

# Legislative Analysis



## ELIMINATE VARIOUS INSURANCE REPORTS

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**House Bill 4660 as introduced**  
**Sponsor: Rep. Tom Leonard**

Analysis available at  
<http://www.legislature.mi.gov>

**House Bill 4661 as introduced**  
**Sponsor: Rep. Lana Theis**

**House Bill 4665 as introduced**  
**Sponsor: Rep. Robert Wittenberg**

**House Bill 4662 as introduced**  
**Sponsor: Rep. Henry Vaupel**

**House Bill 4666 as introduced**  
**Sponsor: Rep. Derek E. Miller**

**House Bill 4663 as introduced**  
**Sponsor: Rep. Jim Runestad**

**House Bill 4667 as introduced**  
**Sponsor: Rep. Robert L. Kosowski**

**House Bill 4664 as introduced**  
**Sponsor: Rep. Ray A. Franz**

**House Bill 4668 as introduced**  
**Sponsor: Rep. Andrea LaFontaine**

**Committee: Insurance**  
**Complete to 6-3-15**

### SUMMARY:

House Bills 4660-4665 and House Bill 4667 would each amend the Insurance Code to eliminate a reporting or study requirement. House Bill 4666 would make a related amendment to the Public Health Code, and House Bill 4668 would make a complementary amendment to the Michigan Liquor Control Code.

House Bill 4660 would eliminate a required annual report by the insurance commissioner (now the director of the Department of Insurance and Financial Services) on the impact of statutorily permitted copayment and coinsurance levels on health maintenance contracts and enrollees. (MCL 500.3515)

House Bill 4661 would eliminate a biennial report on the medical malpractice market, by repealing MCL 500.2477d. The bill is tie-barred to House Bill 4665.

House Bill 4662 would eliminate an annual determination as to whether a reasonable degree of competition in the commercial liability insurance market exists on a statewide basis. It repeals MCL 500.2409c.)

House Bill 4663 would eliminate an annual report to the legislature by the insurance commissioner that is a compilation of reports provided by insurance companies on short-term or one-time limited duration health care policies. (MCL 500.2213b)

House Bill 4664 would eliminate the requirement that the commissioner make a determination as to whether a reasonable degree of competition in the worker's compensation insurance market exists on a statewide basis. (MCL 500.2409 and 2409a)

House Bill 4665 would eliminate required reports on municipal liability insurance claims and professional liability claims against licensed health care providers from insurance companies, lawyers, and others. (MCL 500.2477a, 2477b, and 2477c) The bill is tie-barred to House Bills 4661 and 4666.

House Bill 4666 would amend the Public Health Code (MCL 333.16243) to remove references to the reports cited in House Bill 4665. Currently, regulators of health care providers and disciplinary subcommittees can request the reports related to professional liability claims. The bill is tie-barred to House Bill 4665.

House Bill 4667 would amend the Insurance Code to eliminate an annual report by the insurance commissioner detailing the state of availability of coverage in the liquor liability insurance market and delineating specific classifications of liquor liability insurance where reasonable availability does not exist. The bill repeals MCL 2409b.

House Bill 4668 would amend the Michigan Liquor Control Code (MCL 436.1803) to delete a reference to the report being eliminated by House Bill 4667. House Bill 4667 and 4668 are tie-barred to one another.

#### **FISCAL IMPACT:**

House Bills 4660 through 4668, as introduced, would have a fiscal impact on the Department of Insurance and Financial Services (DIFS) to the extent that DIFS would no longer be required to allocate staff and resources to collect, compile, and catalogue applicable information; perform pertinent research and analysis; make appropriate determinations, certifications, and recommendations; hold germane public hearings; and draft and update relevant reports. Although, the amount of resources saved by eliminated these reporting requirements is indeterminate, DIFS anticipates reallocating savings to more effectively implement, administer, and enforce departmental duties.

The DIFS webpage for mandated reports includes links to the reports that would be eliminated by HBs 4660 through 4668; however, according to the links available on the webpage, it appears that the reports may not have been updated as frequently as required by statute.<sup>1</sup> To the extent that these reports have not been updated as frequently as required by statute, potential cost savings under HBs 4660 through 4668 would not be realized since resources ostensibly may not have been allocated to satisfy the current statutory reporting requirements.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.

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<sup>1</sup> The most recently published reports that would be eliminated by HBs 4660-4668 can be accessed at [http://www.michigan.gov/difs/0,5269,7-303-13222\\_13236---,00.html](http://www.michigan.gov/difs/0,5269,7-303-13222_13236---,00.html).