

HOUSE BILL No. 6351

September 24, 2002, Introduced by Rep. Ehardt and referred to the Committee on Insurance and Financial Services.

A bill to amend 1980 PA 350, entitled
"The nonprofit health care corporation reform act,"
by amending section 613 (MCL 550.1613); and to repeal acts and
parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 613. (1) If the request for a hearing under this sec-
2 tion is with regard to a rate filing not yet acted upon under
3 section 610(2)(a), no ~~such~~ action shall be taken by the commis-
4 sioner until after the hearing has been completed. However, the
5 commissioner shall proceed to act upon those portions of a rate
6 filing upon which no hearing has been requested. Within 15 days
7 after receipt of a request for a hearing, the commissioner shall
8 determine if the person has standing. If the commissioner
9 determines that the person has standing, the person may have
10 access to the entire filing subject to the same confidentiality

1 requirements as the commissioner under section 604, and ~~shall~~
2 ~~be~~ IS subject to the penalty provision of section 604(5). ~~Upon~~
3 ~~determining that the person has standing, the commissioner shall~~
4 ~~immediately appoint an independent hearing officer before whom~~
5 ~~the hearing shall be held. In appointing an independent hearing~~
6 ~~officer, the commissioner shall select a person qualified to con-~~
7 ~~duct hearings, who has experience or education in the area of~~
8 ~~health care corporation or insurance rate determination and~~
9 ~~finance, and who is not otherwise associated financially with a~~
10 ~~health care corporation or a health care provider. The person~~
11 ~~selected shall not be currently or actively employed by this~~
12 ~~state. For purposes of this subsection, an employee of an educa-~~
13 ~~tional institution shall not be considered to be employed by this~~
14 ~~state.~~ For purposes of this section, a person has "standing" if
15 any of the following circumstances exist:

16 (a) The person is, or there are reasonable grounds to
17 believe that the person could be, aggrieved by the proposed
18 rate.

19 (b) The person is acting on behalf of 1 or more named per-
20 sons described in subdivision (a).

21 (c) The person is the commissioner, the attorney general, or
22 the health care corporation.

23 (2) Not more than 30 days after receipt of a request for a
24 hearing, and upon not less than 15 days' notice to all parties,
25 the hearing shall be commenced. Each party to the hearing shall
26 be given a reasonable opportunity for discovery before and
27 throughout the course of the hearing. However, the ~~hearing~~

1 ~~officer~~ COMMISSIONER OR HIS OR HER DESIGNEE may terminate
2 discovery at any time, for good cause shown. The ~~hearing~~
3 ~~officer~~ COMMISSIONER OR HIS OR HER DESIGNEE shall conduct the
4 hearing pursuant to the administrative procedures act. The hear-
5 ing shall be conducted in an expeditious manner. At the hearing,
6 the burden of proving compliance with this act ~~shall be upon~~ IS
7 ON the health care corporation.

8 (3) In ~~rendering a proposal for~~ ISSUING a decision, the
9 ~~hearing officer~~ COMMISSIONER OR HIS OR HER DESIGNEE shall con-
10 sider the factors prescribed in section 609 AND SHALL INCLUDE A
11 STATEMENT OF FINDINGS.

12 ~~(4) Within 30 days after receipt of the hearing officer's~~
13 ~~proposal for decision, the commissioner shall by order render a~~
14 ~~decision which shall include a statement of findings.~~

15 (4) ~~(5)~~ The commissioner shall withdraw an order of
16 approval or approval with modifications if the commissioner finds
17 that the filing no longer meets the requirements of this act.

18 Enacting section 1. Section 514 of the nonprofit health
19 care corporation reform act, 1980 PA 350, MCL 550.1514, is
20 repealed.