

Minnesota Attorney General: Administrative Rules Proceedings

Copyright Notice:

This material may be protected by copyright law (U.S. Code, Title 17). Researchers are liable for any infringement. For more information, visit www.mnhs.org/copyright.

Version 3
August 20, 2018

Our File No. 1216 OS-0009-0119

RULE REVIEW CHECKLIST

DATE RULE RECEIVED 10-24
DATE FOR REVIEW 11-13
DATE DUE 11-7

Adopted w/a hearing _____
Adopted w/o hearing ✓
Temporary rule _____

Approved 11-7-85 JMM Disapproved _____ Returned to Agency _____

Resubmitted _____ Due _____
Approved _____ Disapproved _____ Returned to Agency _____

Date filed w/Secretary of State _____ Revisor approved 10/28/85 disapproved _____

✓ Rule as Adopted

✓ Rule as Proposed see SR 1

✓ Order Adopting 9.25.85 Date

N/A Notice of Intent to Solicit Outside Opinion

✓ Order for rulemaking
N/A date of Hearing

N/A Certificate of Board's Authorizing Resolution

✓ Notice of rulemaking
✓ Sufficiency contains small biz statement

✓ Affidavit of Mailing Notice or rulemaking
7.2.85 At least 30 days prior to ~~hearing~~/adoption

✓ Mailing list Certificate

✓ Publication in State Register
7.8.85 At least 30/~~20~~ days prior to ~~hearing~~/adoption

N/A Hearing Examiner's Report

Chief Hearing Examiner's Report(s)
_____ Approving H.E.'s Report
_____ Approving agency action

Agency's Findings of Fact

LCRAR Report or agency Affidavit

Certificate of Board's Resolution Adopting Rules

Order Approving Incorporation by Reference

✓ Statement of Need and Reasonableness

N/A Petition for Adoption of a Rule

✓ Record (includes transcript or tape, exhibits, comments received by agency, requests for a hearing, and other relevant materials)

✓ Certificate of Compliance w/Rulemaking Procedures

✓ Affidavit of ~~Mailing~~ Notice of Submission to Attorney General

N/A Notice of Submission to the Attorney General

SF-00006-03

STATE OF MINNESOTA

DEPARTMENT ATTORNEY GENERAL

Office Memorandum

TO: MICHAEL A. HATCH
Commissioner of Commerce

DATE: 11/12/85

ATTN: RICHARD G. GOMSRUD
Department Counsel

FROM: J. MICHAEL MILES JMM
Assistant Attorney General

PHONE: 296-6555

SUBJECT: In the Matter of the Proposed Rules Relating to the Comprehensive Health Insurance Association

The above-referenced rule has been approved as to its legality by the Attorney General on November 7, 1985.

Enclosed is the agency's copy of the approved rule. This office has already filed two copies of the approved rule with the Secretary of State, who will forward one copy to the Revisor of Statutes. The fourth copy is being retained by this division of the Attorney General's Office for its records.

Also enclosed are any petitions, requests, submission or comments received by the agency and any extra copies of documents which the agency submitted to the Attorney General.

In order for a permanent rule without a hearing to become effective, your agency must publish a notice of adoption in the State Register in accordance with Minn. Stat. § 14.27. An emergency rule becomes effective five working days after approval by the Attorney General; however, the agency must publish a notice in the State Register in accordance with Minn. Stat. § 14.34.

If you have any questions in this regard, please contact me.

JMM:pmf

Enclosures

cc: Maryanne Hruby
Executive Director
Legislative Commission to Review
Administrative Rules

Duane Harves
Chief Administrative Law Judge
Office of Administrative Hearings

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
ST. PAUL 55101

OFFICE OF THE COMMISSIONER

500 METRO SQUARE BUILDING
ST. PAUL, MN 55101

Ms. Judith Wehrwein
Attorney General's Office
Administration/Finance Division
204 Administration Building
50 Sherburne Ave.
St. Paul, MN 55155

Dear Judith:

Enclosed please find the corrected copies of the Rule as adopted. Apparently the Revisor's Office made one of its rare mistakes in the copy you have. I presume you now have everything you need in regard to these rules.

Very truly yours,

MICHAEL A. HATCH
Commissioner of Commerce

By:
Richard G. Gomsrud

Richard G. Gomsrud
Department Counsel

RGG/js

SF-00006-04

STATE OF MINNESOTA

Office Memorandum

DEPARTMENT : of Commerce

PHONE : 296-5689

DATE : 10/22/85

TO : Judith Wehrwein

FROM : Richard G. Gomsrud
Department Counsel

SUBJECT : MCHA (II) Rules

Enclosed are copies of the following materials regarding the above captioned rules (only those items with a circled number are enclosed):

~~1.~~ Notice of Intent to Solicit Outside Opinion (2000.0400 subpart 1 B)

~~2.~~ Written material received as a result of Notice to Solicit Outside Opinion (2000.0400 subpart 1 B)

(3.) Mailing List Certificate (2000.0400 subpart 1 E)

(4.) Statement of Need & Reasonableness (2000.0400 subpart 1 G)

