- (18) A veterinarian, including a veterinarian who trains individuals as described in subsection (14)(e) or (15)(e), is not civilly or criminally liable for the use of an animal tranquilizer by an animal control shelter or animal protection shelter unless the veterinarian is employed by or under contract with the animal control shelter or animal protection shelter and the terms of the veterinarian's employment or the contract require the veterinarian to be responsible for the use or administration of the commercially prepared solution of an animal tranquilizer.
- (19) A person shall not knowingly use or permit the use of an animal tranquilizer in violation of this section.
- (20) This section does not require that a veterinarian be employed by or under contract with an animal control shelter or animal protection shelter to obtain, possess, or administer a commercially prepared solution of an animal tranquilizer pursuant to this section.
  - (21) As used in this section:
- (a) "Animal tranquilizer" means xylazine hydrochloride or other animal tranquilizing drug as approved by the United States food and drug administration and by the state department of agriculture for use as described in this section.
- (b) "Class B dealer" means a class B dealer licensed by the United States department of agriculture pursuant to the animal welfare act, 7 USC 2131 to 2147, 2149, and 2151 to 2159 and the department of agriculture pursuant to 1969 PA 224, MCL 287.381 to 287.395.

This act is ordered to take immediate effect.

Approved December 14, 2006.

Filed with Secretary of State December 14, 2006.

#### [No. 452]

#### (HB 5682)

AN ACT to amend 2001 PA 142, entitled "An act to consolidate prior acts naming certain Michigan highways; to provide for the naming of certain highways; to prescribe certain duties of the state transportation department; and to repeal acts and parts of acts and certain resolutions," by amending section 98 (MCL 250.1098), as added by 2005 PA 258.

The People of the State of Michigan enact:

#### 250.1098 "Rosa Parks Memorial Highway."

Sec. 98. Highway I-96 in Wayne county from the intersection of I-96 and I-75 and continuing west to the intersection of I-96 and US-24 shall be known as the "Rosa Parks Memorial Highway".

This act is ordered to take immediate effect.

Approved December 14, 2006.

Filed with Secretary of State December 14, 2006.

#### [No. 453]

#### (HB 5961)

AN ACT to amend 1949 PA 300, entitled "An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use of streets and highways; to create certain funds; to provide penalties and sanctions for a violation of this act; to provide for civil liability of owners and operators of vehicles and service of process on residents and nonresidents; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state and local agencies; to impose liability upon the state or local agencies; to provide appropriations for certain purposes; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date," by amending section 685 (MCL 257.685), as amended by 2006 PA 14.

The People of the State of Michigan enact:

## 257.685 Head lamps; number; modulator; height; auxiliary, spot, or other lamp; exemption.

Sec. 685. (1) Except as otherwise provided in subsection (2), a motor vehicle shall be equipped with at least 2 head lamps with at least 1 head lamp on each side of the front of the motor vehicle, in compliance with this chapter. An implement of husbandry manufactured on or after January 1, 2007 shall comply with section 684a.

- (2) A motorcycle or moped shall be equipped with at least 1 and not more than 2 head lamps that comply with this chapter.
- (3) A motorcycle or moped head lamp may be wired or equipped to allow either its upper beam or its lower beam, but not both, to modulate from a higher intensity to a lower intensity. A head lamp modulator installed on a motorcycle or moped with 2 head lamps shall be wired in a manner to prevent the head lamps from modulating at different rates or not in synchronization with each other. A head lamp modulator installed on a motorcycle or moped shall meet the standards prescribed in 49 CFR 571.108.
- (4) Every head lamp upon a motor vehicle shall be located at a height measured from the center of the head lamp of not more than 54 inches nor less than 24 inches above the level surface upon which the vehicle stands.
- (5) When a motor vehicle equipped with head lamps as required in this section is also equipped with auxiliary lamps or a spot lamp or any other lamp on the front of the motor vehicle projecting a beam of an intensity greater than 300 candlepower, not more than a total of 4 of those lamps on the front of a vehicle shall be lighted at a time when upon a highway.
- (6) A motor vehicle licensed as an historic vehicle is exempt from the requirements of this section if the vehicle as originally equipped failed to meet these requirements. An historic vehicle shall not be operated in violation of section 684.

This act is ordered to take immediate effect. Approved December 14, 2006. Filed with Secretary of State December 14, 2006.

#### [No. 454]

#### (HB 6075)

AN ACT to amend 1945 PA 327, entitled "An act relating to aeronautics in this state; providing for the development and regulation thereof; creating a state aeronautics commission; prescribing powers and duties; providing for the licensing, or registration, or supervision and control of all aircraft, airports and landing fields, schools of aviation, flying clubs, airmen, aviation instructors, airport managers, manufacturers, dealers, and commercial operation in intrastate commerce; providing for rules pertaining thereto; prescribing a privilege tax for the use of the aeronautical facilities on the lands and waters of this state; providing for the acquisition, development, and operation of airports, landing fields, and other aeronautical facilities by the state, by political subdivisions, or by public airport authorities; providing for the incorporation of public airport authorities and providing for the powers, duties, and obligations of public airport authorities; providing for the transfer of airport management to public airport authorities, including the transfer of airport liabilities, employees, and operational jurisdiction; providing jurisdiction of crimes, torts, and contracts; providing police powers for those entrusted to enforce this act; providing for civil liability of owners, operators, and others; making hunting from aircraft unlawful; providing for repair station operators lien; providing for appeals from rules or orders issued by the commission; providing for the transfer from the Michigan board of aeronautics to the aeronautics commission all properties and funds held by the board of aeronautics; providing for a state aeronautics fund and making an appropriation therefor; prescribing penalties; and making uniform the law with reference to state development and regulation of aeronautics," by amending section 184 (MCL 259.184), as amended by 1996 PA 370.

The People of the State of Michigan enact:

## 259.184 Conduct requiring authorization by airport management; violation as misdemeanor; penalty.

Sec. 184. (1) A person shall not trespass upon the area within the boundary of an approved or licensed airport, landing field, or other aeronautical facility, or operate or cause to be operated a vehicle or device, or conduct an activity upon or across a licensed airport, landing field, or other aeronautical facility, unless that operation or activity is authorized by the airport management.

(2) A person who violates this section is guilty of a misdemeanor punishable by imprisonment for not more than 1 year or a fine of not more than \$1,000.00, or both.

Approved December 14, 2006. Filed with Secretary of State December 14, 2006.

#### [No. 455]

#### (HB 6186)

AN ACT to amend 2001 PA 142, entitled "An act to consolidate prior acts naming certain Michigan highways; to provide for the naming of certain highways; to prescribe certain duties of the state transportation department; and to repeal acts and parts of acts and certain resolutions," (MCL 250.1001 to 250.2080) by adding section 1074.

The People of the State of Michigan enact:

#### 250.2074 "Carl Oleson, Jr. bridge".

Sec. 1074. The bridge on highway M-22 in Leelanau county between Big Glen lake and Little Glen lake shall be known as the "Carl Oleson, Jr. bridge".

This act is ordered to take immediate effect. Approved December 14, 2006. Filed with Secretary of State December 14, 2006.

#### [No. 456]

#### (HB 4042)

AN ACT to amend 1927 PA 372, entitled "An act to regulate and license the selling, purchasing, possessing, and carrying of certain firearms and gas ejecting devices; to prohibit the buying, selling, or carrying of certain firearms and gas ejecting devices without a license or other authorization; to provide for the forfeiture of firearms under certain circumstances; to provide for penalties and remedies; to provide immunity from civil liability under certain circumstances; to prescribe the powers and duties of certain state and local agencies; to prohibit certain conduct against individuals who apply for or receive a license to carry a concealed pistol; to make appropriations; to prescribe certain conditions for the appropriations; and to repeal all acts and parts of acts inconsistent with this act," by amending section 5*l* (MCL 28.425*l*), as amended by 2006 PA 184.

The People of the State of Michigan enact:

## 28.425/ License; validity; duration; renewal; waiver of educational requirements; fingerprints.

Sec. 5l. (1) A license to carry a concealed pistol is valid until the applicant's date of birth that falls not less than 4 years or more than 5 years after the license is issued. Except as provided in subsections (6) and (7), a renewal of a license under section 5b shall, except as provided in this section, be issued in the same manner as an original license issued under section 5b.

- (2) The concealed weapon licensing board shall issue or deny issuance of a renewal license within 60 days after the application for renewal is properly submitted. The county clerk shall issue the applicant a receipt for his or her renewal application at the time the application is submitted. The receipt shall contain all of the following:
  - (a) The name of the applicant.
  - (b) The date and time the receipt is issued.
  - (c) The amount paid.
  - (d) A statement that the receipt is for a license renewal.
  - (e) A statement of whether the applicant qualifies for an extension under subsection (3).
  - (f) The name of the county in which the receipt is issued.
  - (g) An impression of the county seal.
- (3) If the concealed weapon licensing board fails to deny or issue a renewal license to the person within 60 days as required under subsection (2), the expiration date of the current

license is extended by 180 days or until the renewal license is issued, whichever occurs first. This subsection does not apply unless the person pays the renewal fee at the time the renewal application is submitted and the person has submitted a receipt from a police agency that confirms that a background check has been requested by the applicant.

- (4) A person carrying a concealed pistol after the expiration date of his or her license pursuant to an extension under subsection (3) shall keep the receipt issued by the county clerk under subsection (2) and his or her expired license in his or her possession at all times that he or she is carrying the pistol. For the purposes of this act, the receipt is considered to be part of the license to carry a concealed pistol until a renewal license is issued or denied. Failing to have the receipt and expired license in possession while carrying a concealed pistol or failing to display the receipt to a peace officer upon request is a violation of this act.
- (5) The educational requirements under section 5b(7)(c) are waived for an applicant who is a retired police officer or retired law enforcement officer.
- (6) The educational requirements under section 5b(7)(c) for an applicant who is applying for a renewal of a license under this act are waived except that the applicant shall certify that he or she has completed at least 3 hours' review of the training described under section 5b(7)(c) and has had at least 1 hour of firing range time in the 6 months immediately preceding the subsequent application.
- (7) Beginning January 1, 2007, an applicant who is applying for a renewal of a license issued under section 5b is not required to have fingerprints taken again under section 5b(9) if all of the following conditions have been met:
- (a) There has been established a system for the department of state police to save and maintain in its automated fingerprint identification system (AFIS) database all fingerprints that are submitted to the department of state police under section 5b.
- (b) The applicant's fingerprints have been submitted to and maintained by the department of state police as described in subdivision (a) for ongoing comparison with the automated fingerprint identification system (AFIS) database.

This act is ordered to take immediate effect. Approved December 19, 2006. Filed with Secretary of State December 20, 2006.

#### [No. 457]

#### (HB 5435)

AN ACT to amend 1931 PA 328, entitled "An act to revise, consolidate, codify, and add to the statutes relating to crimes; to define crimes and prescribe the penalties and remedies; to provide for restitution under certain circumstances; to provide for the competency of evidence at the trial of persons accused of crime; to provide immunity from prosecution for certain witnesses appearing at such trials; and to repeal certain acts and parts of acts inconsistent with or contravening any of the provisions of this act," by amending section 224a (MCL 750.224a), as amended by 2004 PA 338.

#### The People of the State of Michigan enact:

# 750.224a Portable device or weapon directing electrical current, impulse, wave, or beam; sale or possession prohibited; exceptions; use of electro-muscular disruption technology; violation; penalty; definitions.

Sec. 224a. (1) Except as otherwise provided in this section, a person shall not sell, offer for sale, or possess in this state a portable device or weapon from which an electrical current, impulse, wave, or beam may be directed, which current, impulse, wave, or beam is designed to incapacitate temporarily, injure, or kill.

- (2) This section does not prohibit any of the following:
- (a) The possession and reasonable use of a device that uses electro-muscular disruption technology by any of the following individuals, if the individual has been trained in the use, effects, and risks of the device, and is using the device while performing his or her official duties:
  - (i) A peace officer.
- (ii) An employee of the department of corrections who is authorized in writing by the director of the department of corrections to possess and use the device.
- (iii) A local corrections officer authorized in writing by the county sheriff to possess and use the device.
- (iv) An individual employed by a local unit of government that utilizes a jail or lockup facility who has custody of persons detained or incarcerated in the jail or lockup facility and who is authorized in writing by the chief of police, director of public safety, or sheriff to possess and use the device.
  - (v) A probation officer.
  - (vi) A court officer.
  - (vii) A bail agent authorized under section 167b.
  - (viii) A licensed private investigator.
  - (ix) An aircraft pilot or aircraft crew member.
- (x) An individual employed as a private security police officer. As used in this subparagraph, "private security police" means that term as defined in section 2 of the private security business and security alarm act, 1968 PA 330, MCL 338.1052.
- (b) Possession solely for the purpose of delivering a device described in subsection (1) to any governmental agency or to a laboratory for testing, with the prior written approval of the governmental agency or law enforcement agency and under conditions determined to be appropriate by that agency.
- (3) A manufacturer, authorized importer, or authorized dealer may demonstrate, offer for sale, hold for sale, sell, give, lend, or deliver a device that uses electro-muscular disruption technology to a person authorized to possess a device that uses electro-muscular disruption technology and may possess a device that uses electro-muscular disruption technology for any of those purposes.
- (4) A person who violates this section is guilty of a felony punishable by imprisonment for not more than 4 years or a fine of not more than \$2,000.00, or both.
  - (5) As used in this section:
- (a) "A device that uses electro-muscular disruption technology" means a device to which all of the following apply:
- (i) The device is capable of creating an electro-muscular disruption and is used or intended to be used as a defensive device capable of temporarily incapacitating or immobilizing a person by the direction or emission of conducted energy.

