

THE NONPROFIT HEALTH CARE CORPORATION REFORM ACT (EXCERPT)
Act 350 of 1980

550.1202 Articles of incorporation; contents; number; forms; examination and certification by attorney general; fees.

Sec. 202. (1) Persons associating to form a health care corporation under this act shall subscribe to articles of incorporation that shall contain all of the following:

- (a) The names and addresses of the incorporators.
- (b) The location of the principal office of the corporation for the transaction of business in this state.
- (c) The name by which the corporation shall be known and all assumed names under which the corporation does business. The corporate name shall not include the words insurance, casualty, surety, health and accident, mutual, or other words descriptive of the insurance or surety business, and shall not be so similar to the name of an insurance or surety company doing business in this or other states at the time of incorporation so as to tend, in the judgment of the commissioner, to create confusion in identity with that insurance or surety company.
- (d) The purposes of the corporation, which shall be:
 - (i) To provide health care benefits.
 - (ii) To secure for all of the people of this state who apply for a certificate the opportunity for access to coverage for health care services at a fair and reasonable price.
 - (iii) To assure for nongroup and group subscribers reasonable access to, and reasonable cost and quality of, health care services.
 - (iv) To achieve the goals of the corporation relative to access, quality, and cost of health care services, as prescribed in section 504.
 - (v) To offer supplemental coverage to all medicare enrollees as provided in part 4A.
 - (vi) If under contract to serve as fiscal intermediary for the federal medicare program, to do all of the following:
 - (A) Carry out its contractual responsibilities efficiently, including the timely processing and payment of claims.
 - (B) Actively represent, in negotiations with the federal government and with providers of medical, hospital, and other health services for which benefits are provided under the federal medicare program, the interests of senior citizens as they relate to cost and quality of, and access to, health care services and administration of the program.
 - (vii) To engage in activity otherwise authorized by this act, within the purposes for which corporations may be organized under this act.
- (e) The term of existence of the corporation, which may be in perpetuity.
- (f) The time for the holding of the annual meeting of the corporation.
- (g) Other terms and conditions not inconsistent with this act, necessary for the conduct of the affairs of the corporation.

(2) The articles shall be in triplicate and upon proper forms as prescribed by the commissioner.

(3) Before the articles or amendments to the articles are effective for any purpose, they shall be submitted to the attorney general for examination. If the attorney general finds the articles or amendments to the articles to be in compliance with this act, the attorney general shall certify this finding to the commissioner. The articles or amendments shall be effective at the time certified by the attorney general.

(4) Each health care corporation shall pay a fee of \$250.00 to the attorney general for the examination of its articles of incorporation, or \$100.00 for the examination of amendments to the articles of incorporation. Each health care corporation shall pay a filing fee of \$100.00 to the commissioner for filing its articles of incorporation or \$50.00 for the filing of amendments to the articles of incorporation. The fees prescribed in this subsection shall be deposited in the state treasury and credited to the general fund of the state.

History: 1980, Act 350, Eff. Apr. 3, 1981;—Am. 1988, Act 102, Imd. Eff. Apr. 11, 1988;—Am. 1994, Act 40, Imd. Eff. Mar. 14, 1994.

Popular name: Blue Cross-Blue Shield

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