(5.) Order for Notice of Intent to Adopt Rule Without Public Hearing (2000.0400 subpart 1 C)

(6.) Notice of Intent to Adopt Rule Without Public Hearing (2000.0400 subpart 2)

(7.) Affidavit of Mailing Notice of Intent to Adopt Rule Without Public Hearing (2000.0400 subpart 3)

(8.) Copy of Notice of Intent to Adopt Rule Without Public Hearing and rules as published in the State Register (2000.0400 subpart 4)

~~9.~~ Written Comments on Rule (2000.0400 subpart 1 I)

~~10.~~ Findings of Fact (if applicable) (2000.0400 subpart 1 F)

~~11.~~ Affidavit of Mailing Notice of Submission to Attorney General (2000.0400 subpart 1 K); or

12. Affidavit that no request for Notice of Submission to Attorney General were received

13. Original and three copies of Rule as adopted (2000.0400 subpart 5)

14. Two copies of the Order Adopting Rule (2000.0400 subpart 6)

15. Certificate of Compliance With Rulemaking Procedure (2000.0400 subpart 1 J).

AG copy

Department of Commerce

Adopted Rule Relating to Comprehensive Health Insurance

Rule as Adopted

2740.4300 SELECTION AND APPROVAL OF WRITING CARRIERS.

Subpart 1. to 4. [Unchanged.]

Subp. 5. **Bids for renewal.** Six months prior to the expiration of each three-year period of service by a writing carrier, the association shall invite members of the association, including the current writing carriers, to submit bids to serve as writing carrier for the succeeding three-year period.

OFFICE OF THE REVISOR OF STATUTES

Certificate of Approval of Adopted Rules

AR0799

Agency: Department of Commerce

Division:

Agency Contact: Dick Gomsrud

Minnesota Rules: Part 2740.4300

Title: Adopted Rule Relating to Comprehensive Health Insurance

Type of Rules: Permanent

Incorporations by Reference: None

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
NOV 12 1985
Joan Anderson Growe
Secretary of State
8:55 AM

Steven C. Cross

Steven C. Cross
Revisor of Statutes

Paul M. Marinac

Paul M. Marinac
Assistant Deputy Revisor
Phone: 296-0948
Date: October 28, 1985

APPROVED AS TO FORM AND LEGALITY
11/7 1985
HUBERT H. HUMPHREY, III
ATTORNEY GENERAL
BY ASSISTANT ATTORNEY GENERAL

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE

In the Matter of the Proposed Rules Relating to the Comprehensive Health Insurance Association

ORDER ADOPTING RULES

Notice of the Commissioner's intent to adopt the above-entitled rules without a public hearing was published in the State Register on July 8, 1985 and was sent by the United States mail to all persons on the list maintained by the Department of Commerce pursuant to Minnesota Statutes Section 14.14, subd. 1a, on July 2, 1985.

After affording interested and affected persons an opportunity to submit comments for 30 days after Notice, receiving fewer than twenty-five (25) written requests for a public hearing within the 30-day comment period, reviewing and considering the comments, and determining the need for and reasonableness of the above-captioned rules.

NOW, THEREFORE, IT IS ORDERED that these rules identified as the Rules Relating to the Comprehensive Health Insurance Association are adopted this 25th day of September 1985 pursuant to authority vested in me by Minnesota Statutes Section 62E.09 (i).

MICHAEL A. HATCH
Commissioner of Commerce

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE

In the Matter of the Proposed Rules Relating to the Comprehensive Health Insurance Association	ORDER FOR NOTICE OF INTENT TO ADOPT RULES WITHOUT PUBLIC HEARING

IT IS ORDERED this 20th day of June, 1985 that Notice of Intent to Adopt Rules Without Public Hearing in the above-entitled matter be given to all persons who have registered their names with the Department of Commerce for that purpose and be published in the State Register.

Michael A. Hatch
Commissioner of Commerce

DEPARTMENT OF COMMERCE

Proposed Rules Relating to the Comprehensive Health Insurance Association

Notice of Intent to Adopt Rules without a Public Hearing

Notice is hereby given that the Department of Commerce proposes to adopt the above-entitled rules without a public hearing. The Commissioner of Commerce has determined that the proposed adpoption of these rules will be noncontroversial in nature and has elected to follow the procedures set forth in Minnesota Statutes, Section 14.21.

Persons interested in these rules shall have 30 days to submit comments in support of or in opposition to the rules. Each comment should identify the portion of the rule addressed, the reason for the comment, and any change proposed. The proposed rules may be modified if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change.

No public hearing will be held unless twenty-five (25) or more persons make a written request for a hearing within the 30-day comment period. In the event a public hearing is required, the agency will proceed according to the provisions of Minnesota Statutes, section 14.14, subdivision 1.

Persons who wish to submit comments or a written request for a public hearing should submit them to Richard G. Gomsrud, Department Counsel, Department of Commerce, 500 Metro Square Building, St. Paul, MN 55101 (612) 296-5689. Any person requesting a public hearing should state her/his name and address, identify the portion of the proposed rule addressed, the reason for the request and any change proposed and send this information to the above address.

