

HOUSE BILL No. 4853

May 22, 1989, Introduced by Rep. Willis Bullard and referred to the Committee on Insurance.

A bill to amend Act No. 218 of the Public Acts of 1956,
entitled as amended

"The insurance code of 1956,"

as amended, being sections 500.100 to 500.8302 of the Michigan
Compiled Laws, by adding section 4039.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 218 of the Public Acts of 1956, as
2 amended, being sections 500.100 to 500.8302 of the Michigan
3 Compiled Laws, is amended by adding section 4039 to read as
4 follows:

5 SEC. 4039. (1) A TERM LIFE INSURANCE POLICY SHALL INCLUDE A
6 PROVISION FOR A 90-DAY AUTOMATIC REINSTATEMENT PERIOD FOR AN
7 INSURED WHO IS PERMANENTLY UNCONSCIOUS. UNDER THIS PROVISION, A
8 PERMANENTLY UNCONSCIOUS INSURED SHALL BE GIVEN THE OPTION TO
9 REINSTATE HIS OR HER POLICY WITHOUT PROOF OF INSURABILITY IF A

1 PERSON ACTING FOR THE INSURED NOTIFIES THE INSURER OF THE
2 INSURED'S DESIRE TO REINSTATE THE POLICY WITHIN 90 DAYS AFTER THE
3 POLICY HAS EXPIRED AND PAYS ANY PREMIUMS DUE AND OWING.

4 (2) AS USED IN THIS SECTION, "PERMANENTLY UNCONSCIOUS" MEANS
5 A STATE REASONABLY EXPECTED BY THE INSURED'S ATTENDING PHYSICIAN
6 TO LAST INDEFINITELY WITHOUT IMPROVEMENT, IN WHICH ALL AWARENESS
7 OF SELF OR ENVIRONMENT BEYOND SIMPLE REFLEX OR REACTION TO NOX-
8 IOUS STIMULI IS ABSENT.