



HOUSE BILL No. 4016

January 11, 1995, Introduced by Rep. Clack and referred to the Committee on Insurance.

A bill to amend Act No. 218 of the Public Acts of 1956,
entitled as amended

"The insurance code of 1956,"

as amended, being sections 500.100 to 500.8302 of the Michigan
Compiled Laws, by adding section 3406f.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 218 of the Public Acts of 1956, as
2 amended, being sections 500.100 to 500.8302 of the Michigan
3 Compiled Laws, is amended by adding section 3406f to read as
4 follows:

5 SEC. 3406F. (1) EXCEPT AS PROVIDED IN SUBSECTION (2), AN
6 INSURER THAT DELIVERS, ISSUES FOR DELIVERY, OR RENEWS IN THIS
7 STATE AN EXPENSE-INCURRED HOSPITAL, MEDICAL, OR SURGICAL POLICY
8 OR CERTIFICATE SHALL NOT REFUSE TO ISSUE OR RENEW THAT POLICY OR

1 CERTIFICATE OR DENY COVERAGE IN WHOLE OR IN PART BECAUSE AN
2 INSURED OR APPLICANT FOR INSURANCE HAS A PREEXISTING CONDITION.

3 (2) AN INSURER MAY EXCLUDE COVERAGE FOR A PREEXISTING CONDI-
4 TION IN AN EXPENSE-INCURRED HOSPITAL, MEDICAL, OR SURGICAL POLICY
5 OR CERTIFICATE FOR NOT MORE THAN 6 MONTHS FROM THE EFFECTIVE DATE
6 OF COVERAGE.

7 (3) AS USED IN THIS SECTION, "PREEXISTING CONDITION" MEANS
8 THAT TERM AS DEFINED IN SECTION 2280.