

SENATE BILL NO. 501

May 13, 1997, Introduced by Senator SHUGARS and referred
to the Committee on Health Policy and Senior Citizens.

A bill to amend 1980 PA 350, entitled
"The nonprofit health care corporation reform act,"
(MCL 550.1101 to 550.1704) by adding section 501b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 501B. A HEALTH CARE CORPORATION SHALL NOT PROHIBIT OR
2 DISCOURAGE A HEALTH CARE PROVIDER FROM ADVOCATING ON BEHALF OF A
3 SUBSCRIBER FOR APPROPRIATE MEDICAL TREATMENT OPTIONS PURSUANT TO
4 THE GRIEVANCE PROCEDURE IN SECTION 404 OR FROM DISCUSSING WITH A
5 SUBSCRIBER OR PROVIDER ANY OF THE FOLLOWING:
6 (A) HEALTH CARE TREATMENTS AND SERVICES.
7 (B) QUALITY ASSURANCE PLANS REQUIRED BY LAW, IF APPLICABLE.
8 (C) THE FINANCIAL RELATIONSHIPS BETWEEN THE HEALTH CARE COR-
9 PORATION AND THE HEALTH CARE PROVIDER INCLUDING ALL OF THE
10 FOLLOWING AS APPLICABLE:

1 (i) WHETHER A FEE-FOR-SERVICE ARRANGEMENT EXISTS, UNDER
2 WHICH THE PROVIDER IS PAID A SPECIFIED AMOUNT FOR EACH COVERED
3 SERVICE RENDERED TO THE PARTICIPANT.

4 (ii) WHETHER A CAPITATION ARRANGEMENT EXISTS, UNDER WHICH A
5 FIXED AMOUNT IS PAID TO THE PROVIDER FOR ALL COVERED SERVICES
6 THAT ARE OR MAY BE RENDERED TO EACH COVERED INDIVIDUAL OR
7 FAMILY.

8 (iii) WHETHER PAYMENTS TO PROVIDERS ARE MADE BASED ON STAN-
9 DARDS RELATING TO COST, QUALITY, OR PATIENT SATISFACTION.