



Senate Fiscal Agency  
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## BILL ANALYSIS



Telephone: (517) 373-5383  
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House Bills 4207 and 4208 (as passed by the House)

Sponsor: Representative Mike Harris (H.B. 4207)

Representative Brenda Carter (H.B. 4208)

House Committee: Insurance

Senate Committee: Health Policy

Date Completed: 9-2-25

**CONTENT**

**House Bill 4207 would amend Chapter 37 (Small Employer Group Health Coverage) of the Insurance Code to specify that a health benefit plan would not include coverage for excepted benefits as defined under Federal law.**

**House Bill 4208 would amend Chapter 6 (Kinds of Insurance; Reinsurance; Limit of Risk) of the Insurance Code to specify that a health insurance policy would not include coverage for excepted benefits under Federal law.**

The bills are tie-barred.

**House Bill 4207**

Chapter 37 of the Code governs any health benefit plan that provides coverage for employees of a small employer, which is generally an employer with between two and 50 employees.

"Health benefit plan" means an expense-incurred hospital, medical, or surgical policy or certificate, or health maintenance organization contract. The term does not include accident-only, credit, dental, or disability income insurance; long-term care insurance; coverage issued as a supplement to liability insurance; coverage only for a specified disease or illness; worker's compensation or similar insurance; or automobile medical-payment insurance. The bill would delete the current list of exclusions.

Instead, under the bill, the term would not include coverage only for excepted benefits as described in Federal law.<sup>1</sup>

(Under Federal law, "excepted benefits" mean benefits as listed below.

Benefits not subject to requirements include the following:

- Coverage only for accident, or disability income insurance, or any combination thereof.
- Coverage issued as a supplement to liability insurance.
- Liability insurance, including general liability insurance and automobile liability insurance.
- Workers' compensation or similar insurance.
- Automobile medical payment insurance.
- Credit-only insurance.
- Coverage for on-site medical clinics.

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<sup>1</sup> 42 USC 300gg-91

- Other similar insurance coverage, specified in regulations, under which benefits for medical care are secondary or incidental to other insurance benefits.

Benefits not subject to requirements if offered separately include the following:

- Limited scope dental or vision benefits.
- Benefits for long-term care, nursing home care, home health care, community-based care, or any combination thereof.
- Such other similar, limited benefits as are specified in regulations.

Benefits not subject to requirements if offered as independent, non-coordinated benefits include coverage only for a specified disease or illness and hospital indemnity or other fixed indemnity insurance.

Benefits not subject to requirements if offered as separate insurance policies include Medicare supplemental health insurance coverage supplemental to the coverage provided under Federal law and similar supplemental coverage provided under a group health plan.)

### **House Bill 4208**

Chapter 6 (Kinds of Insurance; Reinsurance; Limit of Risk) of the Code describes the various types of insurance that exist within the Code.

"Health insurance policy" means an expense-incurred hospital, medical, or surgical policy, certificate, or contract. The bill specifies that the term would not include a policy that provided coverage only for excepted benefits as described in Federal law (see **House Bill 4207**).

MCL 500.3701 (H.B. 4207)  
500.608 (H.B. 4208)

### **PREVIOUS LEGISLATION**

*(This section does not provide a comprehensive account of previous legislative efforts on this subject matter.)*

House Bills 4207 and 4208 are respectively reintroductions of House Bills 4732 and 4733 of the 2023-24 Legislative Session. House Bills 4732 and 4733 passed the House and were referred to the Senate Committee on Finance, Insurance, and Consumer Protection but received no further action.

Legislative Analyst: Alex Krabill

### **FISCAL IMPACT**

The bills would have no fiscal impact on State or local government.

Fiscal Analyst: Nathan Leaman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.