

**SUBSTITUTE FOR  
HOUSE BILL NO. 4005**

A bill to amend 1978 PA 368, entitled  
"Public health code,"  
(MCL 333.1101 to 333.25211) by adding section 21054u.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1        SEC. 21054U. (1) AN INDIVIDUAL OR GROUP CONTRACT PROVIDING  
2 COVERAGE FOR A FAMILY MEMBER OF THE SUBSCRIBER SHALL, AS TO THAT  
3 FAMILY MEMBER'S COVERAGE, ALSO PROVIDE THAT THE COVERAGE APPLICA-  
4 BLE FOR CHILDREN SHALL BE PAYABLE WITH RESPECT TO A NEWLY BORN  
5 CHILD OF THE SUBSCRIBER FROM THE MOMENT OF BIRTH. THE CONTRACT  
6 MAY REQUIRE THAT NOTIFICATION OF BIRTH OF A NEWLY BORN CHILD AND  
7 PAYMENT OF THE REQUIRED CHARGE SHALL BE FURNISHED TO THE HEALTH  
8 MAINTENANCE ORGANIZATION WITHIN 31 DAYS AFTER THE DATE OF BIRTH  
9 IN ORDER TO HAVE THE COVERAGE CONTINUE BEYOND THE 31-DAY PERIOD.  
10        (2) BY JULY 1, 1997, A HEALTH MAINTENANCE ORGANIZATION THAT  
11 PROVIDES OR OFFERS TO PROVIDE COVERAGE FOR A FAMILY MEMBER OF THE

1 SUBSCRIBER IN AN INDIVIDUAL CONTRACT SHALL PROVIDE COVERAGE IN  
2 THAT CONTRACT UPON THE SUBSCRIBER'S ELECTION AS FOLLOWS:

3 (A) IF ELECTED WITHIN 31 DAYS AFTER THE DATE OF PLACEMENT  
4 FOR THE PURPOSE OF ADOPTION, FOR THE SUBSCRIBER'S ADOPTED CHIL-  
5 DREN BEGINNING FROM THE DATE OF PLACEMENT FOR THE PURPOSE OF  
6 ADOPTION AND CONTINUING UNTIL THE CONTRACT IS CANCELED OR DISCON-  
7 TINUED, DEPENDENT COVERAGE ENDS UNDER THE TERMS OF THE CONTRACT,  
8 OR THE PLACEMENT IS DISRUPTED PRIOR TO LEGAL ADOPTION AND THE  
9 CHILD IS REMOVED FROM PLACEMENT.

10 (B) IF ELECTED WITHIN 31 DAYS AFTER THE DATE OF ADOPTION,  
11 FOR THE SUBSCRIBER'S ADOPTED CHILDREN BEGINNING FROM THE DATE OF  
12 ADOPTION AND CONTINUING UNTIL THE CONTRACT IS CANCELED OR DISCON-  
13 TINUED OR DEPENDENT COVERAGE ENDS UNDER THE TERMS OF THE  
14 CONTRACT.

15 (3) COVERAGE UNDER SUBSECTION (2) FOR THE ADOPTED CHILD OR  
16 THE CHILD WHO IS PLACED TO BE ADOPTED SHALL BE THE SAME AS IF THE  
17 CHILD WAS A NEWLY BORN BIOLOGICAL CHILD OF THE SUBSCRIBER.

18 (4) AS USED IN THIS SECTION, "ADOPTED CHILD", "ADOPTED  
19 CHILDREN", AND "CHILD WHO IS PLACED TO BE ADOPTED" MEAN RESPEC-  
20 TIVELY AN INDIVIDUAL WHO IS ADOPTED OR WHO IS PLACED TO BE  
21 ADOPTED AND WHO IS LESS THAN 18 YEARS OF AGE.