



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 738 (Substitute S-1 as reported by the Committee of the Whole)
Sponsor: Senator Bruce Caswell
Committee: Insurance

CONTENT

The bill would amend the Insurance Code to delay the sunset date on a requirement that auto insurers provide policy information to the Department of Community Health (DCH).

The Code requires an insurer, in conjunction with the issuance of an automobile insurance policy, to provide to the insured one certificate of insurance for each insured vehicle. For private passenger nonfleet automobiles listed on the policy, the insurer must provide to the Secretary of State (SOS) the automobile insurer's name, the named insured, the named insured's address, the vehicle identification number for each vehicle listed on the policy, and the policy number.

Until December 31, 2014, the SOS must provide the policy information specified above to the DCH as required for it to comply with Public Act 593 of 2006. The bill would change the date to December 31, 2018.

The Code also required the DCH to report to the Senate and House of Representatives Appropriations Committees and standing committees concerning insurance issues on the number of claims and total dollar amounts recovered from automobile insurers under Public Act 593 of 2006 by December 30, 2012, and December 30, 2013. The bill would require a report by December 30 of each year through 2018.

(Public Act 593 of 2006 requires certain entities, such as health insurers, to give the DCH information necessary for it to determine whether a health coverage recipient also is a recipient of medical assistance. If the DCH determines that a person is both, and if he or she is covered by a "qualified health plan" under the Social Welfare Act, the Department must share information it received about the recipient with the qualified health plan. The entity must pay the DCH for, or assign to the DCH any right of recovery owed to the entity for, a covered health claim for which medical assistance payment has been made.)

MCL 500.1301a

Legislative Analyst: Jeff Mann

FISCAL IMPACT

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

Date Completed: 10-17-14

Fiscal Analyst: Joe Carrasco