

HOUSE BILL No. 5908

September 13, 2012, Introduced by Reps. Haines, Shirkey, MacGregor, Kowall and Goike
and referred to the Committee on Health Policy.

A bill to amend 1980 PA 350, entitled
"The nonprofit health care corporation reform act,"
by amending section 403 (MCL 550.1403), as amended by 2002 PA 317.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 403. (1) A health care corporation, on a timely basis,
2 shall pay to a member benefits as are entitled and provided under
3 the applicable certificate. When not paid on a timely basis,
4 benefits payable to a member shall bear simple interest from a date
5 60 days after a satisfactory claim form was received by the health
6 care corporation, at a rate of 12% interest per annum. The interest
7 shall be paid in addition to, and at the time of payment of, the
8 claim. Section 2006(7) to (14) of the insurance code of 1956, 1956
9 PA 218, MCL 500.2006, applies to a health care corporation.

10 (2) A health care corporation shall specify in writing the

1 materials that constitute a satisfactory claim form not later than
2 30 days after receipt of a claim, unless the claim is settled
3 within 30 days. If a claim form is not supplied as to the entire
4 claim, the amount supported by the claim form shall be considered
5 to be paid on a timely basis if paid within 60 days after receipt
6 of the claim form by the corporation. This subsection does not
7 apply to a health care corporation when paying a claim under
8 section 2006(7) to (14) of the insurance code of 1956, 1956 PA 218,
9 MCL 500.2006.

10 **(3) SECTION 2006A OF THE INSURANCE CODE OF 1956, 1956 PA 218,**
11 **MCL 500.2006A, APPLIES TO A HEALTH CARE CORPORATION.**

12 Enacting section 1. This amendatory act does not take effect
13 unless Senate Bill No.____ or House Bill No. 5909(request no.
14 02540'11 **) of the 96th Legislature is enacted into law.