

62C.03 SERVICE PLAN CORPORATIONS AUTHORIZED.

Subdivision 1. **General authority.** A service plan corporation may be organized to establish, maintain and operate a service plan providing health services in their entirety or in part, according to the subscriber contract. No subscriber's contract shall provide for payment of cash indemnification by the corporation to the subscriber or the subscriber's estate for death, illness, or other injury, except as provided by Laws 1971, chapter 568 as it relates to nonparticipating providers. In the event that the subscriber compensates the provider for services received the subscriber is subrogated to the provider's right against the service plan.

Subd. 2. **Contracting authority.** A service plan corporation may enter other contracts, arrangements, or agreements as provided in Laws 1971, chapter 568, to carry out the intent and purpose of Laws 1971, chapter 568.

Subd. 3. **Health services by nonparticipating providers.** A service plan corporation may provide for health services by nonparticipating providers in cases of emergency or expediency, or when selected in accordance with the subscriber's contract. When health service is provided out of state, the provider must be duly licensed, registered, and authorized to provide the service where provided.

History: 1971 c 568 s 3; 1986 c 444