Authority for the adoption of these rules is contained in Minnesota Statutes section 62E.09 (i). Additionally, a Statement of Need and Reasonableness describing the need for and reasonableness of each provision and identifying the data and information relied upon to support the proposed rules has been prepared and is available upon request.

Pursuant to Minnesota Statutes, section 14.115, subdivision 2, the impact on small business has been considered in the promulgation of the rules. Anyone wishing to present evidence or argument as to the rules' effect on small business may do so. The Department's postion regarding the impact of the rules on small business is set forth in the Statement of Need and Reasonableness.

Upon adoption of the final rules without a public hearing, the proposed rules, this notice, the Statement of Need and Reasonableness, all written comments received, and the final Rules as Adopted will be delivered to the Attorney General for review as to form and legality, including the issue of substantial change. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the final rules as proposed for adoption, should submit

Rules as Proposed

2770.6500 AUTHORIZATION STANDARDS.

Subpart 1. Political subdivisions. The commissioner shall grant self-insurance authority to an applicant that is a political subdivision if it satisfies these conditions:

A. at least 25 motor vehicles are registered in its name; and

B. it has, or has contracted with a licensed vendor of risk management services to provide, the administrative resources needed to:

(1) process, review, and pay claims;

(2) evaluate the medical and rehabilitation needs of automobile accident victims; and

(3) estimate current and future loss liabilities.

A political subdivision that has satisfied the foregoing conditions is not required to satisfy the security requirement of part 2770.6800.

Subp. 2. [Unchanged.]

2770.6800 SECURITY REQUIREMENT.

Subpart 1. Surety bond required. An authorized self-insurer, except political subdivisions that have satisfied the requirements of part 2770.6500, subpart 1, items A and B, shall maintain a surety bond written by a corporate surety authorized to do business in Minnesota. The bond must be filed with the commissioner and name the "Commissioner of Commerce - State of Minnesota" as its obligee.

Subp. 2. to 5. [Unchanged.]

APPROVED IN THE REVISOR OF STATUTES OFFICE BY:

a written statement of such request to Richard G. Gomsrud, General Counsel, Department of Commerce, 500 Metro Square Building, St. Paul, MN 55101.

A copy of the proposed rules is attached to this notice. Copies of this notice and the proposed rules are available and may be obtained by contacting Rose Weiner at the above address. Telephone (612) 296-3528.

MICHAEL A. HATCH
Commissioner of Commerce

Rule as Proposed

2740.4300 SELECTION AND APPROVAL OF WRITING CARRIERS.

Subpart 1. to 4. [Unchanged.]

Subp. 5. Bids for renewal. Six months prior to the expiration of each three-year period of service by a writing carrier, the association shall invite ~~insurer-and-health maintenance-organization~~ members of the association, including the current writing carriers, to submit bids to serve as writing carrier for the succeeding three-year period.

APPROVED IN THE REVISOR OF STATUTES OFFICE BY:

DEPARTMENT OF COMMERCE

Proposed Rules Relating to the Comprehensive Health Insura

Notice of Intent to Adopt Rules without a Public Hearing

Notice is hereby given that the Department of Commerce proposes adopt the above-entitled rules without a public hearing. The Commissione of Commerce has determined that the proposed adpoption of these rules will be noncontroversial in nature and has elected to follow the procedures set forth in Minnesota Statutes, Section 14.21.

Persons interested in these rules shall have 30 days to submit comments in support of or in opposition to the rules. Each comment should identify the portion of the rule addressed, the reason for the comment, and any change proposed. The proposed rules may be modified if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change.

No public hearing will be held unless twenty-five (25) or more persons make a written request for a hearing within the 30-day comment period. In the event a public hearing is required, the agency will proceed according to the provisions of Minnesota Statutes, section 14.14, subdivision 1.

Persons who wish to submit comments or a written request for a public hearing should submit them to Richard G. Gomsrud, Department Counsel, Department of Commerce, 500 Metro Square Building, St. Paul, MN 55101 (612) 296-5689. Any person requesting a public hearing should state her/his name and address, identify the portion of the proposed rule addressed, the reason for the request and any change proposed and send this information to the above address.

Authority for the adoption of these rules is contained in Minnesota Statutes section 62E.09 (i). Additionally, a Statement of Need and Reasonableness describing the need for and reasonableness of each provision and identifying the data and information relied upon to support the proposed rules has been prepared and is available upon request.

Pursuant to Minnesota Statutes, section 14.115, subdivision 2, the impact on small business has been considered in the promulgation of the rules. Anyone wishing to present evidence or argument as to the rules' effect on small business may do so. The Department's postion regarding the impact of the rules on small business is set forth in the Statement of Need and Reasonableness.

Upon adoption of the final rules without a public hearing, the proposed rules, this notice, the Statement of Need and Reasonableness, all written comments received, and the final Rules as Adopted will be delivered to the Attorney General for review as to form and legality, including the issue of substantial change. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the final rules as proposed for adoption, should submit

a written statement of such request to Richard G. Gomsrud, General Counsel, Department of Commerce, 500 Metro Square Building, St. Paul, MN 55101.

