

Legislative Analysis



ALLOW HEALTH BENEFIT CORPORATION EMPLOYEES TO SELL HEALTH BENEFITS

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 6432 as reported from committee
Sponsor: Rep. Michael Webber
Committee: Insurance
Complete to 12-4-18

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 6432 would amend the Health Benefit Agent Act to allow employees of health benefit corporations to act as health benefit agents.

The Act currently allows health benefits to be sold on behalf of a health benefit corporation either by a *health benefit agent* or by an employee of a health benefit corporation or its affiliate as long as he or she does not transact insurance during his or her tenure with the corporation or affiliate.

The bill would modify this provision so that health benefits could be sold on behalf of a health benefit corporation only by a health benefit agent.

The bill would also remove a provision that prohibits an employee of a health benefit corporation or affiliate who is licensed as an insurance agent under the Insurance Code from transacting insurance during his or her employment with the corporation or affiliate.

Health benefit agent means a person who is licensed as an insurance agent under the Insurance Code and is authorized by a health benefit corporation to act as its agent.

MCL 550.1003 and 550.1009

FISCAL IMPACT:

The bill would not have a significant fiscal impact on the state or local units of government.

POSITIONS:

A representative of Blue Cross Blue Shield of Michigan testified in support of the bill. (11-29-18)

A representative of the Michigan Association of Health Underwriters testified in opposition to the bill. (11-29-18)

The Michigan Association of Insurance Agents indicated opposition to the bill. (11-29-18)

Legislative Analyst: Nick Kelly
Fiscal Analyst: Marcus Coffin

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