

HOUSE BILL No. 5625

May 3, 2016, Introduced by Reps. Yanez and Callton and referred to the Committee on Insurance.

A bill to amend 1984 PA 218, entitled
"Third party administrator act,"
(MCL 550.901 to 550.960) by adding section 33.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 33. (1) A THIRD PARTY ADMINISTRATOR SHALL NOT ENTER INTO
2 A SERVICE CONTRACT FOR A BENEFIT PLAN IF THE BENEFIT PLAN INCLUDES
3 A HEALTH CARE SERVICE AS A COVERED HEALTH CARE BENEFIT AND THE
4 COPAYMENT OR COINSURANCE FOR THE HEALTH CARE SERVICE PAYABLE BY THE
5 COVERED INDIVIDUAL IS GREATER THAN 50% OF THE COST OF THE HEALTH
6 CARE SERVICE.

7 (2) THE DIRECTOR OF THE DEPARTMENT OF INSURANCE AND FINANCIAL
8 SERVICES SHALL INVESTIGATE AND ISSUE A RULING ON ALL COMPLAINTS
9 ARISING UNDER THIS SECTION.

10 Enacting section 1. This amendatory act applies to a service

1 contract entered into after the date this amendatory act is enacted
2 into law. For a service contract in effect on or before the date
3 this amendatory act is enacted into law, this amendatory act
4 applies on the date the service contract is next extended, renewed,
5 or modified in any manner.

6 Enacting section 2. This amendatory act takes effect 90 days
7 after the date it is enacted into law.