- (ii) The device contains an identification and tracking system that, when the device is initially used, dispenses coded material traceable to the purchaser through records kept by the manufacturer.
- (iii) The manufacturer of the device has a policy of providing the identification and tracking information described in subparagraph (ii) to a police agency upon written request by that agency.
- (b) "Local corrections officer" means that term as defined in section 2 of the local corrections officers training act, 2003 PA 125, MCL 791.532.
  - (c) "Peace officer" means any of the following:
- (i) A police officer or public safety officer of this state or a political subdivision of this state, including motor carrier officers appointed under section 6d of 1935 PA 59, MCL 28.6d, and security personnel employed by the state under section 6c of 1935 PA 59, MCL 28.6c.
  - (ii) A sheriff or a sheriff's deputy.
- (iii) A police officer or public safety officer of a junior college, college, or university who is authorized by the governing board of that junior college, college, or university to enforce state law and the rules and ordinances of that junior college, college, or university.
  - (iv) A township constable.
  - (v) A marshal of a city, village, or township.
- (vi) A conservation officer of the department of natural resources or the department of environmental quality.
- (vii) A law enforcement officer of another state or of a political subdivision of another state or a junior college, college, or university in another state, substantially corresponding to a law enforcement officer described in subparagraphs (i) to (vi).
  - (viii) A federal law enforcement officer.

This act is ordered to take immediate effect. Approved December 19, 2006.

Filed with Secretary of State December 20, 2006.

#### [No. 458]

#### (HB 5492)

AN ACT to amend 1978 PA 368, entitled "An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property;

to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates," by amending section 7457 (MCL 333.7457), as added by 1988 PA 139.

The People of the State of Michigan enact:

#### 333.7457 Applicability of MCL 333.7451 to 333.7455.

Sec. 7457. Sections 7451 to 7455 do not apply to any of the following:

- (a) An object sold or offered for sale to a person licensed under article 15 or under the occupational code, 1980 PA 299, MCL 339.101 to 339.2721, or any intern, trainee, apprentice, or assistant in a profession licensed under article 15 or under the occupational code, 1980 PA 299, MCL 339.101 to 339.2721, for use in that profession.
- (b) An object sold or offered for sale to any hospital, sanitarium, clinical laboratory, or other health care institution including a penal, correctional, or juvenile detention facility for use in that institution.
- (c) An object sold or offered for sale to a dealer in medical, dental, surgical, or pharmaceutical supplies.
- (d) A blender, bowl, container, spoon, or mixing device not specifically designed for a use described in section 7451.
- (e) A hypodermic syringe or needle sold or offered for sale for the purpose of injecting or otherwise treating livestock or other animals.
- (f) An object sold, offered for sale, or given away by a state or local governmental agency or by a person specifically authorized by a state or local governmental agency to prevent the transmission of infectious agents.

#### Effective date.

Enacting section 1. This amendatory act takes effect 90 days after the date it is enacted.

This act is ordered to take immediate effect.

Approved December 19, 2006.

Filed with Secretary of State December 20, 2006.

#### [No. 459]

#### (HB 6039)

AN ACT to amend 1978 PA 368, entitled "An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide

for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates," (MCL 333.1101 to 333.25211) by adding section 2511.

The People of the State of Michigan enact:

# 333.2511 Healthcare information technology and infrastructure development fund; administration; use; authority of director or commission to accept money or make expenditures; prohibited conduct by commission members; conflict of interest; annual report.

Sec. 2511. (1) There is established in the department the healthcare information technology and infrastructure development fund to be administered by the commission for the purpose of promoting the development and adoption of healthcare information technologies designed to improve the quality, safety, and efficiency of healthcare services.

- (2) Money in the fund shall be used for established regional health information organizations and other projects authorized by the commission and may be expended by contract, loan, or grant, to develop, maintain, expand, and improve the state's healthcare information technology infrastructure and to assist healthcare facilities and health service providers in adopting healthcare information technologies shown to improve healthcare quality, safety, or efficiency. The commission shall develop criteria for the selection of projects to be funded from the fund and criteria for eligible regional health information organizations and healthcare information technology and infrastructure projects to be funded under this part.
- (3) The director is authorized to accept any grant, devise, bequest, donation, gift, services in kind, assignment of money, bonds, or money appropriated by the legislature or received from insurers, for deposit in and credit of the fund. The commission is authorized to expend from the healthcare information technology and infrastructure development fund any money deposited into the fund for the purposes set forth in subsection (2). Money in the fund at the close of the fiscal year shall remain in the fund and shall not lapse to the general fund.
- (4) Notwithstanding any provision of its articles of incorporation, bylaws, or other enabling documents or laws to the contrary, a health insurer, health maintenance organization, health plan, or nonprofit health care corporation is authorized to allocate sums of money derived from the collections of premiums to the healthcare information technology and infrastructure development fund. The commission is authorized to approve projects which are in conformance with this section.
- (5) A member of the commission shall not make, participate in making, or in any way attempt to use his or her position as a member of the commission to influence a decision regarding a loan, grant, investment, or other expenditure under this part to his or her employer. A member, employee, or agent of the commission shall not engage in any conduct that constitutes a conflict of interest and shall immediately advise the commission in writing of the details of any incident or circumstances that may present the existence of a conflict of interest with respect to the performance of the commission-related work or duty of the member, employee, or agent of the commission. A member who has a conflict of interest

related to any matter before the commission shall disclose the conflict of interest before the commission takes any action with respect to the matter, which disclosure shall become a part of the record of the commission's official proceedings. The member with the conflict of interest shall refrain from doing all of the following with respect to the matter that is the basis of the conflict of interest:

- (a) Voting in the commission's proceedings related to the matter.
- (b) Participating in the commission's discussion of and deliberation on the matter.
- (c) Being present at the meeting when the discussion, deliberation, and voting on the matter take place.
  - (d) Discussing the matter with any other commission member.
- (6) Failure of a member to comply with subsection (5) constitutes misconduct in office subject to removal under section 2503.
- (7) When authorizing expenditures and investments under this part, the commission shall not consider whether a recipient has made a contribution or expenditure under the Michigan campaign finance act, 1976 PA 388, MCL 169.201 to 169.282. Expenditures under this part shall not be used to finance or influence political activities.
- (8) The commission shall prepare and issue an annual report not later than January 30 of each year outlining in specific detail the amount of funds spent from the fund in the previous year, a status report on the projects funded, progress to date in implementing a statewide healthcare information infrastructure, and recommendations for future investments and projects.

This act is ordered to take immediate effect. Approved December 19, 2006. Filed with Secretary of State December 20, 2006.

#### [No. 460]

#### (HB 6318)

AN ACT to amend 1969 PA 306, entitled "An act to provide for the effect, processing, promulgation, publication, and inspection of state agency rules, determinations, and other matters; to provide for the printing, publishing, and distribution of certain publications; to provide for state agency administrative procedures and contested cases and appeals from contested cases in licensing and other matters; to create and establish certain committees and offices; to provide for declaratory judgments as to rules; to repeal certain acts and parts of acts; and to repeal certain parts of this act on a specific date," by amending section 5 (MCL 24.205), as amended by 2004 PA 23.

The People of the State of Michigan enact:

#### 24.205 Definitions: L to R.

Sec. 5. (1) "License" includes the whole or part of an agency permit, certificate, approval, registration, charter, or similar form of permission required by law, but does not include a license required solely for revenue purposes, or a license or registration issued under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923.

- (2) "Licensing" includes agency activity involving the grant, denial, renewal, suspension, revocation, annulment, withdrawal, recall, cancellation, or amendment of a license.
  - (3) "Michigan register" means the publication described in section 8.
- (4) "Notice" means a written or electronic record that informs a person of past or future action of the person generating the record.
- (5) "Notice of objection" means the record adopted by the committee that indicates the committee's formal objection to a proposed rule.
- (6) "Party" means a person or agency named, admitted, or properly seeking and entitled of right to be admitted, as a party in a contested case. In a contested case regarding an application for a license, party includes the applicant for that license.
- (7) "Person" means an individual, partnership, association, corporation, limited liability company, limited liability partnership, governmental subdivision, or public or private organization of any kind other than the agency engaged in the particular processing of a rule, declaratory ruling, or contested case.
- (8) "Processing of a rule" means the action required or authorized by this act regarding a rule that is to be promulgated, including the rule's adoption, and ending with the rule's promulgation.
- (9) "Promulgation of a rule" means that step in the processing of a rule consisting of the filing of a rule with the secretary of state.
  - (10) "Record" means information that is inscribed on a paper or electronic medium.

#### Intent of legislature; amendment as curative.

Enacting section 1. Section 5 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.205, as amended by this amendatory act, is curative and intended to express the original intent of the legislature regarding the application of section 5 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.205, as amended by 2004 PA 23.

This act is ordered to take immediate effect.

Approved December 19, 2006.

Filed with Secretary of State December 20, 2006.

#### [No. 461]

#### (HB 6455)

AN ACT to amend 1985 PA 87, entitled "An act to establish the rights of victims of crime and juvenile offenses; to provide for certain procedures; to establish certain immunities and duties; to limit convicted criminals from deriving profit under certain circumstances; to prohibit certain conduct of employers or employers' agents toward victims; and to provide for penalties and remedies," by amending sections 13a, 16a, 17a, 31, 41a, 44a, 46b, 61, 76a, 78a, and 80a (MCL 780.763a, 780.766a, 780.767a, 780.781, 780.791a, 780.794a, 780.796b, 780.811, 780.826a, 780.828a, and 780.830a), sections 13a, 16a, 31, 44a, 61, and 76a as amended and sections 17a, 46b, and 80a as added by 2005 PA 184 and sections 41a and 78a as amended by 2000 PA 503, and by adding sections 2a, 18b, 31a, 45a, 61b, and 77b.

The People of the State of Michigan enact:

### 780.752a Duty to provide notice to victim; furnishing information or records.

Sec. 2a. The duty under this chapter and under section 24 of article I of the state constitution of 1963 of a court, the department of corrections, the department of human services, a county sheriff, or a prosecuting attorney to provide a notice to a victim also applies if the case against the defendant is resolved by assignment of the defendant to trainee status, by a delayed sentence or deferred judgment of guilt, or in another way that is not an acquittal or unconditional dismissal. In performing a duty under this chapter or under section 24 of article I of the state constitution of 1963, the court, department of corrections, department of human services, county sheriff, or prosecuting attorney may furnish information or records to the victim that would otherwise be closed to public inspection, including information or records described in section 14 of chapter II of the code of criminal procedure, 1927 PA 175, MCL 762.14.

#### 780.763a Providing victim with form to receive certain notices.

Sec. 13a. (1) When a defendant is sentenced to probation, sentenced to a term of imprisonment, ordered to be placed in a juvenile facility, or hospitalized in or admitted to a hospital or a facility, the prosecuting attorney shall provide the victim with a form the victim may submit to receive the notices provided for under section 18b, 19, 19a, 20, or 20a. The form shall include the address of the court, the department of corrections, the sheriff, the department of human services, the county juvenile agency, or the hospital or facility, as applicable, to which the form may be sent.

- (2) If the defendant is sentenced to probation, the department of corrections or the sheriff, as applicable, shall notify the victim if the probation is revoked and the defendant is sentenced to the department of corrections or to jail for more than 90 days. The notice shall include a form the victim may submit to the department of corrections or the sheriff to receive notices under section 19, 20, or 20a.
- (3) If the department of corrections determines that a defendant who was, in the defendant's judgment of sentence, not prohibited from being or permitted to be placed in the special alternative incarceration unit established under section 3 of the special alternative incarceration act, 1988 PA 287, MCL 798.13, meets the eligibility requirements of section 34a(2) and (3) of the corrections code of 1953, 1953 PA 232, MCL 791.234a, the department of corrections shall notify the victim, if the victim has submitted a written request for notification under section 19, of the proposed placement of the defendant in the special alternative incarceration unit not later than 30 days before placement is intended to occur. In making the decision on whether or not to object to the placement of the defendant in a special alternative incarceration unit as required by section 34a(4) of the corrections code of 1953, 1953 PA 232, MCL 791.234a, the sentencing judge or the judge's successor shall review an impact statement submitted by the victim under section 14.

## 780.766a Fines, costs, and assessments or payments other than victim payments; allocation of payments; priority; "victim payment" defined.

Sec. 16a. (1) If a person is subject to any combination of fines, costs, restitution, assessments, probation or parole supervision fees, or other payments arising out of the same criminal proceeding, money collected from that person for the payment of fines, costs, restitution, assessments, probation or parole supervision fees, or other payments ordered to be paid in that proceeding shall be allocated as provided in this section. If a person is subject to fines, costs, restitution, assessments, probation or parole supervision fees, or other payments in more than 1 proceeding in a court and if a person making a payment on the fines, costs,

restitution, assessments, probation or parole supervision fees, or other payments does not indicate the proceeding for which the payment is made, the court shall first apply the money paid to a proceeding in which there is unpaid restitution to be allocated as provided in this section.

