

2740.3100 MINIMUM BENEFITS OF COMPREHENSIVE HEALTH INSURANCE PLANS.

Subpart 1. **Duty to offer.** The association shall offer a number 1 and number 2 qualified plan and a qualified Medicare supplement plan to eligible persons. The association shall offer health maintenance plans in areas of the state where a health maintenance organization has agreed to make the coverage available and has been selected as a writing carrier in accordance with part 2740.4300. The association may provide for coverage for eligible dependents.

Subp. 2. **Benefits of number 1 and number 2 qualified plan.** Benefits shall meet or exceed the requirements of Minnesota Statutes, section 62E.06 or the actuarial equivalence thereof as determined pursuant to the actuarial equivalence tables in parts 2740.9909 to 2740.9993, except where substitution of an actuarially equivalent benefit is not permissible under the act.

A. The minimum benefits shall be equal to at least 80 percent of the charges for covered expenses in excess of the annual deductible, which shall not exceed \$500 for a number 2 qualified plan, or \$1,000 for a number 1 qualified plan.

B. Coverage shall include an annual (calendar year) limitation of not more than \$3,000 per covered person on total out-of-pocket expenses, which out-of-pocket expenses shall include the deductible under the state plan policy or contract, and which out-of-pocket expense limitation is not subject to substitution of an actuarially equivalent benefit.

C. Coverage shall be subject to a maximum lifetime benefit of not less than \$250,000 per covered person, less any amount paid to or on behalf of the covered person under any other qualified plan of the state plan. This benefit is not subject to substitution of an actuarially equivalent benefit.

Subp. 3. **Benefits of qualified Medicare supplement plan.** Benefits of a qualified Medicare supplement plan shall meet or exceed the following minimum standards.

A. The plan shall provide benefits to covered persons by supplementing Medicare through provision of:

(1) coverage of part A Medicare eligible expenses for hospitalization to the extent not covered by Medicare to at least 50 percent of the deductible and copayment required under Medicare for the first 60 days of any Medicare benefit period;

(2) coverage of part A Medicare eligible expenses for hospitalization to the extent not covered by Medicare from the 61st day through the 90th day in any Medicare benefit period;

(3) coverage of part A Medicare eligible expenses incurred as daily hospital charges during use of Medicare's lifetime hospital inpatient reserve days to the extent not covered by Medicare;

(4) upon exhaustion of all Medicare hospital inpatient coverage including the lifetime reserve days, coverage of 90 percent of all Medicare part A eligible expenses for hospitalization not covered by Medicare subject to a lifetime maximum benefit of an additional 365 days;

(5) coverage of 20 percent of the amount of Medicare eligible expenses under part B regardless of hospital confinement and coverage of at least 100 percent of the Medicare calendar year part B deductible.

B. The plan shall provide 80 percent of the covered charges for expenses as provided in Minnesota Statutes, section 62E.06, which charges are not paid or payable under Medicare or would not have been paid or payable had the covered person who is or was entitled or eligible to enroll in Medicare been so enrolled or which charges are not paid or payable under item A.

C. Coverage shall include an annual limitation of \$1,000 total out-of-pocket expenses per covered person for covered charges, provided that an annual deductible of not more than \$200 is permissible for those covered charges not paid or payable under Medicare or otherwise included in item A or B.

D. Coverage shall be subject to a maximum lifetime benefit of not less than \$100,000 per covered person, less any amount paid to or on behalf of the covered person under any other qualified Medicare supplement plan of the state plan.

E. The minimum coverage of a qualified Medicare supplement plan required by this subpart is not subject to substitution of actuarially equivalent benefits.

Subp. 4. **Benefits of health maintenance plan.** Benefits of a health maintenance plan shall include those comprehensive health maintenance services required by Minnesota Statutes, chapter 62D and rules promulgated thereunder.

Subp. 5. **Preexisting conditions.** No person who obtains coverage under a policy or contract of the state plan shall be covered for any preexisting condition during the first six months of coverage under the state plan if such covered person was diagnosed or treated for that condition during the 90 days immediately preceding the filing of a completed certificate of eligibility.

Statutory Authority: *MS s 62E.09*

History: *10 SR 474*

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