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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1165

02/23/2015 Authored by Murphy, E.; Erhardt; Selcer; Ward; Fischer and others
The bill was read for the first time and referred to the Committee on Health and Human Services Reform

1.1 A bill for an act
1.2 relating to health; changing employee benefits; regulating insurance; providing
1.3 for disclosure of benefit information by certain employers; providing for
1.4 enforcement; providing religious exemptions; requiring health plans to cover
1.5 contraceptive methods, sterilization, and related medical services, patient
1.6 education, and counseling; amending Minnesota Statutes 2014, section 177.27,
1.7 subdivision 4; proposing coding for new law in Minnesota Statutes, chapters
1.8 62Q; 181.

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

1.10 Section 1. **[62Q.521] COVERAGE OF CONTRACEPTIVE METHOD AND**
1.11 **COUNSELING.**

1.12 Subdivision 1. Citation. This section may be cited as the "Contraceptive Health
1.13 Equity and Employee Rights Act."

1.14 Subd. 2. Scope of coverage required. This section applies to all health plans, as
1.15 defined in section 62A.011, subdivision 3, including qualified health plans offered through
1.16 MNSure, as defined in section 62V.02, subdivision 11, and regulated under section 62V.05,
1.17 subdivision 4, that are issued or renewed to a Minnesota employer to cover employees
1.18 and their dependents.

1.19 Subd. 3. Required coverage. A health plan described in subdivision 2 that provides
1.20 prescription drug coverage must cover all Food and Drug Administration-approved
1.21 contraceptive methods and sterilization procedures, and related medical services, patient
1.22 education, and counseling, and shall not impose any cost-sharing requirements for this
1.23 coverage.

1.24 Subd. 4. Exempted coverage. (a) A health plan company that has offered a health
1.25 plan described in subdivision 2 shall provide a basis for eligible employers to be exempted

2.1 from the required coverage under subdivision 3. For purposes of this section, an eligible
 2.2 employer includes:

2.3 (1) any organization that would qualify under Code of Federal Regulations, title 45,
 2.4 section 147.13, paragraph (b); or

2.5 (2) any employer organized as a closely held, for-profit corporation that:

2.6 (i) provides a health plan as described in subdivision 2;

2.7 (ii) has employment policies that are derived from principal shareholder beliefs; and

2.8 (iii) that limits or proposes to limit the availability of specific employee benefits
 2.9 due to those beliefs.

2.10 (b) An eligible employer and a health plan company shall follow the contraceptive
 2.11 coverage procedures adopted under Code of Federal Regulations, title 45, section 147.131,
 2.12 including, but not limited to, the eligible employer issuing a self-certification described in
 2.13 Code of Federal Regulations, title 45, section 147.131, paragraph (b)(4), and the health plan
 2.14 company providing coverage required under subdivision 3 to employees or dependents
 2.15 of an eligible employer at no additional charge to the employee or eligible employer, as
 2.16 described in Code of Federal Regulations, title 45, section 147.131, paragraph (c).

2.17 (c) Any employer exempt under this subdivision must provide disclosures as
 2.18 required by section 181.987.

2.19 **EFFECTIVE DATE.** This section is effective July 1, 2015, and applies to coverage
 2.20 offered, sold, issued, renewed, or continued, as defined in Minnesota Statutes, section
 2.21 60A.02, subdivision 2a, on or after that date.

2.22 Sec. 2. Minnesota Statutes 2014, section 177.27, subdivision 4, is amended to read:

2.23 Subd. 4. **Compliance orders.** The commissioner may issue an order requiring an
 2.24 employer to comply with sections 177.21 to 177.435, 181.02, 181.03, 181.031, 181.032,
 2.25 181.101, 181.11, 181.12, 181.13, 181.14, 181.145, 181.15, 181.172, paragraph (a) or (d),
 2.26 181.275, subdivision 2a, 181.722, 181.79, ~~and~~ 181.939 to 181.943, and 181.987 or with any
 2.27 rule promulgated under section 177.28. The commissioner shall issue an order requiring
 2.28 an employer to comply with sections 177.41 to 177.435 if the violation is repeated. For
 2.29 purposes of this subdivision only, a violation is repeated if at any time during the two years
 2.30 that preceded the date of violation, the commissioner issued an order to the employer for
 2.31 violation of sections 177.41 to 177.435 and the order is final or the commissioner and the
 2.32 employer have entered into a settlement agreement that required the employer to pay back
 2.33 wages that were required by sections 177.41 to 177.435. The department shall serve the
 2.34 order upon the employer or the employer's authorized representative in person or by
 2.35 certified mail at the employer's place of business. An employer who wishes to contest the

3.1 order must file written notice of objection to the order with the commissioner within 15
 3.2 calendar days after being served with the order. A contested case proceeding must then be
 3.3 held in accordance with sections 14.57 to 14.69. If, within 15 calendar days after being
 3.4 served with the order, the employer fails to file a written notice of objection with the
 3.5 commissioner, the order becomes a final order of the commissioner.

3.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.7 Sec. 3. **[181.987] DISCLOSURE REQUIREMENTS; CLOSELY HELD**
 3.8 **CORPORATIONS AND RELIGIOUS EMPLOYERS.**

3.9 (a) An eligible employer, as defined in section 62Q.521, subdivision 4, paragraph
 3.10 (a), that is exempt from providing required coverage under section 62Q.521, subdivision
 3.11 3, must provide written disclosures regarding the employer's benefit limitations or exempt
 3.12 status to all employees and job applicants.

3.13 (b) The written disclosure required by this section must include:

3.14 (1) detailed information about any individual benefit that is limited or withheld due
 3.15 to the employer's principal shareholder beliefs or exempt status;

3.16 (2) the cost, if any, that the employee or job applicant may incur as the result of
 3.17 the limitation of benefits;

3.18 (3) detailed information about the availability of alternative benefit plans including,
 3.19 but not limited to, health plans available under chapter 62V and the availability of
 3.20 assistance in enrolling for such plans under section 62V.05, subdivision 4; and

3.21 (4) detailed information about the availability of contraceptive coverage through the
 3.22 health plan offered by the employer, at no additional cost to the employee or the employer,
 3.23 pursuant to section 62Q.521, subdivision 4, paragraph (b).

3.24 (c) The written disclosure required by this section must be included:

3.25 (1) on any job application form provided by the employer;

3.26 (2) with an employee's first two paychecks after the effective date of this section; and

3.27 (3) in any employment contract or agreement or employee handbook created by
 3.28 the employer.

3.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.