- (2) Except as otherwise provided in this subsection, if a person is subject to payment of victim payments and any combination of other fines, costs, assessments, probation or parole supervision fees, or other payments, 50% of each payment collected by the court from that person shall be applied to payment of victim payments, and the balance shall be applied to payment of fines, costs, supervision fees, and other assessments or payments. If a person making a payment indicates that the payment is to be applied to victim payments, or if the payment is received as a result of a wage assignment under section 16 or from the department of corrections or sheriff under section 17a, the payment shall first be applied to victim payments. If any fines, costs, supervision fees, or other assessments or payments remain unpaid after all of the victim payments have been paid, any additional money collected shall be applied to payment or payments remain unpaid after all of the fines, costs, supervision fees, or other assessments or payments. If any victim payments remain unpaid after all of the fines, costs, supervision fees, or other assessments or payments have been paid, any additional money collected shall be applied to payment of those victim payments.
- (3) In cases involving prosecutions for violations of state law, money allocated under subsection (2) for payment of fines, costs, probation and parole supervision fees, and assessments or payments other than victim payments shall be applied in the following order of priority:
- (a) Payment of the minimum state cost prescribed by section 1j of chapter IX of the code of criminal procedure, 1927 PA 175, MCL 769.1j.
  - (b) Payment of other costs.
  - (c) Payment of fines.
  - (d) Payment of probation or parole supervision fees.
- (e) Payment of assessments and other payments, including reimbursement to third parties who reimbursed a victim for his or her loss.
- (4) In cases involving prosecutions for violations of local ordinances, money allocated under subsection (2) for payment of fines, costs, and assessments or payments other than victim payments shall be applied in the following order of priority:
- (a) Payment of the minimum state cost prescribed by section 1j of chapter IX of the code of criminal procedure, 1927 PA 175, MCL 769.1j.
  - (b) Payment of fines and other costs.
  - (c) Payment of assessments and other payments.
- (5) As used in this section, "victim payment" means restitution ordered to be paid to the victim or the victim's estate, but not to a person who reimbursed the victim for his or her loss; or an assessment ordered under section 5 of 1989 PA 196, MCL 780.905.

#### 780.767a Deductions and payments.

Sec. 17a. (1) If a defendant who has been sentenced to the department of corrections is ordered to pay restitution under section 16, and if the defendant receives more than \$50.00 in a month, the department of corrections shall deduct 50% of the amount over \$50.00 received by the defendant for payment of the restitution. The department of corrections shall promptly send the deducted money to the court or to the crime victim as provided in the order of restitution when it accumulates to an amount that exceeds \$100.00, or when the defendant is paroled, transferred to community programs, or discharged on the maximum sentence.

- (2) If a defendant who has been sentenced to jail is ordered to pay restitution under section 16, and if the defendant receives more than \$50.00 in a month, the sheriff may deduct 50% of the amount over \$50.00 received by the defendant for payment of the restitution, and 5% of the amount over \$50.00 received by the defendant to be retained by the sheriff as an administrative fee. The sheriff shall promptly send the money deducted for restitution to the court or to the crime victim as provided in the order of restitution when it accumulates to an amount that exceeds \$100.00, or when the defendant is released to probation or discharged on the maximum sentence.
- (3) The department of corrections or sheriff, as applicable, shall notify the defendant and the court in writing of all deductions and payments made under this section. The requirements of this section remain in effect until all of the restitution has been paid. The department of corrections or sheriff shall not enter into any agreement with a defendant that modifies the requirements of this section. An agreement in violation of this subsection is void.

#### 780.768b Early termination of probation; notice to victim.

Sec. 18b. If a defendant is sentenced to probation with a condition for the protection of the victim and if requested by the victim, the court shall notify the victim by mail if the court orders that the probation be terminated earlier than previously ordered.

## 780.781 Definitions; designation of person to act in place of victim; rights and privileges.

- Sec. 31. (1) Except as otherwise defined in this article, as used in this article:
- (a) "County juvenile agency" means that term as defined in section 2 of the county juvenile agency act, 1998 PA 518, MCL 45.622.
  - (b) "Court" means the family division of circuit court.
- (c) "Designated case" means a case designated as a case in which the juvenile is to be tried in the same manner as an adult under section 2d of chapter XIIA of the probate code of 1939, 1939 PA 288, MCL 712A.2d.
- (d) "Juvenile" means an individual alleged or found to be within the court's jurisdiction under section 2(a)(1) of chapter XIIA of the probate code of 1939, 1939 PA 288, MCL 712A.2, for an offense, including, but not limited to, an individual in a designated case.
- (e) "Juvenile facility" means a county facility, an institution operated as an agency of the county or the court, or an institution or agency described in the youth rehabilitation services act, 1974 PA 150, MCL 803.301 to 803.309, to which a juvenile has been committed or in which a juvenile is detained.
  - (f) "Offense" means 1 or more of the following:
- (i) A violation of a penal law of this state for which a juvenile offender, if convicted as an adult, may be punished by imprisonment for more than 1 year or an offense expressly designated by law as a felony.
- (ii) A violation of section 81 (assault and battery, including domestic violence), 81a (assault; infliction of serious injury, including aggravated domestic violence), 115 (breaking and entering or illegal entry), 136b(6) (child abuse in the fourth degree), 145 (contributing to the neglect or delinquency of a minor), 145d (using the internet or a computer to make a prohibited communication), 233 (intentionally aiming a firearm without malice), 234 (discharge of a firearm intentionally aimed at a person), 235 (discharge of an intentionally aimed firearm resulting in injury), 335a (indecent exposure), or 411h (stalking) of the Michigan penal code, 1931 PA 328, MCL 750.81, 750.81a, 750.115, 750.136b, 750.145d, 750.145d, 750.233, 750.234, 750.235, 750.335a, and 750.411h.

- (iii) A violation of section 601b(2) (injuring a worker in a work zone) or 617a (leaving the scene of a personal injury accident) of the Michigan vehicle code, 1949 PA 300, MCL 257.601b and 257.617a, or a violation of section 625 (operating a vehicle while under the influence of or impaired by intoxicating liquor or a controlled substance, or with unlawful blood alcohol content) of that act, MCL 257.625, if the violation involves an accident resulting in damage to another individual's property or physical injury or death to another individual.
- (iv) Selling or furnishing alcoholic liquor to an individual less than 21 years of age in violation of section 33 of the former 1933 (Ex Sess) PA 8, or section 701 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1701, if the violation results in physical injury or death to any individual.
- (v) A violation of section 80176(1) or (3) (operating a vessel while under the influence of or impaired by intoxicating liquor or a controlled substance, or with unlawful blood alcohol content) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80176, if the violation involves an accident resulting in damage to another individual's property or physical injury or death to any individual.
- (vi) A violation of a local ordinance substantially corresponding to a law enumerated in subparagraphs (i) to (v).
- (vii) A violation described in subparagraphs (i) to (vi) that is subsequently reduced to a violation not included in subparagraphs (i) to (vi).
- (g) "Person" means an individual, organization, partnership, corporation, or governmental entity.
- (h) "Prosecuting attorney" means the prosecuting attorney for a county, an assistant prosecuting attorney for a county, the attorney general, the deputy attorney general, an assistant attorney general, a special prosecuting attorney, or, in connection with the prosecution of an ordinance violation, an attorney for the political subdivision that enacted the ordinance upon which the violation is based.
  - (i) "Victim" means any of the following:
- (i) A person who suffers direct or threatened physical, financial, or emotional harm as a result of the commission of an offense, except as provided in subparagraph (ii), (iii), or (iv).
  - (ii) The following individuals other than the juvenile if the victim is deceased:
  - (A) The spouse of the deceased victim.
- (B) A child of the deceased victim if the child is 18 years of age or older and subsubparagraph (A) does not apply.
  - (C) A parent of a deceased victim if sub-subparagraphs (A) and (B) do not apply.
- (D) The guardian or custodian of a child of a deceased victim if the child is less than 18 years of age and sub-subparagraphs (A) to (C) do not apply.
  - (E) A sibling of the deceased victim if sub-subparagraphs (A) to (D) do not apply.
  - (F) A grandparent of the deceased victim if sub-subparagraphs (A) to (E) do not apply.
- (iii) A parent, guardian, or custodian of a victim who is less than 18 years of age and who is neither the defendant nor incarcerated, if the parent, guardian, or custodian so chooses.
- (iv) A parent, guardian, or custodian of a victim who is mentally or emotionally unable to participate in the legal process if he or she is neither the defendant nor incarcerated.
- (2) If a victim as defined in subsection (1)(i)(i) is physically or emotionally unable to exercise the privileges and rights under this article, the victim may designate his or her spouse,

child 18 years of age or older, parent, sibling, grandparent, or any other person 18 years of age or older who is neither the defendant nor incarcerated to act in his or her place while the physical or emotional disability continues. The victim shall provide the prosecuting attorney with the name of the person who is to act in his or her place. During the physical or emotional disability, notices to be provided under this article to the victim shall continue to be sent only to the victim.

(3) An individual who is charged with an offense arising out of the same transaction from which the charge against the defendant arose is not eligible to exercise the privileges and rights established for victims under this article.

## 780.781a Duty to provide notice to victim; furnishing information or records.

Sec. 31a. The duty under this chapter and under section 24 of article I of the state constitution of 1963 of a court, the department of corrections, the department of human services, a county sheriff, or a prosecuting attorney to provide a notice to a victim also applies if the case against the defendant is resolved by assignment of the defendant to trainee status, by a delayed sentence or deferred judgment of guilt, or in another way that is not an acquittal or unconditional dismissal. In performing a duty under this chapter or under section 24 of article I of the state constitution of 1963, the court, department of corrections, department of human services, county sheriff, or prosecuting attorney may furnish information or records to the victim that would otherwise be closed to public inspection, including information or records described in section 14 of chapter II of the code of criminal procedure, 1927 PA 175, MCL 762.14.

#### 780.791a Providing victim with form to receive certain notices.

Sec. 41a. When a juvenile is ordered to be placed in a juvenile facility or sentenced to probation or to a term of imprisonment, the prosecuting attorney, or the court pursuant to an agreement under section 48a, shall provide the victim with a form the victim may submit to receive the notices from the court, prosecuting attorney, department of human services, or county juvenile agency, as applicable, provided for under section 45a or 48. The form shall include the address of the court, prosecuting attorney, department of human services, county juvenile agency, department of corrections, or the sheriff, as applicable, to which the form may be sent.

#### 780.794a Allocation of payment from juveniles.

Sec. 44a. (1) If a juvenile is subject to any combination of fines, costs, restitution, assessments, probation or parole supervision fees, or other payments arising out of the same criminal proceeding, money collected from that juvenile for the payment of fines, costs, restitution, assessments, probation or parole supervision fees, or other payments ordered to be paid in that proceeding shall be allocated as provided in this section. If a person is subject to fines, costs, restitution, assessments, probation or parole supervision fees, or other payments in more than 1 proceeding in a court and if a person making a payment on the fines, costs, restitution, assessments, probation or parole supervision fees, or other payments does not indicate the proceeding for which the payment is made, the court shall first apply the money paid to a proceeding in which there is unpaid restitution to be allocated as provided in this section.

(2) Except as otherwise provided in this subsection, if a juvenile is subject to payment of victim payments and any combination of other fines, costs, assessments, probation or parole supervision fees, or other payments, 50% of each payment collected by the court from that juvenile shall be applied to payment of victim payments, and the balance shall be applied to payment of fines, costs, supervision fees, and other assessments or payments.

If a person making a payment indicates that the payment is to be applied to victim payments, or if the payment is received as a result of a wage assignment under section 44 or from the department of corrections, sheriff, department of human services, or county juvenile agency under section 46b, the payment shall first be applied to victim payments. If any fines, costs, supervision fees, or other assessments or payments remain unpaid after all of the victim payments have been paid, any additional money collected shall be applied to payment of those fines, costs, supervision fees, or other assessments or payments. If any victim payments remain unpaid after all of the fines, costs, supervision fees, or other assessments or payments have been paid, any additional money collected shall be applied to payment of those victim payments.

- (3) In cases involving prosecutions for violations of state law, money allocated under subsection (2) for payment of fines, costs, probation and parole supervision fees, and assessments or payments other than victim payments shall be applied in the following order of priority:
- (a) Payment of the minimum state cost prescribed by section 1j of chapter IX of the code of criminal procedure, 1927 PA 175, MCL 769.1j.
  - (b) Payment of other costs.
  - (c) Payment of fines.
  - (d) Payment of probation or parole supervision fees.
- (e) Payment of assessments and other payments, including reimbursement to third parties who reimbursed a victim for his or her loss.
- (4) In cases involving prosecutions for violations of local ordinances, money allocated under subsection (2) for payment of fines, costs, and assessments or payments other than victim payments shall be applied in the following order of priority:
- (a) Payment of the minimum state cost prescribed by section 1j of chapter IX of the code of criminal procedure, 1927 PA 175, MCL 769.1j.
  - (b) Payment of fines and other costs.
  - (c) Payment of assessments and other payments.
- (5) As used in this section, "victim payment" means restitution ordered to be paid to the victim or the victim's estate, but not to a person who reimbursed the victim for his or her loss; or an assessment ordered under section 5 of 1989 PA 196, MCL 780.905.

#### 780.795a Early termination of probation of juvenile; notice to victim.

Sec. 45a. If a juvenile is sentenced to probation with a condition for the protection of the victim and if requested by the victim, the court shall notify the victim by mail if the court orders that the probation be terminated earlier than previously ordered.

