

1 Department of Commerce

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3 Adopted Rules Relating to the Liability of a Prior and  
4 Succeeding Group Insurance Carrier

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6 Rules as Adopted

7 2755.0400 LIABILITY OF PRIOR CARRIER.

8 The prior carrier remains liable to the extent of its  
9 accrued liability and any contractual liability for extension of  
10 benefits at the time of replacement. "Accrued liability"  
11 includes, but is not limited to, responsibility for covered  
12 inpatient hospital expenses, subject to applicable deductibles,  
13 copayments, and limitations, incurred by a covered individual  
14 who is confined in a hospital on the date of replacement. The  
15 responsibility on the part of the prior carrier continues until  
16 the covered individual is discharged from the hospital or  
17 contract maximums have been reached, whichever first occurs.

18 2755.0500 LIABILITY OF SUCCEEDING CARRIER.

19 Subpart 1. [Unchanged.]

20 Subp. 2. Coverage for individuals not eligible under  
21 subpart 1. Each individual who is not eligible for coverage in  
22 accordance with subpart 1 shall nevertheless be covered by the  
23 succeeding carrier in accordance with the following rules,  
24 provided that such individual (including an individual who has  
25 exercised the option for continuation of coverage pursuant to  
26 Minnesota Statutes, sections 62A.148 and 62A.17) was validly  
27 covered under the prior plan on the date it was discontinued and  
28 such individual is a member of a class of individuals otherwise  
29 eligible for coverage under the succeeding carrier's plan.

30 A. and B. [Unchanged.]

31 Subp. 3. to 6. [Unchanged.]

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