

Presented to the governor May 5, 1989

Signed by the governor May 9, 1989, 11:50 a.m.

CHAPTER 90—H.F.No. 1440

An act relating to local government; requiring political subdivisions to request proposals for group insurance coverage; amending Minnesota Statutes 1988, section 43A.316, subdivision 10; proposing coding for new law in Minnesota Statutes, chapter 471; repealing Minnesota Statutes 1988, section 471.616.

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

Section 1. Minnesota Statutes 1988, section 43A.316, subdivision 10, is amended to read:

Subd. 10. **BIDDING REQUIREMENT EXEMPTION.** The public employee insurance plan is exempt from the requirements imposed by section ~~471.616~~; subdivision 10 of this act.

Sec 2. **[471.616] GROUP INSURANCE; GOVERNMENTAL UNITS.**

Subdivision 1. GROUP INSURANCE COVERAGE. "Group insurance coverage" means benefit coverage provided to a group through a carrier authorized under chapters 61A, 62A, 62C, and 62D to do business in the state.

Subd. 2. REQUEST FOR PROPOSAL. Every political subdivision authorized by law to purchase group insurance for its employees and providing or intending to provide group insurance coverage and benefits for 25 or more of its employees shall request proposals from and enter into contracts with carriers that in the judgment of the political subdivision are best qualified to provide coverage. The request for proposals shall be in writing and at a minimum shall include: coverage to be provided, criteria for evaluation of carrier proposals, and the aggregate claims records for the appropriate period. A political subdivision may exclude from consideration proposals requiring self-insurance. Public notice of the request for proposals must be provided in a newspaper or trade journal at least 21 days before the final date for submitting proposals.

Subd. 3. SELECTION OF CARRIER. The political subdivision shall make benefit and cost comparisons and evaluate the proposals using the written criteria. The political subdivision may negotiate with the carrier on benefits, premiums, and other contract terms. Carriers applying must provide the political subdivision with aggregate claims records for the appropriate period. The political subdivision must prepare a written rationale for its decision before entering into a contract with a carrier.

Subd. 4. CONTRACT LENGTH; NEGOTIATION. Group insurance con-

New language is indicated by underline, deletions by ~~strikeout~~.

tracts may not exceed five years in length, including all extensions. The political subdivision shall request proposals for coverage at least once every 60 months. Employees may be added to an existing group pursuant to a joint powers agreement under section 471.59.

Subd. 5. COLLECTIVE BARGAINING. The aggregate value of benefits provided by a group insurance contract for employees covered by a collective agreement shall not be reduced, unless the public employer and exclusive representative of the employees of an appropriate bargaining unit, certified under section 179A.12, agree to a reduction in benefits.

Subd. 6. FILING OF CONTRACT. Every political subdivision contracting for and providing group insurance coverage as provided in this section shall file with the clerk or other comparable officer of the subdivision a copy of the group insurance contract, and make the copy available for public inspection.

Subd. 7. TEMPORARY EXEMPTION. Political subdivisions currently providing group insurance coverage and benefits through a contract awarded by a competitive bid process under section 471.616 are exempt from the requirements of this section for the period during which the existing contract remains in force. Upon expiration of the existing contract, a political subdivision must adhere to the request for proposal process outlined in this section.

Sec. 3. REPEALER.

Minnesota Statutes 1988, section 471.616, is repealed.

Sec. 4. EFFECTIVE DATE.

This act is effective the day following enactment.

Presented to the governor May 5, 1989

Signed by the governor May 9, 1989, 6:00 p.m.

CHAPTER 91—H.F.No. 426

An act relating to the city of Mankato; authorizing location of certain polling places more than 3,000 feet outside precinct boundaries.

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

Section 1. POLLING PLACES.

The governing body of the city of Mankato may designate a polling place or polling places for precincts 1, 2, and 3 located more than the allowable distance outside the precinct boundaries under Minnesota Statutes, section 204B.16,

New language is indicated by underline, deletions by ~~strikeout~~.