



Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536

## BILL ANALYSIS



Telephone: (517) 373-5383  
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House Bills 4660 through 4664 (as reported without amendment)  
House Bill 4665 (Substitute H-1 as reported without amendment)  
House Bills 4666, 4667, and 4668 (as reported without amendment)  
Sponsor: Representative Tom Leonard (H.B. 4660)  
Representative Lana Theis (H.B. 4661)  
Representative Henry Vaupel (H.B. 4662)  
Representative Jim Runestad (H.B. 4663)  
Representative Ray A. Franz (H.B. 4664)  
Representative Robert Wittenberg (H.B. 4665)  
Representative Derek E. Miller (H.B. 4666)  
Representative Robert L. Kosowski (H.B. 4667)  
Representative Andrea LaFontaine (H.B. 4668)

House Committee: Insurance  
Senate Committee: Insurance

**CONTENT**

House Bill 4660 would amend the Insurance Code to eliminate a requirement that the Director of the Department of Insurance and Financial Services (DIFS) report annually on the impact of copayment and coinsurance levels under health maintenance organization (HMO) contracts on the number of employers who contract for HMO services and the number of employees receiving the services.

House Bill 4661 would repeal a section of the Insurance Code that requires the DIFS Director to issue a biennial report on the status of the medical malpractice insurance market and specific medical malpractice claims experience.

House Bill 4665 (H-1) would repeal sections of the Insurance Code requiring submission to the DIFS Director of information regarding municipal liability claims and professional liability claims against a health care licensee, for purposes of the report that House Bill 4661 would eliminate.

House Bill 4666 would amend the Public Health Code to delete a requirement that the Department of Licensing and Regulatory Affairs or a disciplinary subcommittee, in imposing sanctions against a licensed health professional, be given information provided under the sections of the Insurance Code that House Bill 4665 (H-1) would repeal.

House Bill 4662 would repeal a section of the Insurance Code that requires the DIFS Director to make an annual determination as to whether a reasonable degree of competition in the commercial liability insurance market exists on a statewide basis, and to issue a report if such competition does not exist.

House Bill 4663 would amend the Insurance Code to delete a requirement that the DIFS Director compile annual reports, submitted by insurers, on premiums for short-term or one-time limited duration policies and certificates, and give the compilation to the Legislature.

House Bill 4664 would repeal sections of the Insurance Code that require the DIFS Director to do the following:

- Annually determine whether a reasonable degree of competition in the worker's compensation insurance market exists and issue a report if he or she determines that it does not exist.
- Give the report to the Legislature for approval or disapproval by concurrent resolution.
- Create competition or availability, if the Legislature resolves that a reasonable degree of competition does not exist.

House Bill 4667 would repeal a section of the Insurance Code that requires the DIFS Director to issue an annual report on the state of availability in the liquor liability insurance market, including a certification of whether the insurance is reasonably available in Michigan and whether it is available at a reasonable premium.

House Bill 4668 would amend the Michigan Liquor Control Code to delete a provision allowing the Liquor Control Commission to waive a liquor liability insurance requirement applicable to a retail licensee or applicant, if the DIFS Director certifies that the insurance is not reasonably available or not available at a reasonable premium.

Each bill would take effect 90 days after enactment. House Bills 4661, 4665 (H-1), and 4666 are tie-barred to each other. House Bills 4667 and 4668 are tie-barred to each other.

MCL 500.3515 (H.B. 4660)  
500.2477d (H.B. 4661)  
500.2409c (H.B. 4662)  
500.2213b (H.B. 4663)  
500.2409 & 500.2409a (H.B. 4664)  
500.2477a-500.2477c (H.B. 4665)  
333.16243 (H.B. 4666)  
500.2409b (H.B. 4667)  
436.1803 (H.B. 4668)

Legislative Analyst: Julie Cassidy

### **FISCAL IMPACT**

The bills would result in reduced costs associated with reporting requirements for the Department of Insurance and Financial Services. The bills also would result in financial savings associated with hiring outside firms to fulfill reporting requirements.

The bills would have no fiscal impact on local government.

Date Completed: 3-24-16

Fiscal Analyst: Glenn Steffens

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.