A copy of the proposed rules is attached to this notice. Copies of this notice and the proposed rules are available and may be obtained by contacting Rose Weiner at the above address. Telephone (612) 296-3528.

MICHAEL A. HATCH
Commissioner of Commerce

In the Matter of the Proposed Adoption of
Rules Relating to the Comprehensive Health
Insurance Association

AFFIDAVIT OF
MAILING

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

Rose T. Weiner , being first duly sworn, deposes and says:

That on the 2nd day of July, 1985, at the City of St. Paul, County of Ramsey, State of Minnesota, she served the attached Notice of Intent to Adopt Rules without a public hearing by depositing in the State of Minnesota Central Mail System for United States mailing at said City of St. Paul, a copy properly prepared with first-class postage prepaid, on all persons and associations who have requested that their names be placed on file with the Department of Commerce for the purpose of receiving notice of the proposed adoption of rules.

A copy of the proposed rules is attached.

Rose T. Weiner
ROSE T. WEINER

Subscribed and sworn to before me this
8th day of July, 1985.

Nancy I Link
Notary Public

NANCY I. LINK
NOTARY PUBLIC-MINNESOTA
HENNEPIN COUNTY
MY COMMISSION EXPIRES DECEMBER 3, 1990

STATE OF MINNESOTA

COUNTY OF RAMSEY

CERTIFICATE

In the Matter of the Proposed Adoption of
Rules Relating to the Comprehensive Health
Insurance Association

I hereby certify that the list of persons, associations, and other interested groups who have requested, pursuant to Minnesota Statutes, Sec. 14.14, subd. 1a, that their names be placed on file with and maintained by the Department of Commerce for the purpose of receiving notice of the proposed adoption of rules is accurate and complete as of 12:00 P.M., this 2nd day of July 1985.

Rose T. Weiner
ROSE T. WEINER

American Council of Life Insurance
1850 K Street NW
Washington, DC 20006

Fred McGarvey
American Insurance Association
230 W. Monroe
Chicago, IL 60606

Daniel D. Foth
Associated Builders & Contractors
6300 Walker Street, Room 109
Minneapolis, MN 55416

Morris J. Anderson, Exec. Dir.
Association of Minnesota Counties
555 Park Street, Suite 300
St. Paul, MN 55103

Michael C. Black
Michael C. Black Law Office, Ltd.
Suite 201- 265 W 7th St (Fort Road)
St. Paul, MN 55102

R. G. Lanham, Dir. of Research
Carleton Financial Computations
P.O. Box 570
South Bend, IN 46624

John F. Sheski, Counsel
Central Life Assurance Company
P.O. Box 5620
Madison, WI 53705

Glen Tullman
Certified Collateral Corporation
640 N. LaSalle, Suite 640
Chicago, IL 60610

M. D. Monette, V. P. & Counsel
Colonial Penn Group, Inc.
5 Penn Center Plaza
Philadelphia, PA 19181

Timothy L. Tucker
Consumer Credit Insurance Assoc.
307 N. Michigan Ave.
Chicago, IL 60601

Coury, Schwinn, Kodadek & McRoberts
1380 Soo Line Bldg.
Minneapolis, MN 55402

Norman E. Nelson, Govt. Affairs Dept.
Crum & Forster Corporation
305 Madison Avenue
Morristown, NJ 07960

Robert R. Abrohams Agency Inc.
1112 Plymouth Building
Minneapolis, MN 55402

John B. LaMacchia & Associates
Actuaries Management Consultants
12 North Central Avenue
St. Louis, MO 63105

Sam Ruhle
Office of Administrative Hearings
400 Summit Bank Building
Minneapolis, MN 55415

Joseph T. Justice, Counsel
Alexander Howden Group U.S. Inc.
P.O. Box 19539
Atlanta, GA 30325

Alliance of American Insurers
Attn: Debra G. Wozniak
1501 Woodfield Rd., Suite 400 West
Schaumberg, IL 60195

Willys P. Jones
Allison-Williams Co.
2300 IDS Center
Minneapolis, MN 55402

John A. Knapp, Esq.
Hessian, McKasy & Soderberg, P. A.
1500 Midwest Plaza Building
Minneapolis, MN 55402

Norbert A. McCrady
Independent Bankers of Minn.
7850 Metro Pkway., Suite 213
Bloomington, MN 55420

Investment Company Institute
1775 K Street NW
Washington, DC 20006

Peggy Jacobs
IDS Financial Services
IDS Tower
Minneapolis, MN 55402

Stan Jacobson
Research Dept., State of MN
Room 17, State Capitol
St. Paul, MN 55155

Kathleen P. Burek
Exec. Dir., LCRAR
Rm. 510, State Office Building
St. Paul, MN 55155

Susan J. Ladwig
900 Midland Bank Building
Minneapolis, MN 55401

Richard H. Smith, Dir.
Dept. of Land Registration
P.O. Box 569
Bentonville, AR 72712

Vincent A. Pellerito, President
Land Registrations, Inc.
4603 N. 16th St., Suite 2
Phoenix, AZ 85016

