

CHAPTER 62D

HEALTH MAINTENANCE ORGANIZATIONS

62D.02 Definitions.
 62D.042 Net worth and working capital requirements.

62D.12 Prohibited practices.

62D.02 DEFINITIONS.

[For text of subds 1 to 6, see M.S.1992]

Subd. 7. "Comprehensive health maintenance services" means a set of comprehensive health services which the enrollees might reasonably require to be maintained in good health including as a minimum, but not limited to, emergency care, emergency ground ambulance transportation services, inpatient hospital and physician care, outpatient health services and preventive health services. Elective, induced abortion, except as medically necessary to prevent the death of the mother, whether performed in a hospital, other abortion facility or the office of a physician, shall not be mandatory for any health maintenance organization.

[For text of subds 8 to 16, see M.S.1992]

History: 1993 c 50 s 1

62D.042 NET WORTH AND WORKING CAPITAL REQUIREMENTS.

[For text of subd 1, see M.S.1992]

Subd. 2. **Beginning organizations.** (a) Beginning organizations shall maintain net worth of at least 8-1/3 percent of the sum of all expenses expected to be incurred in the 12 months following the date the certificate of authority is granted, or \$1,500,000, whichever is greater.

(b) After the first full calendar year of operation, organizations shall maintain net worth of at least 8-1/3 percent and at most 16-2/3 percent of the sum of all expenses incurred during the most recent calendar year, but in no case shall net worth fall below \$1,000,000.

[For text of subds 3 to 7, see M.S.1992]

History: 1993 c 345 art 2 s 1

62D.12 PROHIBITED PRACTICES.

[For text of subds 1 to 15, see M.S.1992]

Subd. 17. **Disclosure of commissions.** Any person receiving commissions for the sale of coverage or enrollment in a health maintenance organization shall, before selling or offering to sell coverage or enrollment, disclose to the prospective purchaser the amount of any commission or other compensation the person will receive as a direct result of the sale. The disclosure may be expressed in dollars or as a percentage of the premium. The amount disclosed need not include any anticipated renewal commissions.

History: 1993 c 345 art 5 s 6