

Chapter: 34

Session: 2017 Regular Session

Topic: Minnesota Joint Underwriting Association

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Overview

This act provides that the Minnesota Joint Underwriting Association (the “association”) must offer medical malpractice insurance. It makes changes to the data on which a member’s assessment is calculated, and makes technical and conforming changes. This act is effective August 1, 2017.

Section

- 1
 - Subd. 1. Creation.** Makes technical changes. Requires the association to provide medical malpractice insurance if a licensed health care provider is otherwise unable to procure it.
 - Subd. 2. Board of Directors.** Changes the number of directors on the board, who chooses the members, and which industry the director must represent.
 - Subd. 3. Reauthorization.** Provides that insurance is reauthorized unless deactivated under sections 62I.21 and 62I.22.
 - Subd. 5. Accounts.** Makes technical conforming changes.
 - Subd. 6. Medical malpractice.** Makes technical conforming changes.
- 2
 - Subd. 2. Association.** Provides that “association” includes the Minnesota Joint Underwriting Association and incorporates the duties and responsibilities of the Medical Malpractice Joint Underwriting Association.
 - Subd. 4. Direct written premiums.** Provides that “direct written premiums” means an amount referenced by the National Association of Insurance Commissioners.
 - Subd. 5. Deficit.** Provides that “deficit” does not include retrospective premium revenue, but does include operating expenses.
 - Subd. 6. Net direct premiums.** Deletes this subdivision.

Section

Subd. 6a. Member. Defines member to mean an insurer licensed to write in property and casualty insurance or personal injury liability insurance.

Subd. 8. Licensed health care provider professional services. Provides a definition.

3 Plan of operation. Makes technical and conforming changes regarding the association's plan of operation.

4 Subd. 3. Rating plan. Removes the terms "rate" and "rating rules" from the types of data that are subject to chapter 70A.

Subd. 4. Approval. Deletes this subdivision.

Subd. 5. Examinations. Provides that the commissioner may examine the business of the association to ensure it is operating in a manner consistent with Minnesota laws.

Subd. 6. Deficit assessment. Makes technical changes.

Subd. 7. Amendments to rating plan. Changes a cross-reference.

5 Subd. 1. Assessment. Provides that a members' assessment for participation in the association is based on the direct premiums written in the preceding calendar year as reported by the National Association of Insurance Commissioners.

Subd. 2. Personal injury liability insurance assessment; liquor liability. Deletes this subdivision.

Subd. 3. Personal injury liability insurance assessment; medical malpractice. Deletes this subdivision.

6 Application procedure. Removes the requirement that the board of directors approve the application form. Requires an applicant to certify that they are unable to find the coverage sought.

7 Subd. 1. Generally. Removes the requirement that an applicant must apply through the market assistance coordinator.

Subd. 2. Minimum qualifications. Makes technical and conforming changes.

Subd. 3. Disqualifying factors. Prohibits applicants from committing certain violations in reference to the commissioner or the association.

Subd. 5. Notice. Makes technical and conforming changes.

Subd. 6. Authority to decline coverage. Deletes this subdivision.

8 Assessments. Makes technical changes.

9 Extension of coverage. Makes technical changes.

10 Subd. 2. Payment. Removes reference to retrospective premium refund.

Subd. 3. Supervision. Removes reference to retrospective premium refund.

Subd. 5. Surcharge. Makes technical changes.

Section

- 11 Immunity from liability.** Clarifies that a cause of action cannot arise against the association, members of its board, employees or agents for any act or omission made in good faith within the scope of this chapter or any related proceedings. Cross references the indemnification provided by Minnesota Statutes, section 317A.521.
- 12 Annual statements.** Provides that the association must file its statement annually.
- 13 Activation of joint underwriting association.** Provides that the commissioner may deactivate a class of business of the association if it is not necessary.
- 14 Repealer.** Repeals Minnesota Statutes, sections 62F.01, subdivision 1; 62F.02; 62F.03; 62F.04, subdivisions 1, 2, 2a, and 3; 62F.05; 62F.06; 62F.07; 62F.08; 62F.09; 62F.10; 62F.11; 62F.12; 62F.13; and 62F.14,06; 62F.07; 62F.08; 62F.09; 62F.10; 62F.11; 62F.12; 62F.13; and 62F.14 and Minnesota Rules, part 2791.0100.