League Service Corporation
575 University Avenue
St. Paul, MN 55103

John R. Houston, Esq.
Lindquist & Vennum
4200 IDS Center
Minneapolis, MN 55402

Local 17
Tara Heinecke
Suite 444
312 Central Avenue S.E.
Minneapolis, MN 55414

Gerard P. Davey
Attorney at Law
One Newport Pl., Suite 900
Newport Beach, CA 92660

Michael Bernardino, Mgr.
Dean Witter Reynolds, Inc.
5 World Trade Center
New York, NY 10048

Gerald G. Dederick, Esq.
6800 France Ave. S., #750
Edina, MN 55435

Director
Developmental Disabilities Office
201 Capitol Square Building
St. Paul, MN 55101

David L. Boehnen
Dorsey & Whitney
1st Bank Place East
Minneapolis, MN 55402

Nicholas T. Kakos
Federal Cartridge Corporation
Twin Cities Army Ammunition Plant
New Brighton, MN 55112

Richard Russell, Esq.
Finley, Kumble, Wagner, et al
425 Park Ave.
New York, NY 10022

Fireman's Fund Emp. Ins. Co.
Contracts Department
P.O. Box 1100
Green Bay, WI 54305

Conrad M. Fredin
811 Norwest Center
Duluth, MN 55802

George H. Frisch
1781 Saunders
St. Paul, MN 55116

Michael D. Johnson
Frundt, Frundt & Johnson
117 W. 5th Street
Blue Earth, MN 56013

Mr. Larry A. Bakken
Hamline Law School
1536 Hewitt
St. Paul, MN 55102

Joan M. Archer
Minn. Mfg. Housing Assoc.
222 E. Little Canada Rd., S222
St. Paul, MN 55117

Ms. Lois Wattman DeWitt
Minnesota Medical Association
2221 University Ave. SE, #400
Minneapolis, MN 55414

James N. Denn
Minnesota Motor Transport Assn.
1821 University Ave., Room 134N
St. Paul, MN 55104

Minn. Petroleum Council
1025 Northern Federal Bldg.
St. Paul, MN 55102

John Van Doorn
Minn. Retail Merchants Assoc.
180 Metro Square Bldg.
St. Paul, MN 55101

Minn. School of Real Est. Inc.
140 W. 98th St.
Oxboro Plaza Bldg.
Bloomington, MN 55420

Maureen Adrian, Exec. Asst.
Minn. State Builders Assoc.
666 Transfer Rd.
St. Paul, MN 55114

Abe Rosenthal, Exec. Vice Pres.
Minn. Transport Services Assn.
1821 University Ave.
St. Paul, MN 55104

Philip B. Sears, Esq.
Mosburg & Wright, Inc.
2200 Classen Blvd., 4th Fl.
Oklahoma City, OK 73106

Michael J. Ahern
Moss & Barnett
200 S. Sixth St.
Minneapolis, MN 55402

John F. Stone
Moss & Barnett
200 S. Sixth St.
Minneapolis, MN 55402

NIARS Corporation
Three Eighteen West Franklin
Minneapolis, MN 55404

Ma[redacted]Beth Brody
Macintosh & Commers
430 Marquette
Minneapolis, MN 55402

Jean M. Reynolds, Treasurer
Mairs and Power, Inc.
W-2062 First National Bank Bldg.
St. Paul, MN 55101

Ron Marien
9604 13th Ave. S.
Bloomington, MN 55420

Katie McLenighan
299 E. State Office Bldg.
St. Paul, MN 55155

Mr. Ronald R. Radtke, Mgr., Comp. Svcs.
Metropolitan Prop. & Liability Ins. Co.
700 Quaker Lane
Warwick, RI 02887

D. F. Hennen, Plant Manager
Midland Glass Company, Inc.
P.O. Box 69
Shakopee, MN 55379

Jerrold T. Miller
J. T. Miller Company
1900 Currie Avenue
Minneapolis, MN 55403

John S. Jackson, Gen. Counsel
Minnesota Bankers Association
332 Baker Building
Minneapolis, MN 55402

Gene Johannes
Minnesota Chiropractic Assoc.
2353 Rice St., Suite 125
St. Paul, MN 55113

Minn. Consumer Finance Confer.
810 Norwest Center
St. Paul, MN 55101

Jean Dawson
Minn. Government Report
B-12 Press Room, State Capitol
St. Paul, MN 55155

Minnesota League of Credit Unions
575 University Ave.
St. Paul, MN 55103

Phillips Legislative Service, Inc.
459 Rice Street
St. Paul, MN 55103

Celeste B. Relyea, Dir. of St. Affairs
Professional Insurance Agents
400 N. Washington St.
Alexandria, VA 22314

Bruce A. Poulsen, V.P. & Counsel
Prudential Insurance Co. of America
8th Fl., P.O. Box 1143
Minneapolis, MN 55440

Charles A. Kroeger
QSS, Inc.
P.O. Box 838
Faribault, MN 55021

James M. Shamberger, Vice President
Reinsurance Association of America
1025 Connecticut Ave., Suite 512
Washington, D.C. 20036

John P. Flaten
Rider, Bennett, Egan & Arundel
2500 First Bank Pl. W.
Minneapolis, MN 55402

