

SUBSTITUTE FOR
HOUSE BILL NO. 6241

A bill to amend 1980 PA 350, entitled
"The nonprofit health care corporation reform act,"
by amending sections 401a and 402b (MCL 550.1401a and 550.1402b),
section 401a as added by 1982 PA 290 and section 402b as amended by
1999 PA 7.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 401a. (1) If a group or nongroup certificate of a health
2 care corporation provides for health care benefits for a health
3 care service, those benefits or reimbursement for the provision of
4 the service shall not be denied because the service was rendered by
5 a dentist, provided the service was legally performed.

6 (2) As used in this section, "dentist" means an individual
7 licensed under part 166 of ~~Act No. 368 of the Public Acts of 1978,~~
8 ~~being sections 333.16601 to 333.16647 of the Michigan Compiled~~
9 ~~Laws.~~ **THE PUBLIC HEALTH CODE, 1978 PA 368, MCL 333.16601 TO**

1 333.16648.

2 (3) This section shall apply only with respect to certificates
3 ~~which~~ **THAT** are issued or renewed on or after ~~the effective date of~~
4 ~~this section~~ **OCTOBER 7, 1982**, and shall apply notwithstanding any
5 certificate provision to the contrary.

6 Sec. 402b. (1) For an individual covered under a nongroup
7 certificate or under a certificate not covered under subsection
8 (2), a health care corporation may exclude or limit coverage for a
9 condition only if the exclusion or limitation relates to a
10 condition for which medical advice, diagnosis, care, or treatment
11 was recommended or received within 6 months before enrollment and
12 the exclusion or limitation does not extend for more than 6 months
13 after the **CERTIFICATE'S** effective date. ~~of the certificate.~~

14 (2) A health care corporation shall not exclude or limit
15 coverage for a preexisting condition for an individual covered
16 under a group certificate.

17 (3) Notwithstanding subsection (1), a health care corporation
18 shall not issue a certificate to a person eligible for nongroup
19 coverage or eligible for a certificate not covered under subsection
20 (2) that excludes or limits coverage for a preexisting condition or
21 provides a waiting period if all of the following apply:

22 (a) The person's most recent health coverage prior to applying
23 for coverage with the health care corporation was under a group
24 health plan.

25 (b) The person was continuously covered prior to the
26 application for coverage with the health care corporation under 1
27 or more health plans for an aggregate of at least 18 months with no

1 break in coverage that exceeded 62 days.

2 (c) The person is no longer eligible for group coverage and is
3 not eligible for medicare or medicaid.

4 (d) The person did not lose eligibility for coverage for
5 failure to pay any required contribution or for an act to defraud a
6 health care corporation, a health insurer, or a health maintenance
7 organization.

8 (e) If the person was eligible for continuation of health
9 coverage from that group health plan pursuant to the consolidated
10 omnibus budget reconciliation act of 1985, Public Law 99-272, 100
11 Stat. 82, he or she has elected and exhausted that coverage.

12 (4) As used in this section, "group" means a group of 2 or
13 more subscribers.