

NONPROFIT DENTAL CARE CORPORATIONS (EXCERPT)
Act 125 of 1963

550.363 Dental care corporation; board of directors; membership, consideration of candidates recommended by Michigan Dental Association; composition of board; hearing to determine compliance; findings; order; failure to comply with order; civil fine; information to be provided by dental care corporation.

Sec. 13. (1) The board of directors of a dental care corporation must have not more than 25 members. The board must have representation from the general public, from licensed dentists, and from among the various classes of subscribers identified in section 19. The Michigan Dental Association, or its successor, may submit to a dental care corporation a list of candidates recommended for appointment to the board. A dental care corporation may consider those recommended candidates, but is not required to appoint any recommended candidate to the board.

(2) Subject to subsection (3), not less than 40% of the directors of a dental care corporation must be licensed dentists who are not active employees of the dental care corporation.

(3) Of the not less than 40% of the board who are licensed dentists and who are not active employees of the dental care corporation under subsection (2), a minimum portion must be members of the Michigan Dental Association at the time of appointment or reappointment to the board. At a minimum, the proportion must equal the percentage of licensed dentists who are also members of the Michigan Dental Association.

(4) The board of directors of a dental care corporation must consist of not more than 60% licensed dentist directors.

(5) If the director of the department of insurance and financial services believes that the composition of the board of a dental care corporation is not in compliance with this section, the director of the department of insurance and financial services shall hold a hearing. After the hearing and after written findings that the board composition does not comply with this section, the director of the department of insurance and financial services shall issue and cause to be served on the dental care corporation a copy of the findings and an order requiring the dental care corporation to comply with this section. In addition, if the dental care corporation does not comply with the order within 30 days, the director of the department of insurance and financial services may order the payment of a civil fine of not more than \$10,000.00.

(6) Not more frequently than annually, on the Michigan Dental Association's request, a dental care corporation shall provide all of the following information:

- (a) The names of the dentist directors.
- (b) The terms of service of the dentist directors.
- (c) The date on which new dentist directors are elected.

History: 1963, Act 125, Eff. Sept. 6, 1963;—Am. 2017, Act 222, Imd. Eff. Dec. 20, 2017.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities of the insurance bureau and the commissioner of insurance to the commissioner of the office of financial and insurance services and the office of financial and insurance services, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.