Richard B. Allyn
Robins, Zelle, Larson & Kaplan
1800 International Centre
900 Second Avenue South
Minneapolis, MN 55402

Bernard Rosenberg
Robins, Zelle, Larson & Kaplan
1800 International Centre
900 South Second Avenue South
Minneapolis, MN 55402

W. J. Hay
St. Paul Companies, Inc.
385 Washington Street
St. Paul, MN 55102

Gerald Engeleiter
Government Affairs
St. Paul Fire & Marine Ins. Co.
385 Washington St.
St. Paul, MN 55102

Jim Schloner
7733 W. 24th St.
Minneapolis, MN 55426

Kevin J. Nolan, Atty.
Securities Industry Association
120 Broadway
New York, NY 10271

Mark A. Welshons, Secretary
[illegible] Reinsurance Company
P.O. Box 20
Minneapolis, MN 55440

John B. Crosby, V.P. & Gen. Couns.
Natl. Assoc. of Ind. Insurers
2600 River Road
Des Plaines, IL 60018

William R. Anderson, Counsel
Natl. Assoc. of Life Underwriters
1922 F Street, NW
Washington, D.C. 20006

Richard Bouhan, Gov't. Relations Dir.
Natl. Assoc. of Prof. Surplus Lines Off.
P.O. Box 1507
Roswell, GA 30077

Leslie Urban, President
National Service Corporation
831 Livestock Exchange Building
P. O. Box 7608
Omaha, NE 68107

Lee T. Peterson
Nelson, Nelson, Kufus & Assoc.
665 N. Snelling Ave.
St. Paul, MN 55104

Ohio State Life Insurance Company
Attn: Harold I. Phillian
471 E. Broad Street
Columbus, OH 43215

Oppenheimer, Wolff, Foster,
Shepard & Donnelly
1700 1st National Bank Building
St. Paul, MN

Orion Group, Inc.
Law Division
9 Farm Springs Dr.
Farmington, CT 06032

Howard McDowell, I-5
Pennsylvania Life Insurance Company
3130 Wilshire Blvd.
Santa Monica, CA 90406

Roger A. Peterson
Peterson, Engberg & Peterson
700 Title Insurance Bldg.
Minneapolis, MN 55401

Peter S. Popovich
Peterson, Popovich, Knutson & Flynn
2229 River Rd. S. & St. Marys Point
Lakeland, MN 55043-9775

Ted Burton
Security Schools
268 West Burnsville Parkway
Burnsville, MN 55337

Cezar M. Froelich, Esq.
Shefsky, Saitlin & Froelich, Ltd.
444 N. Michigan Ave., Suite 2300
Chicago, IL 60611

Stan Bass
Snyder, Larsen & Peters
2636 Portland Avenue
Minneapolis, MN 55407

Archibald Spencer
4040 IDS Center
Minneapolis, MN 55402

Dominic J. Sposeto
Dominic Sposeto & Associates
3916 Chowen Ave. S.
Minneapolis, MN 55410

David A. Peterson
State Bond & Mortgage Company
100 North Minnesota Street
New Ulm, MN 56073

Charles F. Happach, Treas. & Gen. Mgr.
State Capitol Credit Union
95 Sherburne
St. Paul, MN 55103

A. Edward Hunter, Asst. Director
State Planning Agency
101 Capitol Square Building
St. Paul, MN 55101

Mary Stanton, Staff Assoc./Fin.
State University System
555 Park St., Suite 230
St. Paul, MN 55103

Gary Gandrud
Stolpestad, Brown & Smith
2000 North Central Tower
St. Paul, MN 55101

Robert E. Swift, Vice President
Title Insurance Company of MN
400 Second Avenue South
Minneapolis, MN 55401

Union Fidelity Life Insurance Co.
Union Fidelity Office Park
Trevose, PA 19049
Attn: Edward G. Farmer, Jr., V.P.

Jerome Scheibl, Vice President
Wausau Insurance Group
2000 Westwood Dr.
Wausau, WI 54401

Larry J. Smith
Assistant Secretary Public Affairs
Western Insurance Companies
14 East First
Fort Scott, Kansas 66701

Workers Comp. Reinsurance Assoc.
900 Minnesota Mutual Life Center
400 North Robert Street
St. Paul, MN 55101

Security Life Insurance
Robbins & Rashke, P.A.
5200 Willson Rd., Suite 407
Minneapolis, MN 55424

George M. Boyd
Squire, Sanders & Dempsey
1800 Huntington Building
Cleveland, OH 44115

STATE REGISTER

STATE OF MINNESOTA



VOLUME 10, NUMBER 2

July 8, 1985

Pages 37-84

CONTENTS

MINNESOTA RULES AMENDMENTS AND ADDITIONS

Issues 1-2, inclusive 40

PROPOSED RULES

Commerce Department

Proposed Repeal of Contested Case Procedure and Advertisement of Sickness and Accident Insurance Rules 41
Proposed Rules Governing Security Requirements of Self-Insurers Under the No-Fault Automobile Insurance Act 42
Proposed Rule Relating to Comprehensive Health Insurance 43

