

**SFA**

BILL ANALYSIS

APR 28 1988

Senate Fiscal Agency

• Lansing, Michigan 48909

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Senate Bills 775 through 779  
Sponsor: Senator Dick Posthumus  
Committee: Commerce and Technology

Date Completed: 4-19-88

SUMMARY OF SENATE BILLS 775 through 779 as introduced 3-17-88:

Senate Bill 775 would amend the Prudent Purchaser Act to extend the Act's sunset from July 1, 1988, to July 1, 1991. Senate Bills 776 through 779 would amend various other Acts to extend to that date sunsets on provisions pertaining to the Prudent Purchaser Act.

Senate Bill 776 would amend the Insurance Code; Senate Bill 777 would amend the Nonprofit Health Care Corporation Reform Act; Senate Bill 778 would amend the Public Health Code; and Senate Bill 779 would amend Public Act 125 of 1963, which regulates nonprofit dental care corporations.

MCL 550.61 (Senate Bill 775)

Legislative Analyst: P. Affholter

500.3405 et al. (Senate Bill 776)

550.1502a (Senate Bill 777)

333.21054 (Senate Bill 778)

550.366a (Senate Bill 779)

FISCAL IMPACT

The bills would have a minimal fiscal impact on State and local government. The bills would continue the need for the Insurance Bureau to review the criteria developed by the Prudent Purchaser organizations for their provider panels. This information would also be required to be filed and kept available under the Freedom of Information Act. The Insurance Bureau estimated that the equivalent of one-half of one FTE would be required for the additional three years provided by the extension of the sunset provisions at a cost of approximately \$24,000 per year.

Fiscal Analyst: J. Schultz

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