

**RESOLUTION 79-07A**

**Title:** Health Insurers' Comparative Expenditures Review  
**Introduced by:** Gail A. Cookingham, MD, for the Michigan Allergy & Asthma Society  
**Original Author:** Gail A. Cookingham, MD  
**Referred to:** Reference Committee A  
**House Action:** Referred to the Board for Study

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**Whereas, health care cost control requires expenditure containment from both providers and insurance administrators, and**

**Whereas, public disclosure of administrative expenditures will allow the public including individuals, small businesses, and large industries to compare and purchase a policy from the most cost efficient insurer, and**

**Whereas, disclosure of insurer expenditures will promote greater competition in, and reduce the risk of, a monopsonistic health insurance industry, and**

**Whereas, year-to-year tracking of insurer dealings with patients and physicians facilitates a long-term awareness and understanding of the insurers' operational methods; therefore be it**

**RESOLVED: That MSMS develop a Health Insurers' Comparative Expenditures Review of all insurance companies in Michigan including Medicare, which would consist of the cost on all administrative functions including total premiums paid per enrollee, total wages, rent, advertising, legal fees, claims paid on first submission, and the outsourcing of any jobs, and that it be disseminated to all MSMS members, the public, and the legislature on a regular basis.**

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**WAYS AND MEANS COMMITTEE FISCAL NOTE:**

**The analysis required in this resolution will likely necessitate the hiring of a nationally recognized accounting firm or benefits consulting firm. The cost of consulting, printing, and distribution of an annual report is estimated at \$50,000 to \$125,000.**