



THE SENATE
INSURANCE COMMITTEE
SENATOR JOE HUNE
CHAIRMAN

MEMBERS:

SEN. JAMES MARLEAU, VICE CHAIRMAN
SEN. JACK BRANDENBURG
SEN. GOEFF HANSEN
SEN. DAVE ROBERTSON
SEN. VIRGIL SMITH, MINORITY VICE CHAIR
SEN. STEVE BIEDA

505 FARNUM
P.O. BOX 30036
LANSING, MICHIGAN 48909-7536
PHONE: (517) 373-2420
FAX: (517) 373-2764

Senate Committee on Insurance

A meeting of the Senate Insurance Committee was held on Tuesday, October 16, 2012, at 3:00 p.m. in the Boji Tower Hearing Room. The meeting was called to order at 3:13 p.m.

Attendance was recorded as follows:

Present: Senator(s) Hune (C), Marleau, Brandenburg, Hansen, Smith, and Bieda.

Absent: NONE

Excused: Senator Robertson

A quorum was established.

Senator Hune announced the order of business:

- SB 1293 (Sen. Hune) – Insurance; health; regulations applicable to nonprofit mutual disability insurer; revise to accommodate merger with nonprofit health care corporation.
- SB 1294 (Sen. Hune) – Insurance; health care corporations; merger of corporation with a nonprofit mutual disability insurer; allow, and provide procedures.
- SB 1305 (Sen. Hune) – Insurance; property and casualty; rating and underwriting requirements; modify.
- SB 1308 (Sen. Marleau) – Insurance; health; internal formal grievance procedure; modify.

Senator Hune announced that SB 1305 and SB 1308 would no longer be on the agenda for the meeting.

Senator Hune entertained a motion to excuse absent members. Senator Marleau so moved and, without objection, they were excused.

Senator Hune entertained a motion to adopt the minutes from the September 27, 2012 Insurance committee meeting. Senator Smith so moved. Without objection the minutes were adopted.

The following people testified concerning SB 1293 and SB 1294 and answered questions for the committee members:

- Felicia Wasson, AARP – No Position
- Bob Kolt, AARP – No Position
- Don Hazaert, Michigan Consumers for Healthcare – Oppose
- Jennie Crittendon, Democratic Women’s Caucus of Jackson – Oppose
- Laurie Sobel, Consumers Union – Oppose

The following people submitted testimony cards but did not wish to speak concerning SB 1293 and SB 1294:

- Brett Henderson, McLaren Health – Support
- Scott Hummel, Michigan Association of Insurance Agents – Neutral
- Jean Doss, Paraprofessional Healthcare – Oppose
- K. Johnston-Calati, Michigan Disability Rights Coalition – Oppose
- Ruth Linnemann, National Multiple Sclerosis Society – Oppose

The following people submitted testimony cards but did not wish to speak concerning SB 1305:

- Peter Kuhnmuensch, Insurance Institute of Michigan – Support

Chairman Hune then explained the S-1 substitute to SB 1293 and the S-1 substitute to SB 1294.

Senator Hansen introduced and explained the Hansen Amendment to SB 1294 S-1.

Chairman Hune entertained a motion to adopt the Hansen Amendment to the S-1 substitute to SB 1294. Senator Hansen so moved.

Yeas: Senator(s) Hune, Marleau, Brandenburg, Hansen, Smith and Bieda.

Nays: NONE

Absent: Senator Robertson

The amendment was adopted.

Senator Marleau introduced and explained the Marleau Amendment 1 to SB 1294 S-1.

Chairman Hune entertained a motion to adopt the Marleau Amendment 1 to the S-1 substitute to SB 1294. Senator Marleau so moved.

Yeas: Senator(s) Hune, Marleau, Brandenburg, Hansen, Smith and Bieda.

Nays: NONE

Absent: Senator Robertson

The amendment was adopted.

