

HOUSE BILL No. 6210

September 24, 1998, Introduced by Reps. Birkholz, Richner, Jelinek, Jansen, Hammerstrom, Rocca, Fitzgerald, Scranton, Jellema, Sanborn, Godchaux, DeVuyst, Byl, Bobier, Cassis, Raczkowski and Perricone and referred to the Committee on Insurance.

A bill to amend 1978 PA 368, entitled
"Public health code,"
(MCL 333.1101 to 333.25211) by adding sections 21052b, 21053d,
and 21053e.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 21052B. (1) IF AN AFFILIATION BETWEEN A HEALTH MAINTENANCE ORGANIZATION AND A HEALTH PROFESSIONAL IS TERMINATED OR
2 NANCE ORGANIZATION AND A HEALTH PROFESSIONAL IS TERMINATED OR
3 BENEFITS OR COVERAGE PROVIDED BY A HEALTH PROFESSIONAL IS TERMINATED BECAUSE OF A CHANGE IN THE TERMS OF PROVIDER PARTICIPATION
4 NATED BECAUSE OF A CHANGE IN THE TERMS OF PROVIDER PARTICIPATION
5 IN A GROUP HEALTH MAINTENANCE ORGANIZATION CONTRACT AND A COVERED
6 ENROLLEE IS UNDERGOING A COURSE OF TREATMENT FROM THE HEALTH PROFESSIONAL AT THE TIME OF THE TERMINATION, THE HEALTH MAINTENANCE
7 ORGANIZATION SHALL DO BOTH OF THE FOLLOWING:
8 ORGANIZATION SHALL DO BOTH OF THE FOLLOWING:
9 (A) NOTIFY THE ENROLLEE ON A TIMELY BASIS OF THE
10 TERMINATION.

1 (B) WITH THE HEALTH PROFESSIONAL'S CONSENT, PERMIT THE
2 ENROLLEE TO CONTINUE AN ONGOING COURSE OF TREATMENT WITH THE
3 HEALTH PROFESSIONAL FOR A TRANSITIONAL PERIOD AS PROVIDED IN THIS
4 SECTION.

5 (2) EXCEPT AS PROVIDED IN SUBSECTIONS (4) AND (5), COVERAGE
6 UNDER THIS SECTION EXTENDS FOR A TRANSITIONAL PERIOD OF UP TO 90
7 DAYS FROM THE NOTICE DATE DESCRIBED IN SUBSECTION (1)(A).

8 (3) SUBJECT TO SUBSECTION (2), COVERAGE UNDER THIS SECTION
9 FOR INSTITUTIONAL OR INPATIENT CARE FROM A TERMINATED HEALTH PRO-
10 FESSIONAL EXTENDS UNTIL THE DISCHARGE OR TERMINATION OF THE
11 INSTITUTIONALIZATION PERIOD AND ALSO INCLUDES INSTITUTIONAL CARE
12 PROVIDED WITHIN A REASONABLE TIME OF THE DATE OF THE TERMINATION
13 OF THE HEALTH PROFESSIONAL STATUS IF EITHER OF THE FOLLOWING
14 APPLIES:

15 (A) THE CARE WAS SCHEDULED BEFORE THE NOTICE DATE DESCRIBED
16 IN SUBSECTION (1)(A).

17 (B) THE ENROLLEE WAS ON AN ESTABLISHED WAITING LIST OR OTH-
18 ERWISE SCHEDULED TO HAVE THE CARE BEFORE THE NOTICE DATE
19 DESCRIBED IN SUBSECTION (1)(A).

20 (4) IF AN ENROLLEE HAS ENTERED THE SECOND OR THIRD TRIMESTER
21 OF PREGNANCY AT THE TIME THAT HER HEALTH PROFESSIONAL WHO WAS
22 TREATING THE PREGNANCY WAS TERMINATED, COVERAGE UNDER THIS SEC-
23 TION EXTENDS THROUGH POSTPARTUM CARE DIRECTLY RELATED TO THE
24 PREGNANCY.

25 (5) IF AN ENROLLEE IS DETERMINED TO BE TERMINALLY ILL PRIOR
26 TO A HEALTH PROFESSIONAL'S TERMINATION AND THE HEALTH
27 PROFESSIONAL WAS TREATING THE TERMINAL ILLNESS BEFORE THE DATE OF

1 TERMINATION, COVERAGE UNDER THIS SECTION EXTENDS FOR THE
2 REMAINDER OF THE ENROLLEE'S LIFE FOR CARE DIRECTLY RELATED TO THE
3 TREATMENT OF THE TERMINAL ILLNESS.

