
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 561 (as introduced 4-29-99)
Sponsor: Senator Dale L. Shugars
Committee: Health Policy

Date Completed: 5-3-99

CONTENT

The bill would amend the Coordination of Benefits Act to provide that the benefits of a policy or certificate that covered a student, on whose expenses a claim was based, would have to be determined before the benefits of "school accident-type coverage" purchased by a school. "School accident-type coverage" would mean a contract covering a college student or a student in grades kindergarten through 12 for accidents only, including athletic injuries, on a 24-hour basis or on a to school-from school basis.

The Act provides that any policy or certificate delivered or issued for delivery in Michigan in connection with a group disability benefit plan may contain provisions coordinating the benefits or services that otherwise would be provided to a covered person. The Act specifies that a policy or certificate containing a coordination of benefits provision must provide that the benefits will be payable as outlined in the Act when coordinating with another policy.

With certain exceptions, the benefits of a policy or certificate that covers a person other than as a dependent must be determined before the benefits of a policy or certificate that covers the person as a dependent. The bill would add to the existing exceptions, as described above.

MCL 550.253

Legislative Analyst: G. Towne

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: M. Tyszkiewicz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.