

MINNESOTA STATUTES 1979 SUPPLEMENT

61A.245 LIFE INSURANCE GENERALLY

amount shall be equal to 90 percent and the net consideration shall be the gross consideration less a contract charge of \$75.

[For text of subds 5 and 6, see M.S.1978]

Subd. 7. For contracts which do not provide cash surrender benefits, the present value of any paid-up annuity benefit available as a nonforfeiture option at any time prior to maturity shall not be less than the present value of that portion of the maturity value of the paid-up annuity benefit provided under the contract arising from considerations paid prior to the time the contract is surrendered in exchange for, or changed to, a deferred paid-up annuity, the present value being calculated for the period prior to the maturity date on the basis of the interest rate specified in the contract for accumulating the net considerations to determine the maturity value, and increased by any existing additional amounts credited by the company to the contract. For contracts which do not provide any death benefits prior to the commencement of any annuity payments, the present values shall be calculated on the basis of the interest rate referred to in this subdivision and the mortality table specified in the contract for determining the maturity value of the paid-up annuity benefit. However, in no event shall the present value of a paid-up annuity benefit be less than the minimum nonforfeiture amount at that time.

[For text of subds 8 to 11, see M.S.1978]

Subd. 12. After August 1, 1978, any company may file with the commissioner a written notice of its election to comply with the provisions of this section after a specified date before August 1, 1980. After the filing of such notice, then upon the specified date, which shall be considered the operative date of this section for such company, this section shall become operative with respect to annuity contracts thereafter issued by the company. If a company makes no election, the operative date of this section for the company shall be August 1, 1980.

[1979 c 50 s 8-10]

CHAPTER 62A. ACCIDENT AND HEALTH INSURANCE

Sec.
62A.02 Policy forms.
62A.045 Payments to welfare recipients.

Sec.
62A.22 Refusal to provide coverage because of option under workers' compensation.

62A.02 Policy forms.

[For text of subds 1 and 2, see M.S.1978]

Subd. 3. **Disapproval.** The commissioner shall, within 30 days after the filing of any form, disapprove the form:

- (1) if the benefits provided therein are unreasonable in relation to the premium charged;
- (2) if it contains a provision or provisions which are unjust, unfair, inequitable, misleading, deceptive or encourage misrepresentation of the policy; or
- (3) If the proposed premium rate is excessive because the insurer has failed to exercise reasonable cost control.

For the purposes of clause (1), the commissioner shall establish by rule a schedule of minimum anticipated loss ratios which shall be based on (i) the type or types of coverage provided, (ii) whether the policy is for group or individual coverage, and (iii) the size of the group for group policies. Except for individual policies of disability or income protection insurance, the minimum anticipated loss ratio shall not be less than 50 percent after the first year that a policy is in force. All applicants for a policy shall be informed in writing at the time of application of the anticipated loss ratio of the policy. For the purposes of this subdivision, "anticipated loss ratio" means the ratio at the time of form filing or at the time of subsequent rate revision of the present value of all expected future benefits, excluding dividends, to the present value of all expected future

MINNESOTA STATUTES 1979 SUPPLEMENT

HEALTH MAINTENANCE ACT OF 1973 62D.22

premiums. Nothing in this paragraph shall prohibit the commissioner from disapproving a form which meets the requirements of this paragraph but which the commissioner determines still provides benefits which are unreasonable in relation to the benefits charged. The commissioner may until December 31, 1978, exercise emergency power for the purpose of implementing the minimum anticipated loss ratio requirement, and for this purpose may adopt emergency rules as provided in section 15.0412, subdivision 5. Notwithstanding the expiration of the commissioner's emergency power, any emergency rule adopted by him prior to the expiration of his emergency power may remain effective for the periods authorized in section 15.0412, subdivision 5.

If the commissioner notifies an insurer which has filed any form that the form does not comply with the provisions of this section or sections 62A.03 to 62A.05 and section 72A.20, it shall be unlawful thereafter for the insurer to issue the form or use it in connection with any policy. In the notice the commissioner shall specify the reasons for his disapproval and state that a hearing will be granted within 20 days after request in writing by the insurer.

[For text of subds 4 to 6, see M.S.1978]

[1979 c 207 s 1]

62A.045 Payments to welfare recipients.

No policy of accident and sickness insurance shall contain any provision denying or reducing benefits because services are rendered to an insured or dependent who is eligible for or receiving medical assistance pursuant to chapter 256B or services pursuant to sections 252.27; 260.251, subdivision 1a; 261.27; or 393.07, subdivision 1 or 2.

[1979 c 174 s 1]

62A.22 Refusal to provide coverage because of option under workers' compensation.

No insurer offering an individual or group policy of accident or health coverage in this state shall refuse to provide or renew accident or health coverage because the insured has an option to elect workers' compensation coverage pursuant to section 176.012.

[1979 c 92 s 1]

CHAPTER 62C. NONPROFIT HEALTH SERVICE PLAN CORPORATIONS ACT

Sec.
62C.141 Payments to welfare recipients.

62C.141 Payments to welfare recipients.

No service plan corporation shall deliver, issue for delivery, or renew any subscriber's contract which contains any provision denying or reducing benefits because services are rendered to a subscriber or dependent who is eligible for or receiving medical assistance pursuant to chapter 256B or services pursuant to sections 252.27; 260.251, subdivision 1a; 261.27; or 393.07, subdivision 1 or 2.

[1979 c 174 s 2]

CHAPTER 62D. HEALTH MAINTENANCE ACT OF 1973

Sec. 62D.22 Statutory construction and relationship to other laws. Sec. 62D.30 Demonstration projects.

62D.22 Statutory construction and relationship to other laws.

[For text of subds 1 to 6, see M.S.1978]

Subd. 7. A licensed health maintenance organization shall be deemed to be a pre-paid group practice plan for the purposes of chapter 43 and shall be allowed to partici-