Human Services Department

Proposed Rules Relating to Grants for Providing Semi-Independent Living Services to Persons with Mental Retardation 44
Proposed Rules Relating to Special Needs Rate Exception for Very Dependent Persons with Special Needs 54

ADOPTED RULES

Commerce Department

Adopted Rules Relating to Nonrenewal of Homeowners Insurance 66

Higher Education Coordinating Board

Adopted Emergency Rules Relating to Supplemental Loans to Post-Secondary Students 66

Human Services Department

Adopted Rules for Training and Habilitation Reimbursement Procedures for ICF/MR's 68

Pollution Control Agency

Adopted Rules Relating to Hazardous Waste 70

Secretary of State

Adopted Rules Relating to Financing Statements 70

OFFICIAL NOTICES

Finance Department

Maximum Interest Rate for Municipal Obligations, July, 1985 70

Health Department

Emergency Medical Services Licensure Application/Praxel Ambulance, Inc., Winona 71

Human Services Department

Outside Opinion Sought Regarding Proposed Rule Governing Indian Relief 71

STATE CONTRACTS

Administration Department Procurement Division

Commodities Contracts and Requisitions Currently Open for Bidding 72

Human Services Department

Request for Proposals for Women's Treatment 73

Human Services Department Minnesota Board on Aging

State Funds Available for New Retired Senior Volunteer Programs: Amount, Purpose, and Eligibility 73

Human Services Department Office of Child Support Enforcement

Request for Proposals to Study System Development for the Minnesota Child Support Enforcement Division 74

State Designer Selection Board

Request for Proposals for State Projects 74

SUPREME COURT

Decision Filed Wednesday, June 19, 1985 76

Rules as Proposed

2770.6500 AUTHORIZATION STANDARDS.

Subpart 1. Political subdivisions. The commissioner shall grant self-insurance authority to an applicant that is a political subdivision if it satisfies these conditions:

A. at least 25 motor vehicles are registered in its name; and

B. it has, or has contracted with a licensed vendor of risk management services to provide, the administrative resources needed to:

(1) process, review, and pay claims;

(2) evaluate the medical and rehabilitation needs of automobile accident victims; and

(3) estimate current and future loss liabilities.

A political subdivision that has satisfied the foregoing conditions is not required to satisfy the security requirement of part 2770.6800.

Subp. 2. [Unchanged.]

2770.6800 SECURITY REQUIREMENT.

Subpart 1. Surety bond required. An authorized self-insurer, except political subdivisions that have satisfied the requirements of part 2770.6500, subpart 1, items A and B, shall maintain a surety bond written by a corporate surety authorized to do business in Minnesota. The bond must be filed with the commissioner and name the "Commissioner of Commerce - State of Minnesota" as its obligee.

Supb. 2. to 5. [Unchanged.]

Department of Commerce

Proposed Rule Relating to Comprehensive Health Insurance

Notice of Intent to Adopt Rules without a Public Hearing

Notice is hereby given that the Department of Commerce proposes to adopt the above-entitled rules without a public hearing. The Commissioner of Commerce has determined that the proposed adoption of these rules will be noncontroversial in nature and has elected to follow the procedures set forth in Minnesota Statutes, Section 14.21.

Persons interested in these rules shall have 30 days to submit comments in support of or in opposition to the rules. Each comment should identify the portion of the rule addressed, the reason for the comment, and any change proposed. The proposed rules may be modified if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change.

No public hearing will be held unless twenty-five (25) or more persons make a written request for a hearing within the 30-day comment period. In the event a public hearing is required, the agency will proceed according to the provisions of Minnesota Statutes, section 14.14, subdivision 1.

Persons who wish to submit comments or a written request for a public hearing should submit them to Richard G. Gomsrud, Department Counsel, Department of Commerce, 500 Metro Square Building, St. Paul, MN 55101 (612) 296-5689. Any person requesting a public hearing should state her/his name and address, identify the portion of the proposed rule addressed, the reason for the request and any change proposed and send this information to the above address.

Authority for the adoption of these rules is contained in Minnesota Statutes section 62E.09 (i). Additionally, a Statement of Need and Reasonableness describing the need for and reasonableness of each provision and identifying the data and information relied upon to support the proposed rules has been prepared and is available upon request.

Pursuant to Minnesota Statutes, section 14.115, subdivision 2, the impact on small business has been considered in the promulgation of the rules. Anyone wishing to present evidence or argument as to the rules' effect on small business may do so. The

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." ADOPTED RULES SECTION — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Department's position regarding the impact of the rules on small business is set forth in the Statement of Need and Reasonableness.

Upon adoption of the final rules without a public hearing, the proposed rules, this notice, the Statement of Need and Reasonableness, all written comments received, and the final Rules as Adopted will be delivered to the Attorney General for review as to form and legality, including the issue of substantial change. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the final rules as proposed for adoption, should submit a written statement of such request to Richard G. Gomsrud, General Counsel, Department of Commerce, 500 Metro Square Building, St. Paul, MN 55101.

A copy of the proposed rules is attached to this notice. Copies of this notice and the proposed rules are available and may be obtained by contacting Rose Weiner at the above address. Telephone (612) 296-3528.