4 (6) SUBSECTIONS (2) THROUGH (5) APPLY ONLY IF THE HEALTH
5 PROFESSIONAL AGREES TO ALL OF THE FOLLOWING:

6 (A) TO ACCEPT AS PAYMENT IN FULL REIMBURSEMENT FROM THE
7 HEALTH MAINTENANCE ORGANIZATION AND ENROLLEE AT RATES APPLICABLE
8 PRIOR TO THE START OF THE TRANSITIONAL PERIOD.

9 (B) TO ADHERE TO THE HEALTH MAINTENANCE ORGANIZATION'S STAN-
10 DARDS FOR MAINTAINING QUALITY HEALTH CARE AND TO PROVIDE TO THE
11 HEALTH MAINTENANCE ORGANIZATION NECESSARY MEDICAL INFORMATION
12 RELATED TO THE CARE.

13 (C) NOT TO IMPOSE COST-SHARING WITH THE ENROLLEE IN AN
14 AMOUNT THAT WOULD EXCEED THE COST-SHARING THAT COULD HAVE BEEN
15 IMPOSED IF THE AFFILIATION HAD NOT BEEN TERMINATED.

16 (7) AS USED IN THIS SECTION:

17 (A) "TERMINAL ILLNESS" MEANS THAT TERM AS DEFINED IN
18 SECTION 5653.

19 (B) "TERMINATED" OR "TERMINATION" INCLUDES THE EXPIRATION OR
20 NONRENEWAL OF A CONTRACT OR AN AFFILIATION WITH A HEALTH PROFES-
21 SIONAL BY A HEALTH MAINTENANCE ORGANIZATION, BUT DOES NOT INCLUDE
22 A TERMINATION BY THE HEALTH MAINTENANCE ORGANIZATION FOR FAILURE
23 TO MEET APPLICABLE QUALITY STANDARDS OR FOR FRAUD.

24 SEC. 21053D. (1) A HEALTH MAINTENANCE ORGANIZATION CONTRACT
25 THAT REQUIRES AN ENROLLEE TO DESIGNATE AN AFFILIATED PRIMARY CARE
26 PROVIDER AND PROVIDES FOR DEPENDENT CARE COVERAGE SHALL PERMIT A

1 DEPENDENT MINOR ENROLLEE TO ACCESS A PEDIATRICIAN FOR PEDIATRIC
2 CARE SERVICES.

3 (2) A HEALTH MAINTENANCE ORGANIZATION SHALL NOT REQUIRE
4 PRIOR AUTHORIZATION OR REFERRAL FOR ACCESS UNDER SUBSECTION (1)
5 TO A PEDIATRICIAN WHO IS AFFILIATED WITH THE HEALTH MAINTENANCE
6 ORGANIZATION. A HEALTH MAINTENANCE ORGANIZATION MAY REQUIRE
7 PRIOR AUTHORIZATION OR REFERRAL FOR ACCESS TO A NONAFFILIATED
8 PEDIATRICIAN.

9 SEC. 21053E. A HEALTH MAINTENANCE ORGANIZATION THAT PRO-
10 VIDES COVERAGE FOR PRESCRIPTION DRUGS AND LIMITS THOSE BENEFITS
11 TO DRUGS INCLUDED IN A FORMULARY, SHALL DO ALL OF THE FOLLOWING:

12 (A) ENSURE PARTICIPATION OF AFFILIATED PHYSICIANS AND PHAR-
13 MACISTS IN THE DEVELOPMENT OF THE FORMULARY.

14 (B) DISCLOSE TO HEALTH PROFESSIONALS AND UPON REQUEST TO
15 ENROLLEES THE NATURE OF THE FORMULARY RESTRICTIONS.

16 (C) PROVIDE FOR EXCEPTIONS FROM THE FORMULARY LIMITATION
17 WHEN A NONFORMULARY ALTERNATIVE IS MEDICALLY INDICATED. THIS
18 SUBDIVISION DOES NOT PREVENT A HEALTH MAINTENANCE ORGANIZATION
19 FROM ESTABLISHING HIGHER COST-SHARING FOR NONFORMULARY
20 ALTERNATIVES.