#### 780.796b Deductions and payments.

Sec. 46b. (1) If a juvenile who has been sentenced to the department of corrections is ordered to pay restitution under section 44, and if the juvenile receives more than \$50.00 in a month, the department of corrections shall deduct 50% of the amount over \$50.00 received by the juvenile for payment of the restitution. The department of corrections shall promptly send the deducted money to the court or to the crime victim as provided in the order of restitution when it accumulates to an amount that exceeds \$100.00, or when the juvenile is paroled, transferred to community programs, or discharged on the maximum sentence.

(2) If a juvenile who has been sentenced to jail is ordered to pay restitution under section 44, and if the juvenile receives more than \$50.00 in a month, the sheriff may deduct

50% of the amount over \$50.00 received by the juvenile for payment of the restitution, and 5% of the amount over \$50.00 received by the juvenile to be retained by the sheriff as an administrative fee. The sheriff shall promptly send the money deducted for restitution to the court or to the crime victim as provided in the order of restitution when it accumulates to an amount that exceeds \$100.00, or when the juvenile is released to probation or discharged on the maximum sentence.

- (3) If a juvenile who has been placed in a juvenile facility is ordered to pay restitution under section 44, and if the juvenile receives more than \$50.00 in a month, the department of human services or the county juvenile agency, as applicable, may deduct 50% of the amount over \$50.00 received by the juvenile for payment of the restitution. The department of human services or the county juvenile agency, as applicable, shall promptly send the deducted money to the court or to the crime victim as provided in the order of restitution when it accumulates to an amount that exceeds \$100.00, or when the juvenile is released from the juvenile facility.
- (4) The department of corrections, sheriff, department of human services, or county juvenile agency, as applicable, shall notify the juvenile and the court in writing of all deductions and payments made under this section. The requirements of this section remain in effect until all of the restitution has been paid. The department of corrections, sheriff, department of human services, or county juvenile agency shall not enter into any agreement with a juvenile that modifies the requirements of this section. An agreement in violation of this subsection is void.

## 780.811 Definitions; physical or emotional inability of victim to exercise privileges and rights; ineligibility to exercise privileges and rights.

Sec. 61. (1) Except as otherwise defined in this article, as used in this article:

- (a) "Serious misdemeanor" means 1 or more of the following:
- (i) A violation of section 81 of the Michigan penal code, 1931 PA 328, MCL 750.81, assault and battery, including domestic violence.
- (ii) A violation of section 81a of the Michigan penal code, 1931 PA 328, MCL 750.81a, assault; infliction of serious injury, including aggravated domestic violence.
- (iii) A violation of section 115 of the Michigan penal code, 1931 PA 328, MCL 750.115, breaking and entering or illegal entry.
- (iv) A violation of section 136b(6) of the Michigan penal code, 1931 PA 328, MCL 750.136b, child abuse in the fourth degree.
- (v) A violation of section 145 of the Michigan penal code, 1931 PA 328, MCL 750.145, contributing to the neglect or delinquency of a minor.
- (vi) A misdemeanor violation of section 145d of the Michigan penal code, 1931 PA 328, MCL 750.145d, using the internet or a computer to make a prohibited communication.
- (vii) A violation of section 233 of the Michigan penal code, 1931 PA 238, MCL 750.233, intentionally aiming a firearm without malice.
- (viii) A violation of section 234 of the Michigan penal code, 1931 PA 328, MCL 750.234, discharge of a firearm intentionally aimed at a person.
- (ix) A violation of section 235 of the Michigan penal code, 1931 PA 328, MCL 750.235, discharge of an intentionally aimed firearm resulting in injury.
- (x) A violation of section 335a of the Michigan penal code, 1931 PA 328, MCL 750.335a, indecent exposure.
- (xi) A violation of section 411h of the Michigan penal code, 1931 PA 328, MCL 750.411h, stalking.

- (xii) A violation of section 601b(2) of the Michigan vehicle code, 1949 PA 300, MCL 257.601b, injuring a worker in a work zone.
- (xiii) A violation of section 617a of the Michigan vehicle code, 1949 PA 300, MCL 257.617a, leaving the scene of a personal injury accident.
- (xiv) A violation of section 625 of the Michigan vehicle code, 1949 PA 300, MCL 257.625, operating a vehicle while under the influence of or impaired by intoxicating liquor or a controlled substance, or with an unlawful blood alcohol content, if the violation involves an accident resulting in damage to another individual's property or physical injury or death to another individual.
- (xv) Selling or furnishing alcoholic liquor to an individual less than 21 years of age in violation of section 701 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1701, if the violation results in physical injury or death to any individual.
- (xvi) A violation of section 80176(1) or (3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80176, operating a vessel while under the influence of or impaired by intoxicating liquor or a controlled substance, or with an unlawful blood alcohol content, if the violation involves an accident resulting in damage to another individual's property or physical injury or death to any individual.
- (xvii) A violation of a local ordinance substantially corresponding to a violation enumerated in subparagraphs (i) to (xvi).
- (xviii) A violation charged as a crime or serious misdemeanor enumerated in subparagraphs (i) to (xvii) but subsequently reduced to or pleaded to as a misdemeanor. As used in this subparagraph, "crime" means that term as defined in section 2.
- (b) "Defendant" means a person charged with or convicted of having committed a serious misdemeanor against a victim.
- (c) "Final disposition" means the ultimate termination of the criminal prosecution of a defendant including, but not limited to, dismissal, acquittal, or imposition of a sentence by the court.
- (d) "Person" means an individual, organization, partnership, corporation, or governmental entity.
- (e) "Prisoner" means a person who has been convicted and sentenced to imprisonment for having committed a serious misdemeanor against a victim.
- (f) "Prosecuting attorney" means the prosecuting attorney for a county, an assistant prosecuting attorney for a county, the attorney general, the deputy attorney general, an assistant attorney general, a special prosecuting attorney, or, in connection with the prosecution of an ordinance violation, an attorney for the political subdivision that enacted the ordinance upon which the violation is based.
  - (g) "Victim" means any of the following:
- (i) An individual who suffers direct or threatened physical, financial, or emotional harm as a result of the commission of a serious misdemeanor, except as provided in subparagraph (ii), (iii), or (iv).
  - (ii) The following individuals other than the defendant if the victim is deceased:
  - (A) The spouse of the deceased victim.
- (B) A child of the deceased victim if the child is 18 years of age or older and subsubparagraph (A) does not apply.
  - (C) A parent of a deceased victim if sub-subparagraphs (A) and (B) do not apply.
- (D) The guardian or custodian of a child of a deceased victim if the child is less than 18 years of age and sub-subparagraphs (A) to (C) do not apply.

- (E) A sibling of the deceased victim if sub-subparagraphs (A) to (D) do not apply.
- (F) A grandparent of the deceased victim if sub-subparagraphs (A) to (E) do not apply.
- (iii) A parent, guardian, or custodian of a victim who is less than 18 years of age and who is neither the defendant nor incarcerated, if the parent, guardian, or custodian so chooses.
- (iv) A parent, guardian, or custodian of a victim who is so mentally incapacitated that he or she cannot meaningfully understand or participate in the legal process if he or she is not the defendant and is not incarcerated.
- (2) If a victim as defined in subsection (1)(g)(i) is physically or emotionally unable to exercise the privileges and rights under this article, the victim may designate his or her spouse, child 18 years of age or older, parent, sibling, or grandparent or any other person 18 years of age or older who is neither the defendant nor incarcerated to act in his or her place while the physical or emotional disability continues. The victim shall provide the prosecuting attorney with the name of the person who is to act in place of the victim. During the physical or emotional disability, notices to be provided under this article to the victim shall continue to be sent only to the victim.
- (3) An individual who is charged with a serious misdemeanor, a crime as defined in section 2, or an offense as defined in section 31 arising out of the same transaction from which the charge against the defendant arose is not eligible to exercise the privileges and rights established for victims under this article.
- (4) An individual who is incarcerated is not eligible to exercise the privileges and rights established for victims under this article except that he or she may submit a written statement to the court for consideration at sentencing.

### 780.811b Duty to provide notice to victim; furnishing information or records.

Sec. 61b. The duty under this chapter and under section 24 of article I of the state constitution of 1963 of a court, the department of corrections, the department of human services, a county sheriff, or a prosecuting attorney to provide a notice to a victim also applies if the case against the defendant is resolved by assignment of the defendant to trainee status, by a delayed sentence or deferred judgment of guilt, or in another way that is not an acquittal or unconditional dismissal. In performing a duty under this chapter or under section 24 of article I of the state constitution of 1963, the court, department of corrections, department of human services, county sheriff, or prosecuting attorney may furnish information or records to the victim that would otherwise be closed to public inspection, including information or records described in section 14 of chapter II of the code of criminal procedure, 1927 PA 175, MCL 762.14.

#### 780.826a Allocation of payments.

Sec. 76a. (1) If a person is subject to any combination of fines, costs, restitution, assessments, probation or parole supervision fees, or other payments arising out of the same criminal proceeding, money collected from that person for the payment of fines, costs, restitution, assessments, probation or parole supervision fees, or other payments ordered to be paid in that proceeding shall be allocated as provided in this section. If a person is subject to fines, costs, restitution, assessments, probation or parole supervision fees, or other payments in more than 1 proceeding in a court and if a person making a payment on the fines, costs, restitution, assessments, probation or parole supervision fees, or other payments does not indicate the proceeding for which the payment is made, the court shall first apply the money paid to a proceeding in which there is unpaid restitution to be allocated as provided in this section.

- (2) Except as otherwise provided in this subsection, if a person is subject to payment of victim payments and any combination of other fines, costs, assessments, probation or parole supervision fees, or other payments, 50% of each payment collected by the court from that person shall be applied to payment of victim payments, and the balance shall be applied to payment of fines, costs, supervision fees, and other assessments or payments. If a person making a payment indicates that the payment is to be applied to victim payments, or if the payment is received as a result of a wage assignment under section 76 or from the sheriff under section 80a, the payment shall first be applied to victim payments. If any fines, costs, supervision fees, or other assessments or payments remain unpaid after all of the victim payments have been paid, any additional money collected shall be applied to payment or payments remain unpaid after all of the fines, costs, supervision fees, or other assessments or payments. If any victim payments have been paid, any additional money collected shall be applied to payment of those victim payments.
- (3) In cases involving prosecutions for violations of state law, money allocated under subsection (2) for payment of fines, costs, probation and parole supervision fees, and assessments or payments other than victim payments shall be applied in the following order of priority:
- (a) Payment of the minimum state cost prescribed by section 1j of chapter IX of the code of criminal procedure, 1927 PA 175, MCL 769.1j.
  - (b) Payment of other costs.
  - (c) Payment of fines.
  - (d) Payment of probation or parole supervision fees.
- (e) Payment of assessments and other payments, including reimbursement to third parties who reimbursed a victim for his or her loss.
- (4) In cases involving prosecutions for violations of local ordinances, money allocated under subsection (2) for payment of fines, costs, and assessments or payments other than victim payments shall be applied in the following order of priority:
- (a) Payment of the minimum state cost prescribed by section 1j of chapter IX of the code of criminal procedure, 1927 PA 175, MCL 769.1j.
  - (b) Payment of fines and other costs.
  - (c) Payment of assessments and other payments.
- (5) As used in this section, "victim payment" means restitution ordered to be paid to the victim or the victim's estate, but not to a person who reimbursed the victim for his or her loss; or an assessment ordered under section 5 of 1989 PA 196, MCL 780.905.

#### 780.827b Early termination of probation; notice to victim.

Sec. 77b. If a defendant is sentenced to probation with a condition for the protection of the victim and if requested by the victim, the court shall notify the victim by mail if the court orders that the probation be terminated earlier than previously ordered.

## 780.828a Information to be mailed to victim of serious misdemeanor; form to receive notices.

Sec. 78a. (1) Upon the written request of a victim of a serious misdemeanor, the sheriff shall mail to the victim the following, as applicable, about a prisoner who has been sentenced to imprisonment under the jurisdiction of the sheriff for commission of that serious misdemeanor:

(a) Within 30 days after the request, notice of the sheriff's calculation of the earliest release date of the prisoner, with all potential good time or disciplinary credits considered

if the sentence of imprisonment exceeds 90 days. The victim may request 1-time only notice of the calculation described in this subdivision.

- (b) Notice that a prisoner has had his or her name legally changed while imprisoned in the county jail or within 2 years of release from the county jail.
  - (c) Notice that the prisoner has been placed on day parole or work release.
- (2) When a defendant is sentenced to probation or a term of imprisonment, the prosecuting attorney shall provide the victim with a form the victim may submit to receive the notices provided for under this section or section 77b or 78b. The form shall include the address of the court, prosecuting attorney, or sheriff's department, as applicable, to which the form may be sent.

#### 780.830a Deductions and payments.

Sec. 80a. (1) If a defendant who has been sentenced to jail is ordered to pay restitution under section 76, and if the defendant receives more than \$50.00 in a month, the sheriff may deduct 50% of the amount over \$50.00 received by the defendant for payment of the restitution, and 5% of the amount over \$50.00 received by the defendant to be retained by the sheriff as an administrative fee. The sheriff shall promptly send the money deducted for restitution to the court or to the crime victim as provided in the order of restitution when it accumulates to an amount that exceeds \$100.00, or when the defendant is released to probation or discharged on the maximum sentence.

(2) The sheriff shall notify the defendant and the court in writing of all deductions and payments made under this section. The requirements of this section remain in effect until all of the restitution has been paid. The sheriff shall not enter into any agreement with a defendant that modifies the requirements of this section. An agreement in violation of this subsection is void.

