

**MINNESOTA DEPARTMENT OF COMMERCE
MARKET ASSURANCE OMNIBUS BILL 2010**

SF 2839(Scheid)/HF 2942(Atkins)

CHAPTER 384, LAWS 2010

Signed by the Governor: May 25, 2010

SECTION	STATUTE	SUBJECT	EFFECTIVE
ARTICLE 1		MISCELLANEOUS COMMERCE PROVISIONS	
24	New 62Q.188	<p>Flexible Benefits Plans. Adds a new section to provide for the issuance of flexible individual coverage and group coverage for employer plans with up to 100 employees. This type of flexible benefit "health plan" may modify or exclude any or all coverages of benefits that would otherwise be required by law, except for maternity benefits and other benefits required under federal law. This section is similar to M. S. § 62L.056 which applies to Small Employer Flexible Benefit plans.</p> <p>Please note that Section 104 of this act repeals M. S. § 62L.056, effective January 1, 2012, when this section goes into effect.</p>	<u>1-1-12</u>

Sec. 24. **[62Q.188] FLEXIBLE BENEFITS PLANS.**

Subdivision 1. **Definitions.** For the purposes of this section, the terms used in this section have the meanings defined in section 62Q.01, except that "health plan" includes individual coverage and group coverage for employer plans with up to 100 employees.

Subd. 2. **Flexible benefits plan.** Notwithstanding any provision of this chapter, chapter 363A, or any other law to the contrary, a health plan company may offer, sell, issue, and renew a health plan that is a flexible benefits plan under this section if the following requirements are satisfied:

- (1) the health plan must be offered in compliance with the laws of this state, except as otherwise permitted in this section;
- (2) the health plan must be designed to enable covered persons to better manage costs and coverage options through the use of co-pays, deductibles, and other cost-sharing arrangements;
- (3) the health plan may modify or exclude any or all coverages of benefits that would otherwise be required by law, except for maternity benefits and other benefits required under federal law;
- (4) each health plan and plan's premiums must be approved by the commissioner of health or commerce, whichever is appropriate under section 62Q.01, subdivision 2, but neither commissioner may disapprove a plan on the grounds of a modification or exclusion permitted under clause (3); and
- (5) prior to the sale of the health plan, the purchaser must be given a written list of the coverages otherwise required by law that are modified or excluded in the health plan.

The list must include a description of each coverage in the list and indicate whether

the coverage is modified or excluded. If coverage is modified, the list must describe the modification. The list may, but is not required to, also list any or all coverages otherwise required by law that are included in the health plan and indicate that they are included.

The health plan company must require that a copy of this written list be provided, prior to the effective date of the health plan, to each enrollee or employee who is eligible for health coverage under the plan.

Subd. 3. **Employer health plan.** An employer may provide a health plan permitted under this section to its employees, the employees' dependents, and other persons eligible for coverage under the employer's plan, notwithstanding chapter 363A or any other law to the contrary.

EFFECTIVE DATE.This section is effective January 1, 2012.

Sec. 104. **REPEALER**

...Minnesota Statutes 2008, section 62L.056, is repealed effective January 1, 2012.

2009 Minnesota Statutes

62L.056 SMALL EMPLOYER FLEXIBLE BENEFITS PLANS.

(a) Notwithstanding any provision of this chapter, chapter 363A, or any other law to the contrary, a health carrier may offer, sell, issue, and renew a health benefit plan that is a flexible benefits plan under this section to a small employer if the following requirements are satisfied:

(1) the health benefit plan must be offered in compliance with this chapter, except as otherwise permitted in this section;

(2) the health benefit plan to be offered must be designed to enable employers and covered persons to better manage costs and coverage options through the use of co-pays, deductibles, and other cost-sharing arrangements;

(3) the health benefit plan must be issued and administered in compliance with sections [62E.141](#); [62L.03, subdivision 6](#); and [62L.12, subdivisions 3 and 4](#), relating to prohibitions against enrolling in the Minnesota Comprehensive Health Association persons eligible for employer group coverage;

(4) the health benefit plan may modify or exclude any or all coverages of benefits that would otherwise be required by law, except for maternity benefits and other benefits required under federal law;

(5) each health benefit plan must be approved by the commissioner of commerce, but the commissioner may not disapprove a plan on the grounds of a modification or exclusion permitted under clause (4); and

(6) prior to sale of the health benefit plan, the small employer must be given a written list of the coverages otherwise required by law that are modified or

excluded in the health benefit plan. The list must include a description of each coverage in the list and indicate whether the coverage is modified or excluded. If a coverage is modified, the list must describe the modification. The list may, but need not, also list any or all coverages otherwise required by law that are included in the health benefit plan and indicate that they are included. The insurer must require that a copy of this written list be provided, prior to the effective date of the health benefit plan, to each employee who is eligible for health coverage under the employer's plan.

(b) The definitions in section [62L.02](#) apply to this section as modified by this section.

(c) An employer may provide a health benefit plan permitted under this section to its employees, the employees' dependents, and other persons eligible for coverage under the employer's plan, notwithstanding chapter 363A or any other law to the contrary.

History:

[2005 c 132 s 15](#)