



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 1166 (as introduced 9-18-96)
Sponsor: Senator Art Miller, Jr.
Committee: Financial Services

Date Completed: 9-24-96

CONTENT

The bill would amend the Public Health Code to add “supervision” and “rehabilitation” to the Insurance Commissioner’s authority over the operation of a health maintenance organization (HMO).

Currently, for purposes of liquidation or receivership, the Public Health Code provides that an HMO must be treated in the same manner as an insurer under the Insurance Code, and that the Commissioner has the same authority to act as custodian or receiver of an HMO as he or she has to act regarding a domestic insurance corporation under the Insurance Code’s receivership and liquidation provisions. Under the bill, an HMO would have to be treated in the same manner as an insurer for purposes of supervision, rehabilitation, liquidation, or receivership, and the Insurance Commissioner would have the same authority to act regarding an HMO as he or she has to act regarding a domestic insurance corporation under Chapter 81 of the Insurance Code, which deals with supervision, rehabilitation, and liquidation of insurers.

MCL 333.21027

Legislative Analyst: P. Affholter

FISCAL IMPACT

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

Fiscal Analyst: M. Tyszkiewicz

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