

HOUSE BILL No. 5496

February 14, 1990, Introduced by Reps. Power and Brown and referred to the Committee on Insurance.

A bill to amend section 429 of Act No. 350 of the Public Acts of 1980, entitled
"The nonprofit health care corporation reform act,"
as added by Act No. 305 of the Public Acts of 1989, being section 550.1429 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 429 of Act No. 350 of the Public Acts of
2 1980, as added by Act No. 305 of the Public Acts of 1989, being
3 section 550.1429 of the Michigan Compiled Laws, is amended to
4 read as follows:

5 Sec. 429. (1) Long-term care coverage shall meet all of the
6 following requirements:

7 (a) Shall include coverage for intermediate/basic care.

1 (b) Shall not limit or exclude coverage by type of illness,
2 treatment, medical condition, or accident other than a motor
3 vehicle accident, except as follows:

4 (i) Preexisting conditions.

5 (ii) Mental or nervous disorders; however, this shall not be
6 defined to include more than neurosis, psychoneurosis, psychopa-
7 thy, psychosis, or mental or emotional disease or disorder and
8 shall not permit exclusion or limitation of benefits on the basis
9 of Alzheimer's disease or related disorders.

10 (iii) Alcoholism or drug addiction.

11 (iv) Illness, treatment, or medical condition arising out of
12 any of the following:

13 (A) War or act of war, whether declared or undeclared.

14 (B) Participation in a felony, riot, or insurrection.

15 (C) Service in the armed forces or units auxiliary to the
16 armed forces.

17 (D) Suicide, whether the individual was sane or insane at
18 the time of the suicide, attempted suicide, or intentionally
19 self-inflicted injury.

20 (E) Aviation. This exclusion applies only to ~~paying~~ pas-
21 sengers who do not pay a fare.

22 (v) This subdivision is not intended to prohibit exclusions
23 and limitations by type of provider or territorial limitations.

24 (2) Long-term care coverage other than home care coverage
25 may provide that before certain coverages in the certificate take
26 effect, care must first be recommended by a person or persons as
27 provided in the certificate and approved by the commissioner or

1 prescribed by a licensed treating physician. Long-term care
2 coverage for home care may provide that before coverage for home
3 care in the certificate takes effect, care must first be pre-
4 scribed or recommended by a person or persons as provided in the
5 certificate and approved by the commissioner.