

HOUSE BILL No. 5444

January 16, 1992, Introduced by Reps. Clack, Murphy, Emerson, Kilpatrick, Hickner, Gubow, Pitoniak and DeMars and referred to the Committee on Insurance.

A bill to amend Act No. 125 of the Public Acts of 1963,
entitled

"An act to provide for the incorporation, supervision and regulation of nonprofit dental care corporations; to prescribe the functions of the commissioner of insurance as to such corporations; and to prescribe penalties for violations of this act,"

as amended, being sections 550.351 to 550.373 of the Michigan Compiled Laws, by adding section 18a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 125 of the Public Acts of 1963, as
2 amended, being sections 550.351 to 550.373 of the Michigan
3 Compiled Laws, is amended by adding section 18a to read as
4 follows:

5 SEC. 18A. (1) A DENTAL CARE CORPORATION, ON A TIMELY
6 BASIS, SHALL PAY TO A MEMBER OR DENTIST BENEFITS AS ARE ENTITLED
7 AND PROVIDED UNDER THE APPLICABLE CONTRACT. IF NOT PAID ON A

1 TIMELY BASIS, BENEFITS PAYABLE TO A MEMBER SHALL BEAR SIMPLE
2 INTEREST FROM A DATE 60 DAYS AFTER A SATISFACTORY CLAIM FORM WAS
3 RECEIVED BY THE DENTAL CARE CORPORATION, AT A RATE OF 12% INTER-
4 EST PER ANNUM. THE INTEREST SHALL BE PAID IN ADDITION TO, AND AT
5 THE TIME OF PAYMENT OF, THE CLAIM.

6 (2) A DENTAL CARE CORPORATION SHALL SPECIFY IN WRITING THE
7 MATERIALS THAT CONSTITUTE A SATISFACTORY CLAIM FORM NOT LATER
8 THAN 30 DAYS AFTER RECEIPT OF A CLAIM, UNLESS THE CLAIM IS SET-
9 TLED WITHIN 30 DAYS. IF A CLAIM FORM IS NOT SUPPLIED AS TO THE
10 ENTIRE CLAIM, THE AMOUNT SUPPORTED BY THE CLAIM FORM SHALL BE
11 CONSIDERED TO BE PAID ON A TIMELY BASIS IF PAID WITHIN 60 DAYS
12 AFTER RECEIPT OF THE CLAIM FORM BY THE CORPORATION.