

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 1265**

(SENATE AUTHORS: JENSEN and Gazelka)

DATE	D-PG	OFFICIAL STATUS
03/02/2015	499	Introduction and first reading Referred to Commerce

A bill for an act

relating to insurance; permitting individuals to contract with an insurance producer to advocate on the individual's behalf with respect to health coverage with an insurance company; regulating payment of commissions by issuers of qualified health plans; amending Minnesota Statutes 2014, sections 60K.31, by adding subdivisions; 60K.48, by adding a subdivision; 60K.49, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62V.

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

Section 1. Minnesota Statutes 2014, section 60K.31, is amended by adding a subdivision to read:

Subd. 1a. **Agent of record.** "Agent of record" means an insurance producer, as defined in subdivision 6, licensed in this state to sell, solicit, or negotiate health insurance, who enters into an agreement with (1) a policyholder who has individual health insurance coverage from an insurance company that the producer represents, to advise and advocate on behalf of the policyholder with the policyholder's insurance company, or (2) an applicant for individual health insurance coverage from an insurance company the producer represents, to advise and advocate on behalf of the applicant with the insurance company.

Sec. 2. Minnesota Statutes 2014, section 60K.31, is amended by adding a subdivision to read:

Subd. 1b. **Agent of record letter.** "Agent of record letter" means a letter documenting the agreement referenced in subdivision 1a, and that is signed by the agent of record and either a policyholder or applicant for individual health insurance coverage, as the case may be.

2.1 Sec. 3. Minnesota Statutes 2014, section 60K.48, is amended by adding a subdivision  
2.2 to read:

2.3 Subd. 4. **Qualified health plans.** (a) If a health carrier pays commissions or  
2.4 service fees to licensed producers who are appointed by the health carrier for sale of a  
2.5 qualified health plan, then:

2.6 (1) the health carrier must accommodate a policyholder or applicant for coverage by  
2.7 allowing a policyholder or applicant to select or change the agent of record on the first of any  
2.8 month following receipt of an agent of record letter from the policyholder or applicant; and

2.9 (2) the health carrier's standard commission and service fees must be paid to the  
2.10 policyholder's or applicant's agent of record or the agent's assignee if any rate for a  
2.11 qualified health plan has been approved by the commissioner with costs associated with  
2.12 producer commissions included in the filed rate.

2.13 (b) A health carrier is prohibited from offering, renewing, or failing to renew  
2.14 qualified health plans based solely on the commission paying status of the health plan.

2.15 (c) Nothing in this subdivision requires a health carrier to pay any commission  
2.16 or service fee with respect to the sale of a qualified health plan, unless the rate for the  
2.17 qualified health plan has been approved by the commissioner with costs associated with  
2.18 producer commissions included in the filed rate.

2.19 Sec. 4. Minnesota Statutes 2014, section 60K.49, subdivision 1, is amended to read:

2.20 Subdivision 1. **Agent of insurer.** A person performing acts requiring a producer  
2.21 license under this chapter is at all times the agent of the insurer and not the insured, except  
2.22 as provided for an agent of record under section 60K.31, subdivisions 1a and 1b.

2.23 Sec. 5. **[62V.051] MNSURE; CONSUMER RETROACTIVE APPOINTMENT**  
2.24 **OF A NAVIGATOR OR PRODUCER PERMITTED.**

2.25 Notwithstanding any other law or rule to the contrary, MNSure must permit a  
2.26 consumer to retroactively appoint a navigator or insurance producer to represent, advise,  
2.27 and advocate on behalf of the consumer.

2.28 Sec. 6. **EFFECTIVE DATE.**

2.29 Sections 1 to 5 are effective the day following final enactment.