



**House
Legislative
Analysis
Section**

Olds Plaza Building, 10th Floor
Lansing, Michigan 48909
Phone: 517/373-6466

HEALTH INSURANCE: ADOPTEES

**House Bills 4320-4322
Sponsor: Rep. Maxine Berman
Committee: Insurance**

Complete to 8-2-95

A SUMMARY OF HOUSE BILLS 4320-4322 AS INTRODUCED 2-7-95

The bills would amend three insurance-related laws to add the following provisions governing commercial insurance companies, Blue Cross and Blue Shield of Michigan, and health maintenance organizations (HMOs).

** Group and nongroup health insurance providing coverage or offering to provide coverage for a family member of an insured would also have to provide coverage for adopted children either (1) beginning from the date of placement for the purpose of adoption and continuing until the policy was canceled or discontinued, dependent coverage ended, or the placement was disrupted prior to legal adoption and the child was removed from placement; or (2) beginning from the date of adoption and continuing until the policy was canceled or discontinued or dependent coverage ended. It would be up to the insured when coverage began. This requirement would be in place July 1, 1995.

** Coverage for an adopted child or a child placed to be adopted would be the same as if the child were a newly born biological child of the insured.

** In cases where there was family coverage under an insurance policy, benefits applicable for children would be payable with respect to a newly born child of the insured from the moment of birth. Coverage for newly born children would have to consist of coverage of injury or sickness, including the necessary care and treatment of medically diagnosed congenital defects and birth abnormalities. The policy or contract could require that the notification of the birth and the payment of the required premium be made within 31 days after the date of birth in order to have coverage continue beyond the 31-day period. (This provision appears in the Insurance Code at present but not in statutes governing HMOs or BCBSM.)

House Bill 4320 would amend the Nonprofit Health Care Corporation Reform Act (MCL 550.1418) to apply to group and nongroup certificates of Blue Cross and Blue Shield of Michigan. House Bill 4321 would amend the HMO act within the Public Health Code (MCL 333.21054u) to apply to individual and group contracts of health maintenance organizations. House Bill 4322 would amend the Insurance Code (MCL 500.3406f and 500.3617) to apply to individual hospital, medical, and surgical expense-incurred policies of commercial health insurance companies. In each bill, the provisions dealing with adopted children refer to individuals adopted or placed to be adopted who are under 18 years of age.

House Bills 4320-4322 (8-2-95)