#### Effective date.

Enacting section 1. This amendatory act takes effect January 1, 2007.

This act is ordered to take immediate effect. Approved December 19, 2006. Filed with Secretary of State December 20, 2006.

#### [No. 462]

#### (HB 6359)

AN ACT to amend 1956 PA 218, entitled "An act to revise, consolidate, and classify the laws relating to the insurance and surety business; to regulate the incorporation or formation of domestic insurance and surety companies and associations and the admission of foreign and alien companies and associations; to provide their rights, powers, and immunities and to prescribe the conditions on which companies and associations organized, existing, or authorized under this act may exercise their powers; to provide the rights, powers, and immunities and to prescribe the conditions on which other persons, firms, corporations, associations, risk retention groups, and purchasing groups engaged in an insurance or surety business may exercise their powers; to provide for the imposition of a privilege fee on domestic insurance companies and associations and the state accident fund; to provide

for the imposition of a tax on the business of foreign and alien companies and associations; to provide for the imposition of a tax on risk retention groups and purchasing groups; to provide for the imposition of a tax on the business of surplus line agents; to provide for the imposition of regulatory fees on certain insurers; to provide for assessment fees on certain health maintenance organizations; to modify tort liability arising out of certain accidents; to provide for limited actions with respect to that modified tort liability and to prescribe certain procedures for maintaining those actions; to require security for losses arising out of certain accidents; to provide for the continued availability and affordability of automobile insurance and homeowners insurance in this state and to facilitate the purchase of that insurance by all residents of this state at fair and reasonable rates; to provide for certain reporting with respect to insurance and with respect to certain claims against uninsured or self-insured persons; to prescribe duties for certain state departments and officers with respect to that reporting; to provide for certain assessments; to establish and continue certain state insurance funds; to modify and clarify the status, rights, powers, duties, and operations of the nonprofit malpractice insurance fund; to provide for the departmental supervision and regulation of the insurance and surety business within this state; to provide for regulation over worker's compensation self-insurers; to provide for the conservation, rehabilitation, or liquidation of unsound or insolvent insurers; to provide for the protection of policyholders, claimants, and creditors of unsound or insolvent insurers; to provide for associations of insurers to protect policyholders and claimants in the event of insurer insolvencies; to prescribe educational requirements for insurance agents and solicitors; to provide for the regulation of multiple employer welfare arrangements; to create an automobile theft prevention authority to reduce the number of automobile thefts in this state; to prescribe the powers and duties of the automobile theft prevention authority; to provide certain powers and duties upon certain officials, departments, and authorities of this state; to provide for an appropriation; to repeal acts and parts of acts; and to provide penalties for the violation of this act," by amending sections 3801, 3805, 3807, 3809, 3811, 3815, 3817, 3819, 3823, 3827, 3830, 3831, 3835, 3839, 3841, and 3849 (MCL 500.3801, 500.3805, 500.3807, 500.3809, 500.3811, 500.3815, 500.3817, 500.3819, 500.3823, 500.3827, 500.3830, 500.3831, 500.3835, 500.3839, 500.3841, and 500.3849), sections 3801, 3807, 3809, 3811, 3815, and 3819 as amended and section 3830 as added by 2002 PA 304 and sections 3805, 3817, 3823, 3827, 3831, 3835, 3839, 3841, and 3849 as added by 1992 PA 84, and by adding section 3804; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

#### 500.3801 Chapter; definitions.

Sec. 3801. As used in this chapter:

- (a) "Applicant" means:
- (i) For an individual medicare supplement policy, the person who seeks to contract for benefits.
  - (ii) For a group medicare supplement policy or certificate, the proposed certificate holder.
- (b) "Bankruptcy" means when a medicare advantage organization that is not an insurer has filed, or has had filed against it, a petition for declaration of bankruptcy and has ceased doing business in this state.
- (c) "Certificate" means any certificate delivered or issued for delivery in this state under a group medicare supplement policy.
- (d) "Certificate form" means the form on which the certificate is delivered or issued for delivery by the insurer.

- (e) "Continuous period of creditable coverage" means the period during which an individual was covered by creditable coverage, if during the period of the coverage the individual had no breaks in coverage greater than 63 days.
- (f) "Creditable coverage" means coverage of an individual provided under any of the following:
  - (i) A group health plan.
  - (ii) Health insurance coverage.
  - (iii) Part A or part B of medicare.
- (iv) Medicaid other than coverage consisting solely of benefits under section 1928 of medicaid, 42 USC 1396s.
  - (v) Chapter 55 of title 10 of the United States Code, 10 USC 1071 to 1110.
  - (vi) A medical care program of the Indian health service or of a tribal organization.
  - (vii) A state health benefits risk pool.
- (viii) A health plan offered under chapter 89 of title 5 of the United States Code, 5 USC 8901 to 8914.
  - (ix) A public health plan as defined in federal regulation.
  - (x) Health care under section 5(e) of title I of the peace corps act, 22 USC 2504.
- (g) "Direct response solicitation" means solicitation in which an insurer representative does not contact the applicant in person and explain the coverage available, such as, but not limited to, solicitation through direct mail or through advertisements in periodicals and other media.
- (h) "Employee welfare benefit plan" means a plan, fund, or program of employee benefits as defined in section 3 of subtitle A of title I of the employee retirement income security act of 1974, 29 USC 1002.
- (i) "Insolvency" means when an insurer licensed to transact the business of insurance in this state has had a final order of liquidation entered against it with a finding of insolvency by a court of competent jurisdiction in the insurer's state of domicile.
- (j) "Insurer" includes any entity, including a health care corporation operating pursuant to the nonprofit health care corporation reform act, 1980 PA 350, MCL 550.1101 to 550.1704, delivering or issuing for delivery in this state medicare supplement policies.
  - (k) "Medicaid" means title XIX of the social security act, 42 USC 1396 to 1396v.
  - (l) "Medicare" means title XVIII of the social security act, 42 USC 1395 to 1395ggg.
- (m) "Medicare advantage" means a plan of coverage for health benefits under medicare part C as defined in section 12-2859 of part C of medicare, 42 USC 1395w-28, and includes any of the following:
- (i) Coordinated care plans that provide health care services, including, but not limited to, health maintenance organization plans with or without a point-of-service option, plans offered by provider-sponsored organizations, and preferred provider organization plans.
- (ii) Medical savings account plans coupled with a contribution into a medicare advantage medical savings account.
  - (iii) Medicare advantage private fee-for-service plans.
- (n) "Medicare supplement buyer's guide" means the document entitled, "guide to health insurance for people with medicare", developed by the national association of insurance commissioners and the United States department of health and human services or a substantially similar document as approved by the commissioner.

- (o) "Medicare supplement policy" means an individual, nongroup, or group policy or certificate that is advertised, marketed, or designed primarily as a supplement to reimbursements under medicare for the hospital, medical, or surgical expenses of persons eligible for medicare and medicare select policies and certificates under section 3817. Medicare supplement policy does not include a policy, certificate, or contract of 1 or more employers or labor organizations, or of the trustees of a fund established by 1 or more employers or labor organizations, or both, for employees or former employees, or both, or for members or former members, or both, of the labor organizations. Medicare supplement policy does not include medicare advantage plans established under medicare part C, outpatient prescription drug plans established under medicare part D, or any health care prepayment plan that provides benefits pursuant to an agreement under section 1833(a)(1)(A) of the social security act.
- (p) "PACE" means a program of all-inclusive care for the elderly as described in the social security act.
- (q) "Policy form" means the form on which the policy or certificate is delivered or issued for delivery by the insurer.
- (r) "Secretary" means the secretary of the United States department of health and human services.
  - (s) "Social security act" means the social security act, 42 USC 301 to 1397jj.

#### 500.3804 Applicability of chapter.

Sec. 3804. This chapter applies to a medicare supplement policy delivered, issued for delivery, or renewed by a health care corporation operating pursuant to the nonprofit health care corporation reform act, 1980 PA 350, MCL 550.1101 to 550.1704, on or after the effective date of this section.

#### 500.3805 Medicare supplement policy; definitions.

Sec. 3805. As used in a medicare supplement policy:

- (a) The definition of "accident", "accidental injury", or "accidental means" shall not include words that establish an accidental means test or use words such as "external, violent, visible wounds" or similar words of description or characterization. The definition may provide that injuries shall not include injuries for which benefits are provided or available under any worker's compensation, employer's liability or similar law, or motor vehicle no-fault plan, unless prohibited by law.
- (b) The definition of "benefit period" or "medicare benefit period" shall not be defined in a more restrictive manner than as defined in medicare.
- (c) "Hospital" may be defined in relation to its status, facilities, and available services or to reflect its accreditation by the joint commission on accreditation of hospitals, but not more restrictively than as defined in medicare.
- (d) The definition of "medicare eligible expenses" shall mean health care expenses of the kinds covered by part A and part B of medicare, to the extent recognized as reasonable and medically necessary by medicare.
- (e) "Nurses" may be defined so that the description of nurse is to a type of nurse, such as a registered professional nurse or a licensed practical nurse. If the words "nurse", "trained nurse", or "registered nurse" are used without specific instruction, then the use of those terms requires the insurer to recognize the services of any individual who qualifies under those terms in accordance with the public health code, 1978 PA 368, MCL 333.1101 to 333.25211.
  - (f) "Physician" shall not be defined more restrictively than as defined in medicare.

- (g) "Sickness" shall not be defined more restrictively than to mean illness or disease of an insured person that first manifests itself after the effective date of insurance and while the insurance is in force. The definition may be further modified to exclude sicknesses or diseases for which benefits are provided to the insured under any worker's compensation, occupational disease, employer's liability, or similar law.
- (h) "Skilled nursing facility" shall not be defined more restrictively than as defined in medicare.

#### 500.3807 Basic core package of benefits; standards for plans K and L.

Sec. 3807. (1) Every insurer issuing a medicare supplement insurance policy in this state shall make available a medicare supplement insurance policy that includes a basic core package of benefits to each prospective insured. An insurer issuing a medicare supplement insurance policy in this state may make available to prospective insureds benefits pursuant to section 3809 that are in addition to, but not instead of, the basic core package. The basic core package of benefits shall include all of the following:

- (a) Coverage of part A medicare eligible expenses for hospitalization to the extent not covered by medicare from the 61st day through the 90th day in any medicare benefit period.
- (b) Coverage of part A medicare eligible expenses incurred for hospitalization to the extent not covered by medicare for each medicare lifetime inpatient reserve day used.
- (c) Upon exhaustion of the medicare hospital inpatient coverage including the lifetime reserve days, coverage of 100% of the medicare part A eligible expenses for hospitalization paid at the applicable prospective payment system rate or other appropriate medicare standard of payment, subject to a lifetime maximum benefit of an additional 365 days.
- (d) Coverage under medicare parts A and B for the reasonable cost of the first 3 pints of blood or equivalent quantities of packed red blood cells, as defined under federal regulations unless replaced in accordance with federal regulations.
- (e) Coverage for the coinsurance amount, or the copayment amount paid for hospital outpatient department services under a prospective payment system, of medicare eligible expenses under part B regardless of hospital confinement, subject to the medicare part B deductible.
  - (2) Standards for plans K and L are as follows:
  - (a) Standardized medicare supplement benefit plan K shall consist of the following:
- (i) Coverage of 100% of the part A hospital coinsurance amount for each day used from the sixty-first day through the ninetieth day in any medicare benefit period.
- (ii) Coverage of 100% of the part A hospital coinsurance amount for each medicare lifetime inpatient reserve day used from the ninety-first day through the one hundred fiftieth day in any medicare benefit period.
- (iii) Upon exhaustion of the medicare hospital inpatient coverage, including the lifetime reserve days, coverage of 100% of the medicare part A eligible expenses for hospitalization paid at the applicable prospective payment system rate, or other appropriate medicare standard of payment, subject to a lifetime maximum benefit of an additional 365 days. The provider shall accept the insurer's payment as payment in full and may not bill the insured for any balance.
- (iv) Medicare part A deductible: coverage for 50% of the medicare part A inpatient hospital deductible amount per benefit period until the out-of-pocket limitation is met as described in subparagraph (x).
- (v) Skilled nursing facility care: coverage for 50% of the coinsurance amount for each day used from the twenty-first day through the one hundredth day in a medicare benefit

period for posthospital skilled nursing facility care eligible under medicare part A until the out-of-pocket limitation is met as described in subparagraph (x).

- (vi) Hospice care: coverage for 50% of cost sharing for all part A medicare eligible expenses and respite care until the out-of-pocket limitation is met as described in subparagraph (x).
- (vii) Coverage for 50%, under medicare part A or B, of the reasonable cost of the first 3 pints of blood or equivalent quantities of packed red blood cells, as defined under federal regulations, unless replaced in accordance with federal regulations until the out-of-pocket limitation is met as described in subparagraph (x).
- (viii) Except for coverage provided in subparagraph (ix) below, coverage for 50% of the cost sharing otherwise applicable under medicare part B after the policyholder pays the part B deductible until the out-of-pocket limitation is met as described in subparagraph (x).
- (ix) Coverage of 100% of the cost sharing for medicare part B preventive services after the policyholder pays the part B deductible.
- (x) Coverage of 100% of all cost sharing under medicare parts A and B for the balance of the calendar year after the individual has reached the out-of-pocket limitation on annual expenditures under medicare parts A and B of \$4,000.00 in 2006, indexed each year by the appropriate inflation adjustment specified by the secretary of the United States department of health and human services.
  - (b) Standardized medicare supplement benefit plan L shall consist of the following:
  - (i) The benefits described in subdivision (a)(i), (ii), (iii), and (ix).
- (ii) The benefit described in subdivision (a)(iv), (v), (vi), (vii), and (viii), but substituting 75% for 50%.
  - (iii) The benefit described in subdivision (a)(x), but substituting \$2,000.00 for \$4,000.00.

