

# HOUSE BILL No. 6218

November 18, 1992, Introduced by Rep. Clarke and referred to the Committee on Insurance.

A bill to amend Act No. 125 of the Public Acts of 1963, entitled

"An act to provide for the incorporation, supervision and regulation of nonprofit dental care corporations; to prescribe the functions of the commissioner of insurance as to such corporations; and to prescribe penalties for violations of this act,"

as amended, being sections 550.351 to 550.373 of the Michigan Compiled Laws, by adding section 18a.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Act No. 125 of the Public Acts of 1963, as  
2 amended, being sections 550.351 to 550.373 of the Michigan  
3 Compiled Laws, is amended by adding section 18a to read as  
4 follows:

5       SEC. 18A. (1) A DENTAL CARE CORPORATION, ON A TIMELY  
6 BASIS, SHALL PAY TO A MEMBER OR DENTIST BENEFITS AS ARE ENTITLED  
7 AND PROVIDED UNDER THE APPLICABLE CONTRACT. IF NOT PAID ON A

1 TIMELY BASIS, BENEFITS PAYABLE TO A MEMBER OR DENTIST SHALL BEAR  
2 SIMPLE INTEREST FROM A DATE 30 DAYS AFTER A SATISFACTORY CLAIM  
3 FORM WAS RECEIVED BY THE DENTAL CARE CORPORATION, AT A RATE OF  
4 18% INTEREST PER ANNUM. THE INTEREST SHALL BE PAID IN ADDITION  
5 TO, AND AT THE TIME OF PAYMENT OF, THE CLAIM.

6 (2) A DENTAL CARE CORPORATION SHALL SPECIFY IN WRITING THE  
7 MATERIALS THAT CONSTITUTE A SATISFACTORY CLAIM FORM NOT LATER  
8 THAN 15 DAYS AFTER RECEIPT OF A CLAIM, UNLESS THE CLAIM IS SET-  
9 TLED WITHIN 15 DAYS. IF A CLAIM FORM IS NOT SUPPLIED AS TO THE  
10 ENTIRE CLAIM, THE AMOUNT SUPPORTED BY THE CLAIM FORM SHALL BE  
11 CONSIDERED TO BE PAID ON A TIMELY BASIS IF PAID WITHIN 30 DAYS  
12 AFTER RECEIPT OF THE CLAIM FORM BY THE CORPORATION.