

# SENATE BILL No. 961

April 24, 2018, Introduced by Senators SHIRKEY, MACGREGOR, MARLEAU, HILDENBRAND, KNEZEK, HOPGOOD, ANANICH, YOUNG, HERTEL, CONYERS, ZORN and SCHMIDT and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled  
"The insurance code of 1956,"  
(MCL 500.100 to 500.8302) by adding section 3575.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 3575. (1) THE STATE INNOVATION WAIVER TASK FORCE IS  
2        CREATED TO DEVELOP RECOMMENDATIONS TO OBTAIN A STATE INNOVATION  
3        WAIVER.

4        (2) WITHIN 14 DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION,  
5        THE GOVERNOR SHALL APPOINT THE MEMBERS OF THE STATE INNOVATION TASK  
6        FORCE. THE GOVERNOR SHALL APPOINT THE FOLLOWING MEMBERS:

7        (A) A MEMBER FROM THE MICHIGAN HOSPITAL ASSOCIATION, NOMINATED  
8        BY A REPRESENTATIVE OF THE MICHIGAN HOSPITAL ASSOCIATION.

9        (B) A MEMBER FROM THE MICHIGAN SMALL BUSINESS ASSOCIATION,

1 NOMINATED BY A REPRESENTATIVE OF THE MICHIGAN SMALL BUSINESS  
2 ASSOCIATION.

3 (C) A MEMBER FROM THE MICHIGAN CHAMBER OF COMMERCE, NOMINATED  
4 BY A REPRESENTATIVE OF THE MICHIGAN CHAMBER OF COMMERCE.

5 (D) A MEMBER FROM THE MICHIGAN ASSOCIATION OF HEALTH  
6 UNDERWRITERS, NOMINATED BY A REPRESENTATIVE OF THE MICHIGAN  
7 ASSOCIATION OF UNDERWRITERS.

8 (E) A MEMBER FROM THE MICHIGAN ASSOCIATION OF HEALTH PLANS,  
9 NOMINATED BY A REPRESENTATIVE OF THE MICHIGAN ASSOCIATION OF HEALTH  
10 PLANS.

11 (F) A MEMBER FROM THE DEPARTMENT, NOMINATED BY THE DIRECTOR.

12 (G) A MEMBER WHO REPRESENTS THE RESIDENTS OF THIS STATE,  
13 NOMINATED BY THE DIRECTOR.

14 (H) A MEMBER FROM EACH QUALIFIED HEALTH INSURER, NOMINATED BY  
15 A REPRESENTATIVE OF THE QUALIFIED HEALTH INSURER. THE MEMBER UNDER  
16 THIS SUBDIVISION MUST BE A FULL-TIME EMPLOYEE OF THE QUALIFIED  
17 HEALTH INSURER.

18 (3) THE DIRECTOR OR HIS OR HER DESIGNEE SHALL SERVE AS THE  
19 STATE INNOVATION TASK FORCE'S PRESIDING OFFICER. THE TASK FORCE  
20 SHALL MEET AT THE CALL OF THE PRESIDING OFFICER. THE PRESIDING  
21 OFFICER SHALL CALL THE TASK FORCE TO MEET NOT LATER THAN SEPTEMBER  
22 1, 2018. NOT LATER THAN MARCH 31, 2019, THE TASK FORCE SHALL MAKE  
23 RECOMMENDATIONS TO THE DIRECTOR TO OBTAIN A STATE INNOVATION  
24 WAIVER. THE RECOMMENDATIONS MUST INCLUDE ALL OF THE FOLLOWING:

25 (A) A COMPREHENSIVE DESCRIPTION OF THE PLAN TO OBTAIN A STATE  
26 INNOVATION WAIVER, INCLUDING A TIMELINE FOR IMPLEMENTING THE  
27 WAIVER.

1 (B) THE SPECIFIC PROVISIONS OF THE AFFORDABLE CARE ACT THAT  
2 THIS STATE SEEKS TO WAIVE.

3 (C) SUPPORTING INFORMATION DESCRIBED IN 45 CFR  
4 155.1308(F)(4)(I) AND (II).

5 (D) ADDITIONAL INFORMATION NECESSARY TO COMPLY WITH APPLICABLE  
6 FEDERAL REQUIREMENTS.

7 (E) SUGGESTED LEGISLATIVE LANGUAGE TO IMPLEMENT THE STATE  
8 INNOVATION WAIVER, IF NECESSARY IN ACCORDANCE WITH FEDERAL  
9 GUIDANCE.

10 (F) WRITTEN EVIDENCE OF THE STATE INNOVATION WAIVER TASK  
11 FORCE'S COMPLIANCE WITH APPLICABLE PUBLIC NOTICE REQUIREMENTS FOR  
12 THE WAIVER AS PROVIDED IN 45 CFR 155.1308(F)(2).

13 (4) THE STATE INNOVATION WAIVER TASK FORCE SHALL RECOMMEND TO  
14 THE DIRECTOR AT LEAST 1 STATE INNOVATION WAIVER. AS SOON AS  
15 PRACTICABLE, THE DIRECTOR SHALL FILE WITH THE APPROPRIATE FEDERAL  
16 AGENCIES A STATE INNOVATION WAIVER RECOMMENDED UNDER THIS  
17 SUBSECTION THAT WILL BE IMPLEMENTED SUBJECT TO FEDERAL APPROVAL.

18 (5) AS USED IN THIS SECTION:

19 (A) "AFFORDABLE CARE ACT" MEANS THAT TERM AS DEFINED IN  
20 SECTION 1261.

21 (B) "EXCHANGE" MEANS THAT TERM AS DEFINED IN SECTION 1261.

22 (C) "QUALIFIED HEALTH INSURER" MEANS A HEALTH INSURER THAT  
23 MEETS ALL OF THE FOLLOWING CONDITIONS:

24 (i) IS EITHER OF THE FOLLOWING:

25 (A) A HEALTH MAINTENANCE ORGANIZATION.

26 (B) A NONPROFIT MUTUAL DISABILITY INSURER.

27 (ii) THE HEALTH INSURER HAS PARTICIPATED IN AN EXCHANGE IN

1 THIS STATE IN EACH PLAN YEAR THAT THE EXCHANGE HAS BEEN  
2 OPERATIONAL.

3 (iii) THE HEALTH INSURER HAS FILED WITH THE DEPARTMENT, AND  
4 HAS BEEN CERTIFIED BY THE CENTERS FOR MEDICARE AND MEDICAID  
5 SERVICES, TO PARTICIPATE IN AN EXCHANGE IN THIS STATE FOR THE 2018  
6 PLAN YEAR.

7 (D) "STATE INNOVATION WAIVER" MEANS A STATE INNOVATION WAIVER  
8 UNDER SECTION 1332 OF THE AFFORDABLE CARE ACT, 42 USC 18052.