## 500.3809 Additional benefits; reimbursement for preventive screening tests and services; definitions.

Sec. 3809. (1) In addition to the basic core package of benefits required under section 3807, the following benefits may be included in a medicare supplement insurance policy and if included shall conform to section 3811(5)(b) to (j):

- (a) Medicare part A deductible: coverage for all of the medicare part A inpatient hospital deductible amount per benefit period.
- (b) Skilled nursing facility care: coverage for the actual billed charges up to the coinsurance amount from the 21st day through the 100th day in a medicare benefit period for posthospital skilled nursing facility care eligible under medicare part A.
- (c) Medicare part B deductible: coverage for all of the medicare part B deductible amount per calendar year regardless of hospital confinement.
- (d) Eighty percent of the medicare part B excess charges: coverage for 80% of the difference between the actual medicare part B charge as billed, not to exceed any charge limitation established by medicare or state law, and the medicare-approved part B charge.
- (e) One hundred percent of the medicare part B excess charges: coverage for all of the difference between the actual medicare part B charge as billed, not to exceed any charge limitation established by medicare or state law, and the medicare-approved part B charge.
- (f) Basic outpatient prescription drug benefit: coverage for 50% of outpatient prescription drug charges, after a \$250.00 calendar year deductible, to a maximum of \$1,250.00 in benefits received by the insured per calendar year, to the extent not covered by medicare. The outpatient prescription drug benefit may be included for sale or issuance in a medicare supplement policy until January 1, 2006.

- (g) Extended outpatient prescription drug benefit: coverage for 50% of outpatient prescription drug charges, after a \$250.00 calendar year deductible, to a maximum of \$3,000.00 in benefits received by the insured per calendar year, to the extent not covered by medicare. The outpatient prescription drug benefit may be included for sale or issuance in a medicare supplement policy until January 1, 2006.
- (h) Medically necessary emergency care in a foreign country: coverage to the extent not covered by medicare for 80% of the billed charges for medicare-eligible expenses for medically necessary emergency hospital, physician, and medical care received in a foreign country, which care would have been covered by medicare if provided in the United States and which care began during the first 60 consecutive days of each trip outside the United States, subject to a calendar year deductible of \$250.00, and a lifetime maximum benefit of \$50,000.00. For purposes of this benefit, "emergency care" means care needed immediately because of an injury or an illness of sudden and unexpected onset.
- (i) Preventive medical care benefit: Coverage for the following preventive health services not covered by medicare:
- (i) An annual clinical preventive medical history and physical examination that may include tests and services from subparagraph (ii) and patient education to address preventive health care measures.
- (ii) Preventive screening tests or preventive services, the selection and frequency of which is determined to be medically appropriate by the attending physician.
- (j) At-home recovery benefit: coverage for services to provide short term, at-home assistance with activities of daily living for those recovering from an illness, injury, or surgery. At-home recovery services provided shall be primarily services that assist in activities of daily living. The insured's attending physician shall certify that the specific type and frequency of at-home recovery services are necessary because of a condition for which a home care plan of treatment was approved by medicare. Coverage is excluded for home care visits paid for by medicare or other government programs and care provided by family members, unpaid volunteers, or providers who are not care providers. Coverage is limited to:
- (i) No more than the number of at-home recovery visits certified as necessary by the insured's attending physician. The total number of at-home recovery visits shall not exceed the number of medicare approved home health care visits under a medicare approved home care plan of treatment.
  - (ii) The actual charges for each visit up to a maximum reimbursement of \$40.00 per visit.
  - (iii) One thousand six hundred dollars per calendar year.
  - (iv) Seven visits in any 1 week.
  - (v) Care furnished on a visiting basis in the insured's home.
  - (vi) Services provided by a care provider as defined in this section.
- (vii) At-home recovery visits while the insured is covered under the insurance policy and not otherwise excluded.
- (viii) At-home recovery visits received during the period the insured is receiving medicare approved home care services or no more than 8 weeks after the service date of the last medicare approved home health care visit.
- (k) New or innovative benefits: an insurer may, with the prior approval of the commissioner, offer policies or certificates with new or innovative benefits in addition to the benefits provided in a policy or certificate that otherwise complies with the applicable standards. The new or innovative benefits may include benefits that are appropriate to medicare supplement insurance, new or innovative, not otherwise available, cost-effective, and offered in

a manner that is consistent with the goal of simplification of medicare supplement policies. After December 31, 2005, the innovative benefit shall not include an outpatient prescription drug benefit.

- (2) Reimbursement for the preventive screening tests and services under subsection (1)(i)(ii) shall be for the actual charges up to 100% of the medicare-approved amount for each test or service, as if medicare were to cover the test or service as identified in the American medical association current procedural terminology codes, to a maximum of \$120.00 annually under this benefit. This benefit shall not include payment for any procedure covered by medicare.
  - (3) As used in subsection (1)(j):
- (a) "Activities of daily living" include, but are not limited to, bathing, dressing, personal hygiene, transferring, eating, ambulating, assistance with drugs that are normally self-administered, and changing bandages or other dressings.
- (b) "Care provider" means a duly qualified or licensed home health aide/homemaker, personal care aide, or nurse provided through a licensed home health care agency or referred by a licensed referral agency or licensed nurses registry.
- (c) "Home" means any place used by the insured as a place of residence, provided that it qualifies as a residence for home health care services covered by medicare. A hospital or skilled nursing facility shall not be considered the insured's home.
- (d) "At-home recovery visit" means the period of a visit required to provide at home recovery care, without limit on the duration of the visit, except each consecutive 4 hours in a 24-hour period of services provided by a care provider is 1 visit.

## 500.3811 Basic core benefits; availability; sale of certain benefits prohibited; designations, structure, language, and format; other designations; requirements.

Sec. 3811. (1) An insurer shall make available to each prospective medicare supplement policyholder and certificate holder a policy form or certificate form containing only the basic core benefits as provided in section 3807.

- (2) Groups, packages, or combinations of medicare supplement benefits other than those listed in this section shall not be offered for sale in this state except as may be permitted in section 3809(1)(k).
- (3) Benefit plans shall contain the appropriate A through L designations, shall be uniform in structure, language, and format to the standard benefit plans in subsection (5), and shall conform to the definitions in this chapter. Each benefit shall be structured in accordance with sections 3807 and 3809 and list the benefits in the order shown in subsection (5). For purposes of this section, "structure, language, and format" means style, arrangement, and overall content of a benefit.
- (4) In addition to the benefit plan designations A through L as provided under subsection (5), an insurer may use other designations to the extent permitted by law.
  - (5) A medicare supplement insurance benefit plan shall conform to 1 of the following:
- (a) A standardized medicare supplement benefit plan A shall be limited to the basic core benefits common to all benefit plans as defined in section 3807.
- (b) A standardized medicare supplement benefit plan B shall include only the following: the core benefits as defined in section 3807 and the medicare part A deductible as defined in section 3809(1)(a).
- (c) A standardized medicare supplement benefit plan C shall include only the following: the core benefits as defined in section 3807, the medicare part A deductible, skilled nursing

facility care, medicare part B deductible, and medically necessary emergency care in a foreign country as defined in section 3809(1)(a), (b), (c), and (h).

- (d) A standardized medicare supplement benefit plan D shall include only the following: the core benefits as defined in section 3807, the medicare part A deductible, skilled nursing facility care, medically necessary emergency care in a foreign country, and the at-home recovery benefit as defined in section 3809(1)(a), (b), (h), and (j).
- (e) A standardized medicare supplement benefit plan E shall include only the following: the core benefits as defined in section 3807, the medicare part A deductible, skilled nursing facility care, medically necessary emergency care in a foreign country, and preventive medical care as defined in section 3809(1)(a), (b), (h), and (i).
- (f) A standardized medicare supplement benefit plan F shall include only the following: the core benefits as defined in section 3807, the medicare part A deductible, skilled nursing facility care, medicare part B deductible, 100% of the medicare part B excess charges, and medically necessary emergency care in a foreign country as defined in section 3809(1)(a), (b), (c), (e), and (h). A standardized medicare supplement plan F high deductible shall include only the following: 100% of covered expenses following the payment of the annual high deductible plan F deductible. The covered expenses include the core benefits as defined in section 3807, plus the medicare part A deductible, skilled nursing facility care, the medicare part B deductible, 100% of the medicare part B excess charges, and medically necessary emergency care in a foreign country as defined in section 3809(1)(a), (b), (c), (e), and (h). The annual high deductible plan F deductible shall consist of out-of-pocket expenses, other than premiums, for services covered by the medicare supplement plan F policy, and shall be in addition to any other specific benefit deductibles. The annual high deductible plan F deductible is \$1,790.00 for calendar year 2006, and the secretary shall adjust it annually thereafter to reflect the change in the consumer price index for all urban consumers for the 12-month period ending with August of the preceding year, rounded to the nearest multiple of \$10.00.
- (g) A standardized medicare supplement benefit plan G shall include only the following: the core benefits as defined in section 3807, the medicare part A deductible, skilled nursing facility care, 80% of the medicare part B excess charges, medically necessary emergency care in a foreign country, and the at-home recovery benefit as defined in section 3809(1)(a), (b), (d), (h), and (j).
- (h) A standardized medicare supplement benefit plan H shall include only the following: the core benefits as defined in section 3807, the medicare part A deductible, skilled nursing facility care, basic outpatient prescription drug benefit, and medically necessary emergency care in a foreign country as defined in section 3809(1)(a), (b), (f), and (h). The outpatient drug benefit shall not be included in a medicare supplement policy sold after December 31, 2005.
- (i) A standardized medicare supplement benefit plan I shall include only the following: the core benefits as defined in section 3807, the medicare part A deductible, skilled nursing facility care, 100% of the medicare part B excess charges, basic outpatient prescription drug benefit, medically necessary emergency care in a foreign country, and at-home recovery benefit as defined in section 3809(1)(a), (b), (e), (f), (h), and (j). The outpatient drug benefit shall not be included in a medicare supplement policy sold after December 31, 2005.
- (j) A standardized medicare supplement benefit plan J shall include only the following: the core benefits as defined in section 3807, the medicare part A deductible, skilled nursing facility care, medicare part B deductible, 100% of the medicare part B excess charges, extended outpatient prescription drug benefit, medically necessary emergency care in a foreign country, preventive medical care, and at-home recovery benefit as defined in section 3809(1)(a), (b), (c), (e), (g), (h), (i), and (j). A standardized medicare supplement benefit

plan J high deductible plan shall consist of only the following: 100% of covered expenses following the payment of the annual high deductible plan J deductible. The covered expenses include the core benefits as defined in section 3807, plus the medicare part A deductible, skilled nursing facility care, medicare part B deductible, 100% of the medicare part B excess charges, extended outpatient prescription drug benefit, medically necessary emergency care in a foreign country, preventive medical care benefit and at-home recovery benefit as defined in section 3809(1)(a), (b), (c), (e), (g), (h), (i), and (j). The annual high deductible plan J deductible shall consist of out-of-pocket expenses, other than premiums, for services covered by the medicare supplement plan J policy, and shall be in addition to any other specific benefit deductibles. The annual deductible shall be \$1,790.00 for calendar year 2006, and the secretary shall adjust it annually thereafter to reflect the change in the consumer price index for all urban consumers for the 12-month period ending with August of the preceding year, rounded to the nearest multiple of \$10.00. The outpatient drug benefit shall not be included in a medicare supplement policy sold after December 31, 2005.

- (k) A standardized medicare supplement benefit plan K shall consist of only those benefits described in section 3807(2)(a).
- (l) A standardized medicare supplement benefit plan L shall consist of only those benefits described in section 3807(2)(b).

## 500.3815 Outline of coverage; acknowledgment of receipt; compliance with notice requirements; substitute; language, format, and required items.

Sec. 3815. (1) An insurer that offers a medicare supplement policy shall provide to the applicant at the time of application an outline of coverage and, except for direct response solicitation policies, shall obtain an acknowledgment of receipt of the outline of coverage from the applicant. The outline of coverage provided to applicants pursuant to this section shall consist of the following 4 parts:

- (a) A cover page.
- (b) Premium information.
- (c) Disclosure pages.
- (d) Charts displaying the features of each benefit plan offered by the insurer.
- (2) Insurers shall comply with any notice requirements of the medicare prescription drug, improvement, and modernization act of 2003, Public Law 108-173.
- (3) If an outline of coverage is provided at the time of application and the medicare supplement policy or certificate is issued on a basis that would require revision of the outline, a substitute outline of coverage properly describing the policy or certificate shall accompany the policy or certificate when it is delivered and shall contain the following statement, in no less than 12-point type, immediately above the company name:

NOTICE: Read this outline of coverage carefully. It is not identical to the outline of coverage provided upon application and the coverage originally applied for has not been issued.

