

1.1 A bill for an act

1.2 relating to health insurance; requiring the commissioner of commerce to hold a
1.3 public hearing before approval of certain rate increases; amending Minnesota
1.4 Statutes 2008, section 62A.02, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2008, section 62A.02, is amended by adding a
1.7 subdivision to read:

1.8 Subd. 5b. **Public hearing; certain rate increases.** (a) Upon a rate increase filing
1.9 submitted by a health carrier for a nongroup health plan, small employer health plan,
1.10 long-term care insurance policy, or a Medicare supplemental policy of over eight percent,
1.11 the commissioner shall no later than ten business days after receipt of the filing set a
1.12 public hearing date in the following geographical areas if the rate increase would affect
1.13 at least 100 members in the surrounding areas: Duluth, St. Cloud, Rochester, and the
1.14 metropolitan area. The commissioner shall post the date, place, and time of each hearing
1.15 and the filing in a conspicuous place on the department's Web site. The posting shall
1.16 include all supplemental information that is part of the filing and shall be updated to
1.17 include any correspondence between the department and the filer.

1.18 (b) The hearings described in paragraph (a) shall be held no later than 90 calendar
1.19 days before the proposed effective date of the rate increase, and shall be conducted
1.20 in accordance with chapter 14.

1.21 (c) Notwithstanding subdivisions 2, 3, and 3a, no rate increase over eight percent
1.22 shall be approved or deemed approved by the commissioner until the public hearings
1.23 described in this subdivision have occurred.

2.1 (d) Upon setting the date, place, and time of the hearing on the proposed rate, the
2.2 commissioner shall immediately notify the filer of the date, place, and time of the hearing.
2.3 Not later than ten business days after receipt of the notice, the filer shall notify by mail
2.4 all enrollees of the:

2.5 (1) proposed rate for each insured's specific health plan, including any increase
2.6 because of the enrollee's age or health status and the percentage increase of the proposed
2.7 rate from the current rate;

2.8 (2) a statement that the proposed rate is subject to the Department of Commerce's
2.9 review and approval; and

2.10 (3) the date, place, and time of the hearings on the proposed rate.

2.11 (e) The commissioner or the commissioner's designee, and an executive from
2.12 the health carrier sponsoring the applicable health plan, must be available to provide
2.13 testimony at the public hearing.

2.14 (f) The health carrier sponsoring the health plan shall pay all expenses reasonably
2.15 attributable to the public hearing held pursuant to this subdivision. The commissioner shall
2.16 determine the expenses and shall render a bill to the health carrier after the conclusion of
2.17 the hearing. The amount billed must be paid by the health carrier into the state treasury
2.18 within 30 days of presentment. Within 30 days after the date of presentment of any bill as
2.19 required by this subdivision, a health carrier may file with the commissioner objections to
2.20 the bill setting out the grounds upon which it is claimed the bill is excessive, erroneous,
2.21 unlawful, or invalid. The commissioner shall hold a hearing on the objection within 60
2.22 days in accordance with chapter 14.

2.23 (g) This subdivision expires for rate increases filed after January 1, 2014.

2.24 Sec. 2. **EFFECTIVE DATE.**

2.25 Section 1 is effective for rate increases due to take effect on or after January 1, 2011.