
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 696 (Substitute S-1 as reported)
Sponsor: Senator Bill Schuette
Committee: Health Policy

CONTENT

The bill would amend the Nonprofit Health Care Corporation Reform Act, which regulates Blue Cross and Blue Shield of Michigan (BCBSM), to provide that the provisions of Senate Bill 694 would apply to BCBSM; and delete a provision that interest on a payment claim accrues at a rate of 12% per year, if BCBSM does not pay the claim within 60 days after receiving a claim form. The bill is tie-barred to Senate Bill 694, which would require the Insurance Commissioner to establish timely claims processing and payment procedures.

Senate Bill 696 (S-1) would take effect January 1, 2001, and would apply to all health care claims submitted for payment after December 31, 2000.

MCL 550.1403

Legislative Analyst: G. Towne

FISCAL IMPACT

According to the Insurance Bureau, the fiscal impact of Senate Bills 694 (S-4), 696 (S-1), and 698 (S-1) is indeterminate. The additional responsibilities that would be required of the Bureau could require an increase of staff and other administrative costs.

Date Completed: 3-13-00

Fiscal Analyst: M. Tyszkiewicz