts in the reasonable belief that his action or recommendation is warranted by facts known to him or the review organization after reasonable efforts to ascertain the facts upon which the review organization's action or recommendation is made.

Sec. 4. Minnesota Statutes 1971, Section 145.64, is amended to read:

145.64 CONFIDENTIALITY OF RECORDS OF REVIEW ORGA-NIZATION. All data and information acquired by a review organization, in the exercise of its duties and functions, shall be held in confidence, shall not be disclosed to anyone except to the extent necessary to carry out one or more of the purposes of the review organization, and shall not be subject to subpoena or discovery. No person described in section 145.63 shall disclose what transpired at a meeting of a review organization except to the extent necessary to carry out one or more of the purposes of a review organization. The proceedings and records of a review organization shall not be subject to discovery or introduction into evidence in any civil action against a professional arising out of the matter or matters which are the subject of consideration by the review organization. Information, documents or records otherwise available from original sources shall not be immune from discovery or use in any civil action merely because they were presented during proceedings of a review organization, nor shall any per-

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son who testified before a review organization or who is a member of it be prevented from testifying as to matters within his knowledge, but a witness cannot be asked about his testimony before a review organization or opinions formed by him as a result of its hearings.

Approved March 27, 1974.

## CHAPTER 296—S.F.No.3176 [Not Coded]

An act relating to Dakota county; authorizing certain requirements for appointees to the Dakota county planning advisory commission.

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

Section 1. DAKOTA COUNTY; PLANNING ADVISORY COMMISSION. Notwithstanding provisions of Minnesota Statutes, Section 394.30, Subdivision 1, to the contrary, the Dakota county board of commissioners may, if it wishes to avail itself of the authority granted by Minnesota Statutes, Sections 394.21 to 394.37, create a planning advisory commission composed of two appointees from each Dakota county commissioner district. Such appointments shall be annual.

Sec. 2. This act takes effect when approved by a majority of the board of county commissioners of Dakota county, and upon compliance with Minnesota Statutes, Section 645.021.

Approved March 27, 1974.

## **CHAPTER 297—S.F.No.3208**

An act relating to the administration of public welfare; amending Minnesota Statutes, 1973 Supplement, Sections 245A.01, Subdivision 1; 245A.05, Subdivision 1; 245A.18, and Laws 1973. Chapter 650, Article XXI. Section 32.

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

Section 1. Minnesota Statutes, 1973 Supplement, Section 245A.01, Subdivision 1, is amended to read:

245A.01 PUBLIC WELFARE; GENERAL ASSISTANCE ACT; DECLARATION OF POLICY; CITATION. Subdivision 1. The objectives of Laws 1973, Chapter 650, Article 21, Sections 1 to 30 are to provide a sound administrative structure for public assistance programs; to max-

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