

HOUSE BILL No. 5448

February 6, 1990, Introduced by Reps. Perry Bullard, Bennane, Clack, Gubow, Ciaramitaro, Murphy, Kilpatrick, Leland, Weeks, Spaniola, DeMars, Webb, Kulchitsky, Johnson, Emerson, Hollister, Jonker, Joe Young, Jr. and Jondahl and referred to the Committee on Judiciary.

A bill to require certain persons and agencies to comply with certain requirements regarding the medicare program; to provide for certain powers and duties of certain state officers and agencies; to create certain civil remedies; and to provide for civil penalties.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Beneficiary" means an individual who is entitled to
3 receive benefits under medicare.

4 (b) "Federal adjusted gross income" means that term as
5 defined in the internal revenue code.

6 (c) "Medicare" means title XVIII of the social security act,
7 chapter 531, 49 Stat. 620, 42 U.S.C. 1395 to 1395b, 1395b-2,
8 1395c to 1395i, 1395i-1a, 1395i-2 to 1395i-3, 1395j to 1395dd,
9 1395ff to 1395mm, 1395oo to 1395yy, and 1395bbb to 1395ccc.

1 (d) "Medicare carrier" means the entity in this state
2 responsible for administering medicare benefits.

3 (e) "Physician" means a person licensed by the state to
4 engage in the practice of medicine or osteopathic medicine and
5 surgery under article 15 of the public health code, Act No. 368
6 of the Public Acts of 1978, being sections 333.16101 to 333.18838
7 of the Michigan Compiled Laws.

8 Sec. 2. The insurance bureau may assist the medicare car-
9 rier in this state in distributing to beneficiaries directories
10 of physicians and supplies who participate in medicare.

11 Sec. 3. (1) A physician who renders to a beneficiary a
12 service covered by medicare shall complete and submit to the car-
13 rier a claim for the service, on behalf of the beneficiary,
14 within 30 days after rendering the service.

15 (2) A physician shall not charge a beneficiary for complet-
16 ing or submitting a claim under subsection (1). If a physician
17 violates this subsection, the beneficiary charged for the service
18 may recover from the physician in a civil action \$500.00, plus
19 reasonable costs and attorney fees.

20 Sec. 4. (1) The medicare carrier shall pay a physician on a
21 claim submitted under section 3 within 30 days after the medicare
22 carrier receives the claim, unless the claim is not covered by
23 medicare.

24 (2) The medicare carrier shall pay a physician on a medicare
25 claim the proper amount determined according to federal statute
26 and regulations.

1 (3) A physician may bring an action for injunctive relief
2 for a violation of this section.

3 Sec. 5. (1) A physician shall not collect from a benefi-
4 ciary for a service covered by medicare an amount in excess of
5 the total of the coinsurance and any deductible due under
6 medicare.

7 (2) If a physician violates subsection (1), the beneficiary
8 charged for the service may recover from the physician in a civil
9 action the greater of the following:

10 (a) Three times the amount by which the fee collected from
11 the beneficiary exceeded the total of the coinsurance and any
12 deductible due under medicare, plus reasonable costs and attorney
13 fees.

14 (b) \$1,000.00, plus costs and reasonable attorney fees.

15 Sec. 6. In addition to the liability established in
16 sections 3 and 5, a physician who violates section 3 or 5 is
17 liable for a civil penalty of \$2,000.00 for each violation. A
18 civil penalty recovered under this subsection shall be paid to
19 the Michigan department of social services to pay for health care
20 for individuals who have no health insurance.