

THE NONPROFIT HEALTH CARE CORPORATION REFORM ACT (EXCERPT)
Act 350 of 1980

550.1423 Individual long-term care certificate; guaranteed renewable provision; prohibited grounds for cancelation or termination; conversion provision; limitation period; home care services; hospitalization or institutionalization within 30 days of application for long-term care coverage.

Sec. 423. (1) Each individual long-term care certificate shall contain a guaranteed renewable provision. A health care corporation shall not cancel or otherwise terminate a long-term care certificate on the grounds of the age or the deterioration of the mental or physical health of the member.

(2) Each group long-term care certificate shall contain a conversion provision permitting an individual entitled to benefits under the group certificate to elect to convert from the group certificate to an individual long-term care certificate with the option of receiving benefits substantially similar to the prior coverage.

(3) If existing coverage is converted to or replaced by a long-term care certificate with the same health care corporation, the long-term care certificate shall not contain a provision establishing a new limitation period except with respect to an increase in benefits voluntarily selected by the member.

(4) A long-term care certificate that provides coverage for care in an intermediate care facility or a skilled nursing facility shall also provide coverage for home care services.

(5) Notwithstanding any other provision of this act, if a health care corporation established, maintained, or operating in this state offers long-term care coverage, it is not required to offer long-term care coverage to a state resident who is hospitalized or institutionalized, or who has been informed by a physician that he or she will require hospitalization or institutionalization within 30 days after the time of application for long-term care coverage, until the day after the date of discharge from the facility.

History: Add. 1989, Act 110, Eff. Jan. 3, 1990.

Popular name: Blue Cross-Blue Shield

Popular name: Act 350