

- 5 **General powers.** Amends MCHA's current reinsurance authority, which has never been used, to flesh out the nature of the reinsurance permitted in this bill, including the responsibilities of MCHA and the ceding insurer in servicing the policy. Retains existing language permitting MCHA to assess its "members" (insurers) for losses incurred by MCHA in providing the reinsurance. Removes irrelevant language that has never been used.
- 6 **Enrollment.** Ends insurance enrollment in MCHA by new enrollees effective January 1, 2012. Permits continuing enrollment of persons already covered by MCHA prior to that date. New risk will be transferred to MCHA only through insurers ceding risk under (reinsuring) their policies.
- 7 **Application; contents.** Cross-references the preceding section of this bill, to clarify the new limit of the current law as amended in that preceding section.
- 8 **Preexisting conditions.** Tidies up existing law by putting all of the current MCHA exceptions to preexisting condition limitations in one place. This relates to paragraph (c) of section 2 of this bill.