



**House
Legislative
Analysis
Section**

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SUPPLEMENTALS ONLY TO MEDICARE ELIGIBLE

House Bills 4242 and 4243
Sponsor: Rep. Thomas Mathieu
Committee: Insurance

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Complete to 3-13-89

A SUMMARY OF HOUSE BILLS 4242 AND 4243 AS INTRODUCED 2-21-89

In general, the bills would prohibit the issuance of a Medicare supplemental policy (or certificate) to a person who is not eligible for Medicare. Insurers would be required to verify that a person was eligible for Medicare before issuing the supplemental policy. All premiums paid by a non-eligible person for a supplemental policy would have to be refunded. (An application for a supplemental policy could be taken, however, before eligibility was determined.)

The bills would also require insurers to determine, before offering an applicant an individual policy, if the applicant was already covered under a group policy providing substantially the same benefits and then notify the applicant how the individual policy being offered would duplicate or coordinate with the existing group policy.

House Bill 4243 would amend the Nonprofit Health Care Corporation Reform Act (MCL 550.1413d) to apply to Blue Cross and Blue Shield of Michigan. House Bill 4242 would amend the Insurance Code (MCL 500.2267d) to apply to commercial insurance companies.

House Bills 4242 & 4243 (3-13-89)