



HOUSE BILL No. 5979

December 6 1994 Introduced by Reps Shugars and Jamian and referred to the Committee on Insurance

A bill to amend Act No 125 of the Public Acts of 1963
entitled as amended

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 to provide for the imposition of a regulatory fee 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 14a

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 14a to read as
4 follows

5 SEC 14A (1) A NONPROFIT DENTAL CARE CORPORATION SHALL
6 INCLUDE IN 18-POINT TYPE IN EACH NOTICE OR STATEMENT OF

1 EXPLANATION OF COVERAGE OR BENEFITS PROVIDED TO A SUBSCRIBER THE
2 FOLLOWING STATEMENT

3 'THE MAXIMUM FEE ALLOWANCE USED TO DETERMINE
4 REIMBURSEMENT OR PAYMENT OF THE AMOUNTS CHARGED
5 FOR YOUR DENTAL SERVICE IS BASED ON FEE DATA
6 THAT WAS LAST REVISED ON [DATE OF LAST
7 REVISION] AND WAS DETERMINED BASED UPON
8 [DESCRIBE SOURCE OF FEE DATA AND TIME PERIOD FOR
9 WHICH DATA WAS COLLECTED]

10 (2) IF THE INSURANCE COMMISSIONER FINDS THAT A NONPROFIT
11 DENTAL CARE CORPORATION HAS FAILED TO PROVIDE THE STATEMENT TO A
12 SUBSCRIBER AS REQUIRED UNDER SUBSECTION (1), THE COMMISSIONER MAY
13 ORDER THE NONPROFIT DENTAL CARE CORPORATION, AFTER AN OPPORTUNITY
14 FOR A HEARING PURSUANT TO THE ADMINISTRATIVE PROCEDURES ACT OF
15 1969 ACT NO 306 OF THE PUBLIC ACTS OF 1969, BEING SECTIONS
16 24 201 TO 24 328 OF THE MICHIGAN COMPILED LAWS, TO PAY A CIVIL
17 FINE OF NOT MORE THAN \$50 00 FOR EACH VIOLATION