

2742.0100 PURPOSE AND SCOPE.

Subpart 1. **Generally.** Parts 2742.0100 to 2742.0400 are intended to establish uniformity in the permissive use of overinsurance provisions and to avoid claim delays and misunderstandings that could otherwise result from the use of inconsistent or incompatible provisions among plans.

Subp. 2. **Description.** A coordination of benefits provision is one that is intended to avoid claims payment delays and duplication of benefits when a person is covered by two or more plans providing benefits or services for medical, dental, or other care or treatment. It avoids claims payment delays by establishing an order in which plans pay claims and providing authority for the orderly transfer of information needed to pay claims promptly. It avoids duplication of benefits by permitting a reduction of the benefits of a plan when, by the rules established by parts 2742.0100 to 2742.0400, it does not have to pay its benefits first.

Subp. 3. **Rules permissive.** Parts 2742.0100 to 2742.0400 permit, but do not require, plans to include coordination of benefits provisions.

Subp. 4. **Effect.** If a group contract includes a coordination of benefits provision, it must be consistent with parts 2742.0100 to 2742.0400. A plan that does not include such a provision may not take the benefits of another plan as defined in part 2742.0200 into account when it determines its benefits. There is one exception: a contract holder's coverage that is designed to supplement a part of a basic package of benefits may provide that the supplementary coverage shall be excess to any other parts of the plan provided by the contract holder.

Statutory Authority: *MS s 45.023; 72A.19*

History: *10 SR 2234*

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