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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. **1664**

04/02/2013 Authored by Atkins

The bill was read for the first time and referred to the Committee on Commerce and Consumer Protection Finance and Policy

1.1 A bill for an act
1.2 relating to insurance; modifying pilot project requirements for the agricultural
1.3 cooperative health plan for farmers; amending Laws 2007, chapter 147, article
1.4 12, section 14, as amended.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Laws 2007, chapter 147, article 12, section 14, as amended by Laws 2010,
1.7 chapter 344, section 4, is amended to read:

1.8 Sec. 14. **AGRICULTURAL COOPERATIVE HEALTH PLAN FOR**
1.9 **FARMERS.**

1.10 ~~Subdivision 1.~~ **Pilot project requirements.** (a) Notwithstanding contrary provisions
1.11 of Minnesota Statutes, chapter 62H and other state laws regulating fully insured health
1.12 plans, the following apply to a joint self-insurance pilot project health plan administered
1.13 by a trust, cooperative, or other entity sponsored by one or more agricultural cooperatives
1.14 organized under Minnesota Statutes, chapter 308A or 308B, or under a federal charter for
1.15 the purpose of offering health coverage to members of the cooperatives and their families,
1.16 provided the project satisfies the other requirements of is exempt from the requirements of
1.17 Minnesota Statutes, chapter 62H, and rules adopted under it. The joint self-insurance
1.18 plan must comply with other state and federal laws and regulations applicable to a single,
1.19 self-insured employer and must comply with federal laws and regulations applicable
1.20 to a multiple employer welfare association as defined in United States Code, title 29,
1.21 section 1002(40)(a). The joint self-insurance plan is deemed in compliance with state law
1.22 for purposes of federal multiple employer welfare association laws and is eligible to be
1.23 offered as a qualified health plan on the Minnesota health insurance exchange provided it
1.24 satisfies other requirements related to qualified health plans. This section only applies to a

2.1 joint self-insurance plan established by an entity that submitted an application or formal
 2.2 inquiry to the department of commerce prior to January 1, 2013, seeking approval or
 2.3 preapproval departmental guidance regarding establishing a joint self-insurance plan.

2.4 (b) The following apply to the joint self-insurance plan:

2.5 ~~(1) Minnesota Statutes, section 62H.02, paragraph (b), does not apply;~~

2.6 ~~(2) the notice period required under Minnesota Statutes, section 62H.02, paragraph~~
 2.7 ~~(e), is 90 days;~~

2.8 ~~(3) a joint self-insurance plan may elect to treat the sale of a health plan to or for an~~
 2.9 ~~employer that has only one eligible employee who has not waived coverage as the sale of an~~
 2.10 ~~individual health plan as allowed under Minnesota Statutes, section 62L.02, subdivision 26;~~

2.11 ~~(4) (1) Minnesota Statutes, section 297I.05, subdivision 12, paragraph (c), applies;~~

2.12 and

2.13 ~~(5) (2) the trust must pay the assessment for the Minnesota Comprehensive Health~~
 2.14 ~~Association as provided under Minnesota Statutes, section 62E.11.~~

2.15 ~~Subd. 2. **Evaluation and renewal.** The pilot project authorized under this section~~
 2.16 ~~is for a period of four years from the date of initial enrollment. The commissioner of~~
 2.17 ~~commerce shall grant an extension of four additional years if the trust provides evidence~~
 2.18 ~~that it remains in compliance with the requirements of this section and other applicable laws~~
 2.19 ~~and rules. If the commissioner determines that the operation of the trust has not improved~~
 2.20 ~~access, expanded health plan choices, or improved the affordability of health coverage~~
 2.21 ~~for farm families, or that it has significantly damaged access, choice, or affordability for~~
 2.22 ~~other consumers not enrolled in the trust, the commissioner shall provide at least 180 days'~~
 2.23 ~~advance written notice to the trust and to the chairs of the senate and house finance and~~
 2.24 ~~policy committees with jurisdiction over health and insurance of the commissioner's~~
 2.25 ~~intention not to renew the pilot project at the expiration of a four-year period.~~

2.26 ~~Subd. 3. **Use of surplus lines.** Plans created under this section may use surplus lines~~
 2.27 ~~carriers to fulfill its obligations under chapter 62H.~~

2.28 Sec. 2. **REVISOR'S INSTRUCTION.**

2.29 The revisor of statutes shall assign appropriate coding to section 1 for inclusion in
 2.30 Minnesota Statutes.