Senator Marleau introduced and explained the Marleau Amendment 2 to SB 1293 S-1 and the Marleau Amendment 3 to SB 1294 S-1. Senator Marleau was assisted by Michigan Insurance Commissioner Kevin Clinton in his explanation of the amendments.

Chairman Hune entertained a motion to adopt the Marleau Amendment 2 to the S-1 substitute to SB 1293. Senator Marleau so moved.

Yeas: Senator(s) Marleau and Bieda.

Nays: Senator(s) Hune, Brandenburg, and Smith
Pass: Senator Hansen
Absent: Senator Robertson
The amendment was not adopted.

Chairman Hune entertained a motion to adopt the Marleau Amendment 3 to the S-1 substitute to SB 1294. Senator Marleau so moved.

Yeas: Senator(s) Marleau and Bieda.
Nays: Senator(s) Hune, Brandenburg, and Smith
Pass: Senator Hansen
Absent: Senator Robertson
The amendment was not adopted

Senator Smith introduced and explained the Smith Amendment to SB 1294 S-1.

Chairman Hune entertained a motion to adopt the Smith Amendment to the S-1 substitute to SB 1294. Senator Smith so moved.

Yeas: Senator(s) Hune, Marleau, Brandenburg, Hansen, Smith and Bieda.
Nays: NONE
Absent: Senator Robertson
The amendment was adopted.

Chairman Hune introduced and explained the Hune Amendment to SB 1293 S-1.

Chairman Hune entertained a motion to adopt the Hune Amendment to the S-1 substitute to SB 1293. Senator Hune so moved.

Yeas: Senator(s) Hune, Marleau, Brandenburg, Hansen, Smith and Bieda.
Nays: NONE
Absent: Senator Robertson
The amendment was adopted.

Chairman Hune introduced and explained the Hune Amendment to SB 1294 S-1.

Chairman Hune entertained a motion to adopt the Hune Amendment to the S-1 substitute to SB 1294. Senator Hune so moved.

Yeas: Senator(s) Hune, Marleau, Brandenburg, Hansen, Smith and Bieda.
Nays: NONE
Absent: Senator Robertson
The amendment was adopted.

Chairman Hune entertained a motion to adopt S-1 substitute to SB 1293 as amended. Senator Smith so moved.

Yeas: Senator(s) Hune, Marleau, Brandenburg, Hansen, Smith and Bieda.
Nays: NONE

Absent: Senator Robertson
The S-1 substitute was adopted.

Chairman Hune entertained a motion to report SB 1293 S-1 as amended as a clean substitute with recommendation. Senator Smith so moved.

Yeas: Senator(s) Hune, Marleau, Brandenburg, Hansen, Robertson, Smith and Bieda.

Nays: NONE

The bill was reported.

Chairman Hune entertained a motion to give SB 1293 S-1 as amended as a clean substitute Immediate Effect. Senator Marleau so moved. Without objection SB 1293 S-2 was given Immediate Effect.

Chairman Hune entertained a motion to adopt S-1 substitute to SB 1294 as amended. Senator Brandenburg so moved.

Yeas: Senator(s) Hune, Marleau, Brandenburg, Hansen, Smith and Bieda.

Nays: NONE

Absent: Senator Robertson

The S-1 substitute was adopted.

Chairman Hune entertained a motion to report SB 1294 S-1 as amended as a clean substitute with recommendation. Senator Smith so moved.

Yeas: Senator(s) Hune, Marleau, Brandenburg, Hansen, Robertson, Smith and Bieda.

Nays: NONE

The bill was reported.

Chairman Hune entertained a motion to give SB 1294 S-1 as amended as a clean substitute Immediate Effect. Senator Marleau so moved. Without objection SB 1294 S-1 was given Immediate Effect.

Seeing no further business before the committee, the Chairman adjourned at 4:24 p.m.

Date approved by the Committee: November 27, 2012

(An audio recording of this committee meeting is available upon request for a minimal fee.)