(4) An outline of coverage under subsection (1) shall be in the language and format prescribed in this section and in not less than 12-point type. The A through L letter designation of the plan shall be shown on the cover page and the plans offered by the insurer shall be prominently identified. Premium information shall be shown on the cover page or immediately following the cover page and shall be prominently displayed. The premium and method of payment mode shall be stated for all plans that are offered to the applicant. All possible premiums for the applicant shall be illustrated. The following items shall be

included in the outline of coverage in the order prescribed below and in substantially the following form, as approved by the commissioner:

# (Insurer Name) Medicare Supplement Coverage Outline of Medicare Supplement Coverage-Cover Page: Benefit Plan(s) \_\_\_\_\_\_ [insert letter(s) of plan(s) being offered]

Medicare supplement insurance can be sold in only 12 standard plans plus 2 high deductible plans. This chart shows the benefits included in each plan. Every insurer shall make available Plan "A". Some plans may not be available in your state.

#### **BASIC BENEFITS:** For plans A-J.

Hospitalization: Part A coinsurance plus coverage for 365 additional days after Medicare benefits end.

Medical Expenses: Part B coinsurance (20% of Medicare-approved expenses) or copayments for hospital outpatient services.

Blood: First three pints of blood each year.

	A	В	С	D	Е	F F*	G	Н	I	J J*
Basic Benefits	X	X	X	X	X	X	X	X	X	X
Skilled Nursing Co-Insurance			X	X	X	X	X	X	X	X
Part A Deductible		X	X	X	X	X	X	X	X	x
Part B Deductible			X			X				x
Part B Excess						x 100%	x 80%		x 100%	x 100%
Foreign Travel Emergency			x	x	x	х	X	X	X	X
At-Home Recovery				X			X		X	x
Preventive Care not covered by Medicare					x					x

## [Company Name] Outline of Medicare Supplement Coverage - Cover Page 2

Basic Benefits for Plans K and L include similar services as plans A-J, but cost-sharing for the basic benefits is at different levels.

	K**	L**
BASIC BENEFITS	100% of part A hospitalization coinsurance plus coverage for 365 days after Medicare benefits end 50% Hospice cost-sharing 50% of Medicare-eligible expenses for the first three pints of blood 50% Part B coinsurance, except 100% coinsurance for Part B preventive services	100% of part A hospitalization coinsurance plus coverage for 365 days after Medicare benefits end 75% Hospice cost-sharing 75% of Medicare-eligible expenses for the first three pints of blood 75% Part B coinsurance, except 100% coinsurance for Part B preventive services

SKILLED NURSING COINSURANCE	50% skilled nursing facility coinsurance	75% skilled nursing facility coinsurance
PART A DEDUCTIBLE	50% Part A deductible	75% Part A deductible
PART B DEDUCTIBLE		
PART B EXCESS (100%)		
FOREIGN TRAVEL EMERGENCY		
AT-HOME RECOVERY		
PREVENTIVE CARE NOT COVERED BY MEDICARE		
	\$4,000 out of pocket Annual Limit***	\$2,000 out of pocket Annual Limit***

\*Plans F and J also have an option called a high deductible plan F and a high deductible plan J. These high deductible plans pay the same benefits as Plans F and J after one has paid a calendar year (\$1,790) deductible. Benefits from high deductible Plans F and J will not begin until out-of-pocket expenses exceed (\$1,790). Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy. These expenses include the Medicare deductibles for Part A and Part B, but do not include the plan's separate foreign travel emergency deductible.

\*\*Plans K and L provide for different cost-sharing for items and services than Plans A-J. Once you reach the annual limit, the plan pays 100% of the Medicare copayments, coinsurance, and deductibles for the rest of the calendar year. The out-of-pocket annual limit does NOT include charges from your provider that exceed Medicare-approved amounts, called "Excess Charges". You will be responsible for paying excess charges.

\*\*\*The out-of-pocket annual limit will increase each year for inflation.

See Outlines of Coverage for details and exceptions.

#### PREMIUM INFORMATION

We (insert insurer's name) can only raise your premium if we raise the premium for all policies like yours in this state. (If the premium is based on the increasing age of the insured, include information specifying when premiums will change).

#### DISCLOSURES

Use this outline to compare benefits and premiums among policies, certificates, and contracts.

#### READ YOUR POLICY VERY CAREFULLY

This is only an outline describing your policy's most important features. The policy is your insurance contract. You must read the policy itself to understand all of the rights and duties of both you and your insurance company.

#### RIGHT TO RETURN POLICY

If you find that you are not satisfied with your policy, you may return it to (insert insurer's address). If you send the policy back to us within 30 days after you receive it, we will treat the policy as if it had never been issued and return all of your payments.

#### POLICY REPLACEMENT

If you are replacing another health insurance policy, do not cancel it until you have actually received your new policy and are sure you want to keep it.

#### NOTICE

This policy may not fully cover all of your medical costs.

[For agent issued policies]

Neither (insert insurer's name) nor its agents are connected with medicare.

[For direct response issued policies]

(Insert insurer's name) is not connected with medicare.

This outline of coverage does not give all the details of medicare coverage. Contact your local social security office or consult "the medicare handbook" for more details.

#### COMPLETE ANSWERS ARE VERY IMPORTANT

When you fill out the application for the new policy, be sure to answer truthfully and completely all questions about your medical and health history. The company may cancel your policy and refuse to pay any claims if you leave out or falsify important medical information. [If the policy or certificate is guaranteed issue, this paragraph need not appear.]

Review the application carefully before you sign it. Be certain that all information has been properly recorded.

[Include for each plan offered by the insurer a chart showing the services, medicare payments, plan payments, and insured payments using the same language, in the same order, and using uniform layout and format as shown in the charts that follow. An insurer may use additional benefit plan designations on these charts pursuant to section 3809(1)(k). Include an explanation of any innovative benefits on the cover page and in the chart, in a manner approved by the commissioner. The insurer issuing the policy shall change the dollar amounts each year to reflect current figures. No more than 4 plans may be shown on 1 chart.] Charts for each plan are as follows:

## PLAN A MEDICARE (PART A)—HOSPITAL SERVICES—PER BENEFIT PERIOD

\*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOSPITALIZATION* Semiprivate room and board, general nursing and miscellaneous services and supplies			
First 60 days	All but \$952	\$0	\$952 (Part A Deductible)
61st thru 90th day	All but \$238 a day	\$238 a day	\$0

91st day and after:  —While using 60 lifetime reserve days  —Once lifetime reserve days are used:  —Additional 365 days  —Beyond the Additional 365 days	All but \$476 a day \$0	\$476 a day  100% of Medicare Eligible Expenses \$0	\$0 \$0 All Costs
SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital First 20 days 21st thru 100th day 101st day and after	All approved amounts All but \$119 a day \$0	\$0 \$0 \$0 \$0	\$0 Up to \$119 a day All costs
BLOOD First 3 pints Additional amounts	\$0 100%	3 pints \$0	\$0 \$0
HOSPICE CARE Available as long as your doctor certifies you are terminally ill and you elect to receive these services	All but very limited coinsurance for outpatient drugs and inpatient respite care	\$0	Balance

## PLAN A MEDICARE (PART B)—MEDICAL SERVICES—PER CALENDAR YEAR

\*Once you have been billed \$124 of Medicare-Approved amounts for covered services (which are noted with an asterisk), your Part B Deductible will have been met for the calendar year.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
MEDICAL EXPENSES— In or out of the hospital and outpatient hospital treatment, such as Physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment, First \$124 of Medicare Approved Amounts*	\$0	\$0	\$124 (Part B Deductible)

Remainder of Medicare Approved Amounts Part B Excess Charges (Above Medicare	80%	20%	\$0
Approved Amounts)	\$0	\$0	All Costs
BLOOD First 3 pints Next \$124 of Medicare	\$0	All Costs	\$0
Approved Amounts*  Remainder of Medicare	\$0	\$0	\$124 (Part B Deductible)
Approved Amounts	80%	20%	\$0
CLINICAL LABORATORY SERVICES—			
Tests for diagnostic services	100%	\$0	\$0

#### PARTS A & B

HOME HEALTH CARE			
Medicare Approved			
Services			
—Medically necessary			
skilled care services			
and medical supplies	100%	\$0	\$0
—Durable medical			
equipment			
First \$124 of Medicare			
Approved Amounts*	\$0	\$0	\$124 (Part B
			Deductible)
Remainder of Medicare			
Approved Amounts	80%	20%	\$0

## $\begin{array}{c} \text{PLAN B} \\ \text{MEDICARE (PART A)} \\ \text{--HOSPITAL SERVICES} \\ \text{--PER BENEFIT PERIOD} \end{array}$

<sup>\*</sup>A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOSPITALIZATION* Semiprivate room and board, general nursing and miscellaneous services and supplies			
First 60 days	All but \$952	\$952 (Part A Deductible)	\$0
61st thru 90th day	All but \$238 a day	\$238 a day	\$0

91st day and after  —While using 60 lifetime reserve days  —Once lifetime reserve days are used:  —Additional 365 days  —Beyond the Additional 365 days	All but \$476 a day \$0	\$476 a day  100% of Medicare Eligible Expenses \$0	\$0 \$0 All Costs
SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital First 20 days 21st thru 100th day 101st day and after	All approved amounts All but \$119 a day \$0	\$0 \$0 \$0	\$0 Up to \$119 a day All costs
BLOOD First 3 pints Additional amounts	\$0 100%	3 pints \$0	\$0 \$0
HOSPICE CARE Available as long as your doctor certifies you are terminally ill and you elect to receive these services	All but very limited coinsurance for outpatient drugs and inpatient respite care	\$0	Balance

# $\begin{array}{c} \text{PLAN B} \\ \text{MEDICARE (PART B)} \text{--MEDICAL SERVICES} \text{--PER CALENDAR YEAR} \end{array}$

\*Once you have been billed \$124 of Medicare-Approved amounts for covered services (which are noted with an asterisk), your Part B Deductible will have been met for the calendar year.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
MEDICAL EXPENSES—In or out of the hospital and outpatient hospital treatment, such as Physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment,			

\$0	\$0	\$124 (Part B Deductible)
80%	20%	\$0
\$0	\$0	All Costs
\$0 \$0	All Costs \$0	\$0 \$124 (Part B Deductible)
80%	20%	\$0
100%	\$0	\$0
	\$0% \$0 \$0 \$0	\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$

#### PARTS A & B

HOME HEALTH CARE			
Medicare Approved Services			
—Medically necessary			
skilled care services			
and medical supplies	100%	\$0	\$0
—Durable medical			
equipment			
First \$124 of Medicare			
Approved Amounts*	\$0	\$0	\$124 (Part B
			Deductible)
Remainder of Medicare			
Approved Amounts	80%	20%	\$0

# $\begin{array}{c} \text{PLAN C} \\ \text{MEDICARE (PART A)} \\ \text{--HOSPITAL SERVICES} \\ \text{--PER BENEFIT PERIOD} \end{array}$

<sup>\*</sup>A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOSPITALIZATION* Semiprivate room and board, general nursing and miscellaneous services and supplies First 60 days	All but \$952	\$952 (Part A Deductible)	\$0

61st thru 90th day 91st day and after —While using 60 lifetime reserve days —Once lifetime reserve	All but \$238 a day All but \$476 a day	\$238 a day \$476 a day	\$0 \$0
days are used: —Additional 365 days	\$0	100% of Medicare Eligible Expenses	\$0
—Beyond the Additional 365 days	\$0	\$0	All Costs
SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare- approved facility within 30 days after leaving the hospital First 20 days 21st thru 100th day 101st day and after	All approved amounts All but \$119 a day \$0	\$0 Up to \$119 a day \$0	\$0 \$0 All costs
BLOOD First 3 pints Additional amounts	\$0 100%	3 pints \$0	\$0 \$0
HOSPICE CARE Available as long as your doctor certifies you are terminally ill and you elect to receive these services	All but very limited coinsurance for outpatient drugs and inpatient respite care	\$0	Balance

#### PLAN C MEDICARE (PART B)—MEDICAL SERVICES—PER CALENDAR YEAR

\*Once you have been billed \$124 of Medicare-Approved amounts for covered services (which are noted with an asterisk), your Part B Deductible will have been met for the calendar year.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
MEDICAL EXPENSES— In or out of the hospital and outpatient hospital treatment, such as Physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment,			

First \$124 of Medicare Approved Amounts*	\$0	\$124 (Part B Deductible)	\$0
Remainder of Medicare Approved Amounts Part B Excess Charges (Above Medicare	80%	20%	\$0
Approved Amounts)	\$0	\$0	All Costs
BLOOD First 3 pints Next \$124 of Medicare	\$0	All Costs	\$0
Approved Amounts*	\$0	\$124 (Part B Deductible)	\$0
Remainder of Medicare Approved Amounts	80%	20%	\$0
CLINICAL LABORATORY SERVICES—			
Tests for diagnostic services	100%	\$0	\$0
	PARTS A &	В	
HOME HEALTH CARE Medicare Approved Services —Medically necessary skilled care services and medical supplies —Durable medical equipment	100%	\$0	\$0
First \$124 of Medicare Approved Amounts*	\$0	\$124 (Part B Deductible)	\$0
Remainder of Medicare Approved Amounts	80%	20%	\$0
OTHER BI	ENEFITS—NOT COV	ERED BY MEDIC.	ARE
FOREIGN TRAVEL— Not covered by Medicare Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA First \$250 each calendar year Remainder of charges	\$0 \$0	\$0 80% to a lifetime maximum benefit of \$50,000	\$250 20% and amounts over the \$50,000 lifetime maximum

