



**House  
Legislative  
Analysis  
Section**

House Office Building, 9 South  
Lansing, Michigan 48909  
Phone: 517/373-6466

**NONPROFIT HEALTH CARE CORP.:  
INFO PROTECTION AND PRIVACY**

**House Bill 5234**

**Sponsor: Rep. Paula K. Zelenko**

**Committee: Health Policy**

**Complete to 11-2-01**

**A SUMMARY OF HOUSE BILL 5234 AS INTRODUCED 10-16-01**

The Nonprofit Health Care Corporation Act authorizes the commissioner of the Office of Financial and Insurance Services (OFIS) to suspend or limit a nonprofit health care corporation's certificate of authority if the commissioner determines that any one of several conditions exists. House Bill 5234 would amend the act (MCL 550.1605) to authorize the commissioner to suspend or limit the corporation's certificate of authority if the corporation refused or failed to comply with the proposed "Health Care Information Protection and Privacy Act." The bill is tie-barred to House Bill 4936, which would create the proposed act. The bill would also clarify that a *summary* suspension or limitation issued by the commissioner is effective on the date specified in the order or upon service of a certified copy of the order on the corporation, whichever was later, and is effective during the proceedings. (The corporation has the right to an administrative hearing within five days to show why a summary suspension or limitation should be terminated.)

House Bill 5234 (11-2-01)

Analyst: J. Caver

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