

(3) the history of past violations, including the similarity of the most recent violation and the violation to be penalized, the time elapsed since the last violation, the number of previous violations, and the response of the person to the most recent violation identified;

(4) the economic benefit gained by the person by allowing or committing the violation; and

(5) other factors as justice may require, if the commissioner specifically identifies the additional factors in the commissioner's order.

(d) The commissioner shall assess a penalty of not less than \$1,000 against a driver who is convicted of a violation of an out-of-service order. The commissioner shall assess a penalty of not more than \$10,000 against an employer who knowingly allows or requires an employee to operate a commercial motor vehicle in violation of an out-of-service order.

Sec. 3. EFFECTIVE DATE.

Sections 1 and 2 are effective April 1, 2000.

Presented to the governor April 20, 1999

Signed by the governor April 23, 1999, 11:46 a.m.

CHAPTER 94—S.F.No. 673

An act relating to health plans; regulating contract stacking; providing a remedy; proposing coding for new law in Minnesota Statutes, chapter 62Q.

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

Section 1. [62Q.74] NETWORK SHADOW CONTRACTING.

Subdivision 1. DEFINITIONS. (a) For purposes of this section, the terms defined in this subdivision have the meanings given.

(b) "Category of coverage" means one of the following types of health-related coverage:

- (1) health;
- (2) no-fault automobile medical benefits; or
- (3) workers' compensation medical benefits.

(c) "Health care provider" or "provider" has the meaning given in section 148.01.

(d) "Network organization" means a preferred provider organization as defined in section 145.61, subdivision 4c; a managed care organization as defined in section 62Q.01, subdivision 5; or other entity that uses or consists of a network of health care providers; but does not include a nonprofit health service plan corporation operating under chapter 62C or its affiliates.

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

Subd. 2. PROVIDER CONSENT REQUIRED. (a) No network organization shall require a health care provider to participate in a network under a category of coverage that differs from the category or categories of coverage to which the existing contract between the network organization and the provider applies, without the consent of the provider obtained under subdivision 3.

(b) This section does not apply to situations in which the network organization wishes the provider to participate in a new or different plan or other arrangement within a category of coverage that is already provided for in an existing contract between the network organization and the provider.

(c) Compliance with this section may not be waived in a contract or otherwise.

Subd. 3. CONSENT PROCEDURE. (a) The network organization, if it wishes to apply an existing contract with a provider to a different category of coverage, shall first notify the provider in writing. The written notice must include at least the following:

(1) the network organization's name, address, and telephone number, and the name of the specific network, if it differs from that of the network organization;

(2) a description of the proposed new category of coverage;

(3) the names of all payers expected by the network organization to use the network for the new category of coverage;

(4) the approximate number of current enrollees of the network organization in that category of coverage within the provider's geographical area;

(5) a disclosure of all contract terms of the proposed new category of coverage, including the discount or reduced fees, care guidelines, utilization review criteria, prior authorization process, and dispute resolution process;

(6) a form for the provider's convenience in accepting or declining participation in the proposed new category of coverage, provided that the provider need not use that form in responding; and

(7) a statement informing the provider of the provisions of paragraph (b).

(b) If the provider does not decline participation within 30 days after the postmark date of the notice, the provider is deemed to have accepted the proposed new category of coverage.

Subd. 4. CONTRACT TERMINATION RESTRICTED. A network organization must not terminate an existing contract with a provider, or fail to honor the contract in good faith, based solely on the provider's decision not to accept a proposed new category of coverage. The most recent agreed-upon contractual obligations remain in force until the existing contract's renewal or termination date.

Subd. 5. REMEDY. If a network organization violates this section by reimbursing a provider as if the provider had agreed under this section to participate in the network under a category of coverage to which the provider has not agreed, the provider has a cause of action against the network organization to recover two times the difference between the reasonable charges for claims affected by the violation and the amounts actually paid to the provider. The provider is also entitled to recover costs, disbursements, and reasonable attorney fees.

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

Sec. 2. EFFECTIVE DATE.

Section 1 is effective for contracts entered into or renewed after August 1, 1999.

Presented to the governor April 20, 1999

Signed by the governor April 23, 1999, 11:17 a.m.

CHAPTER 95—S.F.No. 1470

An act relating to natural resources; modifying the route of Paul Bunyan state trail; permitting operation of motorized devices by physically disabled on certain state trails; amending Minnesota Statutes 1998, sections 85.015, subdivision 15; and 85.018, subdivision 4.

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

Section 1. Minnesota Statutes 1998, section 85.015, subdivision 15, is amended to read:

Subd. 15. **PAUL BUNYAN TRAIL, CROW WING, CASS, HUBBARD, AND BELTRAMI COUNTIES.** The trail shall originate in the city of Baxter Crow Wing state park in Crow Wing county and shall extend through the city of Baxter and in a northerly direction along the Burlington Northern Railroad right-of-way, intersecting the Heartland state trail southeast southwest of the city of Walker in Cass county. The trail shall continue on the Heartland state trail through the city of Walker, then in a northwesterly direction along the Burlington Northern Railroad right-of-way to the city of Bemidji in Beltrami county and there terminate in Lake Bemidji state park.

Sec. 2. Minnesota Statutes 1998, section 85.018, subdivision 4, is amended to read:

Subd. 4. **NONMOTORIZED USE TRAILS.** No motorized vehicle shall be operated on a trail designated for nonmotorized use. This subdivision does not apply to motorized wheelchairs or other motorized devices operated by an individual who is physically disabled.

Presented to the governor April 20, 1999

Signed by the governor April 23, 1999, 11:48 a.m.

CHAPTER 96—S.F.No. 854

An act relating to land use; precluding the termination of lawful land uses by amortization; providing exceptions; amending Minnesota Statutes 1998, sections 394.21, by adding subdivisions; and 462.357, by adding subdivisions.

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

Section 1. Minnesota Statutes 1998, section 394.21, is amended by adding a subdivision to read:

Subd. 1a. **AMORTIZATION PROHIBITED.** Except as otherwise provided in this subdivision, a county, regardless of population, under this chapter or under a special

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