

**SUBSTITUTE FOR
HOUSE BILL NO. 4684**

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 2212a (MCL 500.2212a), as added by 1996 PA
517.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2212a. (1) By October 1, 1997, an insurer that deliv-
2 ers, issues for delivery, or renews in this state an
3 expense-incurred hospital, medical, or surgical policy or certif-
4 icate issued under chapter 34 or 36 shall provide a written form
5 in plain English to insureds upon enrollment that describes the
6 terms and conditions of the insurer's policies and certificates.
7 The form shall provide a clear, complete, and accurate descrip-
8 tion of all of the following, as applicable:
9 (a) The service area.

1 (b) Covered benefits, including prescription drug coverage,
2 with specifications regarding requirements for the use of generic
3 drugs.

4 (c) Emergency health coverages and benefits.

5 (d) Out-of-area coverages and benefits.

6 (e) An explanation of the insured's financial responsibility
7 for copayments, deductibles, and any other out-of-pocket
8 expenses.

9 (f) Provision for continuity of treatment in the event a
10 provider's participation terminates during the course of an
11 insured person's treatment by that provider.

12 (g) The telephone number to call to receive information con-
13 cerning grievance procedures.

14 (H) HOW THE COVERED BENEFITS APPLY IN THE EVALUATION AND
15 TREATMENT OF INTRACTABLE PAIN. AS USED IN THIS SUBDIVISION AND
16 IN SUBSECTION (2):

17 (i) "BOARD CERTIFIED" MEANS CERTIFIED TO PRACTICE IN A PAR-
18 TICULAR MEDICAL OR OTHER HEALTH PROFESSIONAL SPECIALTY BY THE
19 AMERICAN BOARD OF MEDICAL SPECIALTIES OR ANOTHER APPROPRIATE
20 NATIONAL HEALTH PROFESSIONAL ORGANIZATION.

21 (ii) "INTRACTABLE PAIN" MEANS THAT TERM AS DEFINED IN SEC-
22 TION 16204A(7) OF THE PUBLIC HEALTH CODE, 1978 PA 368,
23 MCL 333.16204A.

24 (I) ~~-(h)-~~ A summary listing of the information available
25 pursuant to subsection (2).

26 (2) By October 1, 1997, an insurer shall provide upon
27 request to insureds covered under a policy or certificate issued

1 under section 3405 or 3631 a clear, complete, and accurate
2 description of any of the following information that has been
3 requested:

4 (a) The current provider network in the policy or
5 certificate's service area, including names and locations of par-
6 ticipating providers by specialty or type of practice, a state-
7 ment of limitations of accessibility and referrals to special-
8 ists, and a disclosure of which providers will not accept new
9 subscribers.

10 (b) The professional credentials of participating health
11 professionals, INCLUDING, BUT NOT LIMITED TO, PARTICIPATING
12 HEALTH PROFESSIONALS WHO ARE BOARD CERTIFIED IN THE SPECIALTY OF
13 PAIN MEDICINE AND THE EVALUATION AND TREATMENT OF INTRACTABLE
14 PAIN AND HAVE REPORTED THAT CERTIFICATION TO THE INSURER, includ-
15 ing all of the following:

16 (i) Relevant professional degrees.

17 (ii) Date of certification by the applicable nationally rec-
18 ognized boards and other professional bodies.

19 (iii) The names of licensed facilities on the provider panel
20 where the health professional presently has privileges for the
21 treatment, illness, or procedure that is the subject of the
22 request.

23 (c) The licensing verification telephone number for the
24 Michigan department of consumer and industry services that can be
25 accessed for information as to whether any disciplinary actions
26 or open formal complaints have been taken or filed against a
27 health care provider in the immediately preceding 3 years.

1 (d) Any prior authorization requirements and any
2 limitations, restrictions, or exclusions, including, but not
3 limited to, drug formulary limitations and restrictions by cate-
4 gory of service, benefit, and provider, and, if applicable, by
5 specific service, benefit, or type of drug.

6 (e) Indication of the financial relationships between the
7 insurer and any closed provider panel including all of the fol-
8 lowing as applicable:

9 (i) Whether a fee-for-service arrangement exists, under
10 which the provider is paid a specified amount for each covered
11 service rendered to the participant.

12 (ii) Whether a capitation arrangement exists, under which a
13 fixed amount is paid to the provider for all covered services
14 that are or may be rendered to each covered individual or
15 family.

16 (iii) Whether payments to providers are made based on stan-
17 dards relating to cost, quality, or patient satisfaction.

18 (f) A telephone number and address to obtain from the
19 insurer additional information concerning the items described in
20 subdivisions (a) to (e).

21 (3) Upon request, any of the information provided under sub-
22 section (2) shall be provided in writing. An insurer may require
23 that a request under subsection (2) be submitted in writing.

24 Enacting section 1. This amendatory act takes effect
25 October 1, 1998.