

Sec. 2. **REPEALER.**

Minnesota Statutes 1982, section 84.0271, is repealed.

Approved April 25, 1984

CHAPTER 554 — S.F.No. 1815

An act relating to hospitals; giving various public hospital authorities the powers of nonprofit corporations; proposing new law coded in Minnesota Statutes, chapter 144.

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

Section 1. **[144.581] HOSPITAL AUTHORITIES.**

Subdivision 1. A municipality, political subdivision, state agency, or other governmental entity that owns or operates a hospital authorized, organized, or operated under chapters 158, 250, 376, and 397, or under sections 383A.41, 412.221, 447.05 to 447.13, 447.31, or 471.59, or under any special law authorizing or establishing a hospital or hospital district shall, relative to the delivery of health care services, have, in addition to any authority vested by law, the authority and legal capacity of a nonprofit corporation under Minnesota Statutes, chapter 317, including authority to

(a) enter shared service and other cooperative ventures,

(b) join or sponsor membership in organizations intended to benefit the hospital or hospitals in general,

(c) enter partnerships,

(d) incorporate other corporations,

(e) have members of its governing authority or its officers or administrators serve as directors, officers, or employees of the ventures, associations, or corporations,

(f) own shares of stock in business corporations, and

(g) offer, directly or indirectly, products and services of the hospital, organization, association, partnership, or corporation to the general public.

Subd. 2. In the event that the municipality, political subdivision, state agency, or other governmental entity provides direct financial subsidy to the hospital from tax revenue at the time an undertaking authorized under subdivision 1 is established or funded, the hospital may not contribute funds to the undertaking for more than three years and thereafter all funds must be repaid, with interest in no more than ten years.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 3. The conversion of public funds for the benefit of any individual shall constitute grounds for review and action by the attorney general or the county attorney under section 609.54.

Subd. 4. Notwithstanding the development of an organization under this section, the governance of a hospital by the organization shall be subject to the public purchasing requirements of section 471.345, the open meeting law, section 471.705, and the data practices act, chapter 13.

Sec. 2. EFFECTIVE DATE.

Section 1 is effective the day following final enactment.

Approved April 25, 1984

CHAPTER 555 — S.F.No. 1862

An act relating to insurance; regulating insurance claims settlement; defining terms; prescribing penalties; providing for the venue for certain injunction proceedings; amending Minnesota Statutes 1982, sections 72A.20, subdivisions 11 and 12, and by adding a subdivision; 72A.23, subdivision 1; and 72A.25, subdivision 2.

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

Section 1. Minnesota Statutes 1982, section 72A.20, subdivision 11, is amended to read:

Subd. 11. **APPLICATION TO CERTAIN SECTIONS.** Violating any provision of the following sections of this chapter not set forth in subdivisions 1 to ~~10~~ 15 shall constitute an unfair method of competition and an unfair and deceptive act or practice: section 72A.12, subdivisions 2, 3, and 4, section 72A.16, subdivision 2, sections 72A.03 and 72A.04, section 72A.08, subdivision 1 as modified by section 72A.08, subdivision 4, and section 65B.13.

Sec. 2. Minnesota Statutes 1982, section 72A.20, subdivision 12, is amended to read:

Subd. 12. **UNFAIR SERVICE.** Causing or permitting with such frequency to indicate a general business practice ~~the claims and complaints of insureds to be processed in an unreasonable length of time, or in an unfair, deceptive, or fraudulent manner, or in violation of such rules as the commissioner of insurance shall make in the public interest to insure the prompt, fair, and honest processing of such claims and complaints,~~ shall constitute an unfair method of competition and an unfair and deceptive act or practice any unfair, deceptive, or fraudulent act concerning any claim or complaint of an insured or claimant including, but not limited to, the following practices:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.