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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE No. 3459

February 25, 2008

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The bill was read for the first time and referred to the Committee on E-12 Education

March 3, 2008

Returned to Author

1.1 A bill for an act
1.2 relating to education; defining a full-time student as a dependent for health plan
1.3 coverage; repealing school district requirement to provide certain health care
1.4 information; amending Minnesota Statutes 2007 Supplement, sections 43A.23,
1.5 subdivision 1; 62E.02, subdivision 7; 62L.02, subdivision 11; proposing coding
1.6 for new law in Minnesota Statutes, chapter 62A; repealing Minnesota Statutes
1.7 2007 Supplement, section 256.962, subdivision 6.

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

1.9 Section 1. Minnesota Statutes 2007 Supplement, section 43A.23, subdivision 1,
1.10 is amended to read:

1.11 Subdivision 1. **General.** (a) The commissioner is authorized to request proposals
1.12 or to negotiate and to enter into contracts with parties which in the judgment of the
1.13 commissioner are best qualified to provide service to the benefit plans. Contracts entered
1.14 into are not subject to the requirements of sections 16C.16 to 16C.19. The commissioner
1.15 may negotiate premium rates and coverage. The commissioner shall consider the cost of
1.16 the plans, conversion options relating to the contracts, service capabilities, character,
1.17 financial position, and reputation of the carriers, and any other factors which the
1.18 commissioner deems appropriate. Each benefit contract must be for a uniform term of at
1.19 least one year, but may be made automatically renewable from term to term in the absence
1.20 of notice of termination by either party. A carrier licensed under chapter 62A is exempt
1.21 from the taxes imposed by chapter 297I on premiums paid to it by the state.

1.22 (b) All self-insured hospital and medical service products must comply with coverage
1.23 mandates, data reporting, and consumer protection requirements applicable to the licensed
1.24 carrier administering the product, had the product been insured, including chapters 62J,
1.25 62M, and 62Q. Any self-insured products that limit coverage to a network of providers

2.1 or provide different levels of coverage between network and nonnetwork providers shall
2.2 comply with section 62D.123 and geographic access standards for health maintenance
2.3 organizations adopted by the commissioner of health in rule under chapter 62D.

2.4 ~~(c) Notwithstanding paragraph (b), a self-insured hospital and medical product~~
2.5 ~~offered under sections 43A.22 to 43A.30 is not required to extend dependent coverage to~~
2.6 ~~an eligible employee's unmarried child under the age of 25 to the full extent required under~~
2.7 ~~chapters 62A and 62L. Dependent coverage must, at a minimum, extend to an eligible~~
2.8 ~~employee's unmarried child who is under the age of 19 or an unmarried child under the~~
2.9 ~~age of 25 who is a full-time student. The definition of "full-time student" for purposes~~
2.10 ~~of this paragraph includes any student who by reason of illness, injury, or physical or~~
2.11 ~~mental disability as documented by a physician is unable to carry what the educational~~
2.12 ~~institution considers a full-time course load so long as the student's course load is at least~~
2.13 ~~60 percent of what otherwise is considered by the institution to be a full-time course load.~~
2.14 ~~Any notice regarding termination of coverage due to attainment of the limiting age must~~
2.15 ~~include information about this definition of "full-time student."~~

2.16 **EFFECTIVE DATE.** This section is effective January 1, 2009.

2.17 **Sec. 2. [62A.3011] COVERAGE OF FULL-TIME STUDENTS.**

2.18 If an insurer provides individual or group accident and health coverage for
2.19 dependents after what otherwise would be the limiting age based on full-time student
2.20 status the insurer must include in its definition of full-time student, any student who by
2.21 reason of illness, injury, or physical or mental disability as documented by a physician is
2.22 unable to carry what the educational institution considers a full-time course load so long
2.23 as the student's course load is at least 60 percent of what otherwise is considered by the
2.24 institution to be a full-time course load. Any notice regarding termination of coverage due
2.25 to attainment of the limiting age must include information about this provision.

2.26 For purposes of this section, "insurer" means an insurer providing accident and
2.27 health insurance regulated under this chapter, a nonprofit health service plan corporation
2.28 regulated under chapter 62C, a health maintenance organization regulated under chapter
2.29 62D, or a fraternal benefit society regulated under chapter 64B.

2.30 **EFFECTIVE DATE.** This section is effective January 1, 2009, and applies to
2.31 coverage offered, sold, issued, or renewed on or after that date.

2.32 Sec. 3. Minnesota Statutes 2007 Supplement, section 62E.02, subdivision 7, is
2.33 amended to read:

3.1 Subd. 7. **Dependent.** "Dependent" means a spouse or unmarried child under the
3.2 age of 19, an unmarried dependent child who is a student under the age of ~~25~~ 24, or a
3.3 dependent child of any age who is disabled.

3.4 **EFFECTIVE DATE.** This section is effective January 1, 2009, and applies to
3.5 coverage offered, sold, issued, or renewed on or after that date.

3.6 Sec. 4. Minnesota Statutes 2007 Supplement, section 62L.02, subdivision 11, is
3.7 amended to read:

3.8 Subd. 11. **Dependent.** "Dependent" means an eligible employee's spouse, an
3.9 unmarried child under the age of 19 years, an unmarried child who is a full-time student
3.10 defined under ~~the age of 25~~ section 62A.3011 and under 24 years old, a dependent child
3.11 of any age who is disabled and who meets the eligibility criteria in section 62A.14,
3.12 subdivision 2, or any other person ~~whom~~ under state or federal law ~~requires to be treated~~
3.13 who qualifies as a tax dependent for purposes of health plans. For the purpose of this
3.14 definition, a child includes a child for whom the employee or the employee's spouse has
3.15 been appointed legal guardian and an adoptive child as provided in section 62A.27.

3.16 **EFFECTIVE DATE.** This section is effective January 1, 2009, and applies to
3.17 coverage offered, sold, issued, or renewed on or after that date.

3.18 Sec. 5. **REPEALER.**

3.19 Minnesota Statutes 2007 Supplement, section 256.962, subdivision 6, is repealed.

3.20 **EFFECTIVE DATE.** This section is effective the day following final enactment
3.21 and applies to the 2008-2009 school year and later.