### PLAN D MEDICARE (PART A)—HOSPITAL SERVICES—PER BENEFIT PERIOD

\*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOSPITALIZATION* Semiprivate room and board, general nursing and miscellaneous services and supplies			
First 60 days	All but \$952	\$952 (Part A Deductible)	\$0
61st thru 90th day 91st day and after —While using 60 lifetime	All but \$238 a day	\$238 a day	\$0
reserve days —Once lifetime reserve days are used:	All but \$476 a day	\$476 a day	\$0
—Additional 365 days —Beyond the	\$0	100% of Medicare Eligible Expenses	\$0
Additional 365 days	\$0	\$0	All Costs
SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare- approved facility within 30 days after leaving the hospital First 20 days 21st thru 100th day 101st day and after	All approved amounts All but \$119 a day \$0	\$0 Up to \$119 a day \$0	\$0 \$0 All costs
BLOOD First 3 pints Additional amounts	\$0 100%	3 pints \$0	\$0 \$0
HOSPICE CARE Available as long as your doctor certifies you are terminally ill and you elect to receive these services	All but very limited coinsurance for outpatient drugs and inpatient respite care	\$0	Balance

# $\begin{array}{c} \text{PLAN D} \\ \text{MEDICARE (PART B)} \\ \text{--MEDICAL SERVICES} \\ \text{--PER CALENDAR YEAR} \end{array}$

\*Once you have been billed \$124 of Medicare-Approved amounts for covered services (which are noted with an asterisk), your Part B Deductible will have been met for the calendar year.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
MEDICAL EXPENSES— In or out of the hospital and outpatient hospital treatment, such as Physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment, First \$124 of Medicare			
Approved Amounts*	\$0	\$0	\$124 (Part B Deductible)
Remainder of Medicare Approved Amounts Part B Excess Charges (Above Medicare Approved Amounts)	\$0% \$0	20% \$0	\$0 All Costs
	φο	ψΟ	All Costs
BLOOD First 3 pints Next \$124 of Medicare	\$0	All Costs	\$0
Approved Amounts*	\$0	\$0	\$124 (Part B Deductible)
Remainder of Medicare Approved Amounts	80%	20%	\$0
CLINICAL LABORATORY SERVICES—			
Tests for diagnostic services	100%	\$0	\$0

#### PARTS A & B

HOME HEALTH CARE			
Medicare Approved Services			
—Medically necessary			
skilled care services			
and medical supplies	100%	\$0	\$0
—Durable medical			
equipment			
First \$124 of Medicare			
Approved Amounts*	\$0	\$0	\$124 (Part B
**			Deductible)
Remainder of Medicare			
Approved Amounts	80%	20%	\$0

AT-HOME RECOVERY			
SERVICES—			
Not covered by Medicare			
Home care certified by your			
doctor, for personal care			
during recovery from an			
injury or sickness for which			
Medicare approved a Home			
Care Treatment Plan			
—Benefit for each visit	\$0	Actual Charges	
		to \$40 a visit	Balance
—Number of visits	\$0	Up to the number	
covered (must be		of Medicare	
received within 8 weeks		Approved visits,	
of last Medicare		not to exceed	
Approved visit)		7 each week	
—Calendar year			
maximum	\$0	\$1,600	

### OTHER BENEFITS—NOT COVERED BY MEDICARE

FOREIGN TRAVEL— Not covered by Medicare Medically necessary emergency care services			
beginning during the first			
60 days of each trip outside the USA			
First \$250 each calendar			
year	\$0	\$0	\$250
Remainder of charges	\$0	80% to a lifetime maximum benefit of \$50,000	20% and amounts over the \$50,000 lifetime maximum

# $\begin{array}{c} \text{PLAN E} \\ \text{MEDICARE (PART A)} \\ \text{--HOSPITAL SERVICES} \\ \text{--PER BENEFIT PERIOD} \end{array}$

\*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOSPITALIZATION* Semiprivate room and board, general nursing and miscellaneous services and supplies First 60 days	All but \$952	\$952 (Part A Deductible)	\$0

61st thru 90th day 91st day and after —While using 60 lifetime reserve days	All but \$238 a day All but \$476 a day	\$238 a day \$476 a day	\$0 \$0
<ul><li>Once lifetime reserve days are used:</li><li>Additional 365 days</li></ul>	\$0	100% of Medicare Eligible Expenses	\$0
—Beyond the Additional 365 days	\$0	\$0	All Costs
SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital First 20 days 21st thru 100th day 101st day and after	All approved amounts All but \$119 a day \$0	\$0 Up to \$119 a day \$0	\$0 \$0 All costs
BLOOD First 3 pints Additional amounts	\$0 100%	3 pints \$0	\$0 \$0
HOSPICE CARE Available as long as your doctor certifies you are terminally ill and you elect to receive these services	All but very limited coinsurance for outpatient drugs and inpatient respite care	\$0	Balance

# $\begin{array}{c} \text{PLAN E} \\ \text{MEDICARE (PART B)} \text{--MEDICAL SERVICES} \text{--PER CALENDAR YEAR} \end{array}$

\*Once you have been billed \$124 of Medicare-Approved amounts for covered services (which are noted with an asterisk), your Part B Deductible will have been met for the calendar year.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
MEDICAL EXPENSES— In or out of the hospital and outpatient hospital treatment, such as Physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment,			

First \$124 of Medicare Approved Amounts*	\$0	\$0	\$124 (Part B Deductible)
Remainder of Medicare Approved Amounts Part B Excess Charges (Above Medicare	80%	20%	\$0
Approved Amounts)	\$0	\$0	All Costs
BLOOD First 3 pints Next \$124 of Medicare Approved Amounts*	\$0 \$0	All Costs	\$0 \$124 (Part B Deductible)
Remainder of Medicare Approved Amounts	80%	20%	\$0
CLINICAL LABORATORY SERVICES—	1000	œo.	œo.
Tests for diagnostic services	100%	\$0	\$0

#### PARTS A & B

HOME HEALTH CARE			
Medicare Approved Services			
—Medically necessary			
skilled care services			
and medical supplies	100%	\$0	\$0
—Durable medical			
equipment			
First \$124 of Medicare			
Approved Amounts*	\$0	\$0	\$124 (Part B
			Deductible)
Remainder of Medicare			
Approved Amounts	80%	20%	\$0

### OTHER BENEFITS—NOT COVERED BY MEDICARE

FOREIGN TRAVEL— Not covered by Medicare Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA First \$250 each calendar year Remainder of Charges	\$0 \$0	\$0 80% to a lifetime maximum benefit	\$250 20% and amounts over the \$50,000
		of \$50,000	lifetime maximum

PREVENTIVE MEDICAL			
CARE BENEFIT—			
Not covered by Medicare			
Annual physical and			
preventive tests and			
services administered			
or ordered by your doctor			
when not covered by			
Medicare			
First \$120 each calendar			
year	\$0	\$120	\$0
Additional charges	\$0	\$0	All Costs

### PLAN F OR HIGH DEDUCTIBLE PLAN F MEDICARE (PART A)—HOSPITAL SERVICES—PER BENEFIT PERIOD

- \*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.
- \*\*This high deductible plan pays the same benefits as plan F after you have paid a calendar year (\$1,790) deductible. Benefits from the high deductible plan F will not begin until out-of-pocket expenses are \$1,790. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy. This includes medicare deductibles for part A and part B, but does not include the plan's separate foreign travel emergency deductible.

SERVICES	MEDICARE PAYS	AFTER YOU	IN ADDITION
		PAY \$1,790	TO \$1,790
		DEDUCTIBLE**,	DEDUCTIBLE**,
		PLAN PAYS	YOU PAY
HOSPITALIZATION*			
Semiprivate room and			
board, general nursing and			
miscellaneous services and			
supplies			
First 60 days	All but \$952	\$952	\$0
The or day?	π ο στο φοσ=	(Part A Deductible)	Ψ"
61st thru 90th day	All but \$238 a day	\$238 a day	\$0
91st day and after		<b>4</b>	**
—While using 60 lifetime			
reserve days	All but \$476 a day	\$476 a day	\$0
—Once lifetime reserve	Tim Sur \$1.5 to to tail,	φ 1. σ a aag	Ψ"
days are used:			
—Additional 365 days	\$0	100% of Medicare	\$0
riddional 909 days	ΨΟ	Eligible Expenses	ΨΟ
—Beyond the		Lingible Hapenbeb	
Additional 365 days	\$0	\$0	All Costs
Additional 505 days	φυ	φυ	All Custs

SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare- approved facility within 30 days after leaving the hospital First 20 days 21st thru 100th day 101st day and after	All approved amounts All but \$119 a day \$0	\$0 Up to \$119 a day \$0	\$0 \$0 All costs
BLOOD First 3 pints Additional amounts	\$0 100%	3 pints \$0	\$0 \$0
HOSPICE CARE Available as long as your doctor certifies you are terminally ill and you elect to receive these services	All but very limited coinsurance for outpatient drugs and inpatient respite care	\$0	Balance

# $\begin{array}{c} \text{PLAN F} \\ \text{MEDICARE (PART B)--MEDICAL SERVICES--PER CALENDAR YEAR} \end{array}$

\*Once you have been billed \$124 of Medicare-Approved amounts for covered services (which are noted with an asterisk), your Part B Deductible will have been met for the calendar year. \*\*This high deductible plan pays the same benefits as plan F after you have paid a calendar year (\$1,790) deductible. Benefits from the high deductible plan F will not begin until out-of-pocket expenses are \$1,790. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy. This includes medicare deductibles for part A and part B, but does not include the plan's separate foreign travel emergency deductible.

SERVICES	MEDICARE PAYS	AFTER YOU PAY \$1,790 DEDUCTIBLE**, PLAN PAYS	IN ADDITION TO \$1,790 DEDUCTIBLE**, YOU PAY
MEDICAL EXPENSES— In or out of the hospital and outpatient hospital treatment, such as Physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment,			

1,00	00210 71010 2001		
First \$124 of Medicare	I	ı	1
Approved Amounts*	\$0	\$124 (Part B Deductible)	\$0
Remainder of Medicare Approved Amounts Part B Excess Charges (Above Medicare	80%	20%	\$0
Approved Amounts)	\$0	100%	\$0
BLOOD First 3 pints	\$0	All Costs	\$0
Next \$124 of Medicare Approved Amounts*	\$0	\$124 (Part B Deductible)	\$0
Remainder of Medicare Approved Amounts	80%	20%	\$0
CLINICAL LABORATORY SERVICES—			
${\it Tests for diagnostic services}$	100%	\$0	\$0
	PARTS A &	В	
HOME HEALTH CARE Medicare Approved Services			

HOME HEALTH CARE			
Medicare Approved Services			
—Medically necessary			
skilled care services			
and medical supplies	100%	\$0	\$0
—Durable medical			
equipment			
First \$124 of Medicare			
Approved Amounts*	\$0	\$124	\$0
		(Part B Deductible)	
Remainder of Medicare			
Approved Amounts	80%	20%	\$0

### OTHER BENEFITS—NOT COVERED BY MEDICARE

FOREIGN TRAVEL— Not covered by Medicare Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA			
First \$250 each calendar			
year	\$0	\$0	\$250
Remainder of charges	\$0	80% to a lifetime maximum benefit of \$50,000	20% and amounts over the \$50,000 lifetime maximum

### PLAN G MEDICARE (PART A)—HOSPITAL SERVICES—PER BENEFIT PERIOD

\*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOSPITALIZATION* Semiprivate room and board, general nursing and miscellaneous services and supplies			
First 60 days	All but \$952	\$952 (Part A Deductible)	\$0
61st thru 90th day 91st day and after —While using 60 lifetime	All but \$238 a day	\$238 a day	\$0
reserve days  —Once lifetime reserve days are used:	All but \$476 a day	\$476 a day	\$0
—Additional 365 days	\$0	100% of Medicare Eligible Expenses	\$0
—Beyond the Additional 365 days	\$0	\$0	All Costs
SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital First 20 days	All approved amounts	<b>\$</b> 0	\$0
21st thru 100th day 101st day and after	All but \$119 a day \$0	Up to \$119 a day \$0	\$0 All costs
BLOOD First 3 pints Additional amounts	\$0 100%	3 pints \$0	\$0 \$0
HOSPICE CARE Available as long as your doctor certifies you are terminally ill and you elect to receive these services	All but very limited coinsurance for outpatient drugs and inpatient respite care	\$0	Balance

# $\begin{array}{c} \text{PLAN G} \\ \text{MEDICARE (PART B)} \\ - \text{MEDICAL SERVICES} \\ - \text{PER CALENDAR YEAR} \end{array}$

 $^*$ Once you have been billed \$124 of Medicare-Approved amounts for covered services (which are noted with an asterisk), your Part B Deductible will have been met for the calendar year.

MEDICARE PAYS	PLAN PAYS	YOU PAY
\$0	\$0	\$124 (Part B Deductible)
80%	20%	\$0 20%
ФО	00%	20%
\$0 \$0	All Costs \$0	\$0 \$124 (Part B Deductible)
80%	20%	\$0
100%	\$0	\$0
	\$0 80% \$0 \$0 \$0	\$0 \$0 80% 20% \$0 80% \$0 All Costs \$0 \$0

#### PARTS A & B

HOME HEALTH CARE Medicare Approved Services			
—Medically necessary			
skilled care services			
and medical supplies	100%	\$0	\$0
—Durable medical		•	,
equipment			
First \$124 of Medicare			
Approved Amounts*	\$0	\$0	\$124 (Part B
			Deductible)
Remainder of Medicare			
Approved Amounts	80%	20%	\$0