Michael A. Hatch
Commissioner of Commerce

Rule as Proposed

2740.4300 SELECTION AND APPROVAL OF WRITING CARRIERS.

Subpart 1. to 4. [Unchanged.]

Subp. 5. Bids for renewal. Six months prior to the expiration of each three-year period of service by a writing carrier, the association shall invite ~~insurer and health maintenance organization~~ members of the association, including the current writing carriers, to submit bids to serve as writing carrier for the succeeding three-year period.

Department of Human Services

Proposed Rules Relating to Grants for Providing Semi-Independent Living Services to Persons with Mental Retardation

Notice of Intent to Adopt a Rule without a Public Hearing and Notice of Intent to Adopt a Rule with a Public Hearing if Twenty-Five or More Persons Request a Hearing

Notice is hereby given that the State Department of Human Services proposes to adopt the above-mentioned rule without a public hearing following the procedures set forth in Minnesota Statutes, sections 14.22 to 14.28. The specific statutory authority to adopt the rule is Minnesota Statutes, section 252.275.

Persons interested in this rule shall have 30 days in which to submit comment in support of or in opposition to the proposed rule or any part or subpart of the rule and comment is encouraged. Each comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed.

Any person may make a written request for a public hearing on the rule within the 30-day comment period. If 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will be held unless a sufficient number withdraw their request. Any person requesting a public hearing should state his or her name and address, and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed. If a public hearing is required, the agency will proceed pursuant to Minnesota Statutes, sections 14.131 to 14.20. PLEASE NOTE THAT IF TWENTY-FIVE OR MORE PERSONS SUBMIT WRITTEN REQUESTS FOR A PUBLIC HEARING WITHIN THE 30-DAY COMMENT PERIOD, A HEARING WILL BE HELD ON AUGUST 16, 1985 IN ACCORDANCE WITH THE NOTICE OF PUBLIC HEARING ON THESE SAME RULES PUBLISHED IN THIS *STATE REGISTER* AND MAILED TO PERSONS REGISTERED WITH THE DEPARTMENT OF HUMAN SERVICES. To verify whether a hearing will be held, please call the Department of Human Services before August 16, 1985 at (612) 297-4979.

Persons who wish to submit comments or a written request for a public hearing must submit such comments or requests to:

Mary Jo Verschay
Department of Human Services
Mental Retardation Division
4th Floor Centennial Office Building
St. Paul, MN 55115
Telephone 612/297-4979

Comments or requests for a public hearing must be received by the Department by 4:30 p.m. on August 7, 1985.

The proposed rule may be modified if the modifications are supported by data and views and do not result in a substantial change in the proposed rule as noticed.

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE

In the Matter of the Proposed Adoption of Rules Relating to the Comprehensive Health Insurance Association

STATEMENT OF NEED AND REASONABLENESS

In August of 1985 the process of adopting new rules pertaining to the Minnesota Comprehensive Health Insurance Association was completed. During the process of adopting these rules an oversight occurred and a change to bring the rules into compliance with the statutes was omitted. Rule 2740.4300 subpart 5 provided that the association shall invite insurer and health maintenance organization members to submit bids to serve as a writing carrier for the association. This limited who could participate in the bidding process to only insurer and health maintenance organizations. The applicable statute provided that all members of the association were eligible. Accordingly an additional change to the rules was required to bring them into conformance with the statute and remove the improper limitation. Accordingly this change merely makes the rule consistant with the statute.

Small business consideration

Because the change would only bring the rule into compliance with the statute there would be no alternative to making this change. Accordingly the requirements of considering the small business impact of the change would not be applicable to this situation. However, the department would see no effect on small businesses except the possibility that some of them that were previously precluded from bidding would now be allowed to bid. However, as this is required by the statute the rule would have been invalid with the previous limitation.

In the Matter of the Proposed Adoption of
Rules Relating to the Comprehensive Health
Insurance Association

STATEMENT OF
COMPLIANCE WITH
RULEMAKING PROCEDURES

I, JOHN C. BJORK, do hereby declare that I have examined the rules and all related documents and that, based on my examination and my personal familiarity with the applicable procedures, the Administrative Procedure Act, the rules of the Office of Administrative Hearings, and the rules of the Attorney General have been followed. Any exceptions are noted below.

John C. Bjork
Special Assistant Attorney General

Dated: October 21, 1985.

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE

In the Matter of the Proposed Rules Relating to the Comprehensive Health Insurance Association

NOTICE OF SUBMISSION TO THE ATTORNEY GENERAL

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

Richard G. Gomsrud, being first duly sworn, deposes and says:

That he is Department Counsel for the Department of Commerce.

That part of his duties is the promulgation and adoption of departmental rules, including those captioned above.

That to date, no person has requested notice of submission of the rules in the above-entitled matter to the Attorney General.

Richard G. Gomsrud

RICHARD G. GOMSRUD
Department Counsel, Department of Commerce

Subscribed and sworn to before me this 16th day of October, 1985.

Nancy J. Link

NANCY J. LINK
NOTARY PUBLIC - MINNESOTA
HENNEPIN COUNTY
MY COMMISSION EXPIRES DECEMBER 3, 1990