

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

550.1426 Return of certificate and refund of premium; notice; outline of coverage; definition.

Sec. 426. (1) Except as otherwise provided in subsection (2), individual long-term care subscribers shall have the right to return the certificate within 30 days after its delivery and to have the entire premium refunded if, after examination of the certificate, the subscriber is not satisfied for any reason and benefits have not been incurred under the certificate. Long-term care certificates shall have a notice prominently printed on the first page of the certificate and the outline of coverage stating in substance that the subscriber shall have the right to return the certificate within 30 days after its delivery and to have the entire premium refunded if, after examination of the certificate, the subscriber is not satisfied for any reason.

(2) A subscriber covered under a long-term care certificate issued pursuant to a direct response solicitation shall have the right to return the certificate within 30 days after its delivery and to have the entire premium refunded if, after examination, the subscriber is not satisfied for any reason. Long-term care certificates issued pursuant to a direct response solicitation shall have a notice prominently printed on the first page of the certificate and the outline of coverage stating in substance that the subscriber shall have the right to return the certificate within 30 days after its delivery and to have the entire premium refunded if, after examination, the subscriber is not satisfied for any reason. As used in this section, "direct response solicitation" means solicitation in which a representative of the health care corporation does not contact the applicant in person and explain the coverage available, such as, but not limited to, solicitation through direct mail or through advertisements in periodicals and other media.

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

Popular name: Blue Cross-Blue Shield

Popular name: Act 350