
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 749 (Substitute S-1 as reported)
Sponsor: Senator Bill Bullard, Jr.
Committee: Health Policy

CONTENT

The bill would amend Part 4A of the Nonprofit Health Care Corporation Reform Act (which regulates Blue Cross and Blue Shield of Michigan) to revise the provisions in the Act that regulate Medicare supplement certificates. (A Medicare supplement certificate is insurance that supplements reimbursements under Medicare for hospital, medical, or surgical expenses of individuals eligible for Medicare or Medicare select certificates.)

The bill would amend Part 4A to do the following:

- Provide for the sale of high deductible plans.
- Add provisions to regulate Medicare+Choice plans (which are now allowed under Federal Medicare regulations).
- Allow a certificate holder to suspend a Medicare supplement certificate, and have it reinstated, under certain circumstances.
- Specify conditions under which an applicant for a Medicare supplement certificate would not be excluded from coverage because of a preexisting condition.
- Specify individuals who would be eligible for coverage, and prescribe conditions under which people could not be denied coverage.
- Establish time periods during which eligible individuals would have to be allowed to enroll.
- Require notification when a plan was terminated.
- Repeal a section that requires the health care corporation to report each year to the Commissioner of the Office of Financial and Insurance Services, the certificate number and date of issuance for every individual in the State for whom the corporation has more than one Medicare supplement certificate in force.

MCL 500.1451 et al.

Legislative Analyst: George Towne

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 3-7-02

Fiscal Analyst: John Walker