

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

**550.1481 Person eligible for medicare; right of continuation or conversion to supplemental coverage; conditions; availability of coverage.**

Sec. 481. (1) Each health care corporation offering nongroup or group certificates in this state shall provide without restriction, to any person who requests coverage from a health care corporation and has been covered by an insurer, health maintenance organization, or health care corporation if the person would no longer be covered because he or she has become eligible for medicare or if the person loses coverage under a group certificate after becoming eligible for medicare, a right of continuation or conversion to their choice of the basic core benefits as described in section 455 or a type C medicare supplemental package as described in section 461(5)(c) that is guaranteed renewable or noncancellable. A person who is hospitalized or has been informed by a physician that he or she will require hospitalization within 30 days after the time of application shall not be entitled to coverage under this subsection until the day following the date of discharge. However, if the hospitalized person was covered by the health care corporation immediately prior to becoming eligible for medicare or immediately prior to losing coverage under a group certificate after becoming eligible for medicare, the person shall be eligible for immediate coverage from the previous insurer, health maintenance organization, or health care corporation under this subsection. A person shall not be entitled to a medicare supplemental certificate under this subsection unless the person presents satisfactory proof to the health care corporation that he or she was covered by an insurer, health maintenance organization, or health care corporation. A person who wishes coverage under this subsection must either request coverage within 90 days before or 90 days after the month he or she becomes eligible for medicare or request coverage within 180 days after losing coverage under a group policy, contract, or certificate. A person 60 years of age or older who loses coverage under a group policy or certificate is entitled to coverage under a medicare supplemental certificate without restriction from the health care corporation providing the former group coverage, if he or she requests coverage within 90 days before or 90 days after the month he or she becomes eligible for medicare.

(2) Except as provided in section 483, a person not covered under a nongroup or group certificate as specified in subsection (1), after applying for coverage under a medicare supplemental certificate required to be offered under subsection (1), is entitled to coverage under a medicare supplemental certificate that may include a provision for exclusion from preexisting conditions for 6 months after the inception of coverage, consistent with the provisions of section 469(2)(a).

(3) Each health care corporation offering nongroup certificates in this state shall give to each person who is covered with the health care corporation at the time he or she becomes eligible for medicare, and to each applicant of the health care corporation who is eligible for medicare, written notice of the availability of coverage under this section. Each group certificate holder in this state shall give to each member who is covered at the time he or she becomes eligible for medicare, written notice of the availability of coverage under this section.

**History:** Add. 1994, Act 40, Imd. Eff. Mar. 14, 1994.

**Popular name:** Blue Cross-Blue Shield

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