

Act No. 67
Public Acts of 1997
Approved by the Governor
July 15, 1997
Filed with the Secretary of State
July 15, 1997
EFFECTIVE DATE: July 15, 1997

**STATE OF MICHIGAN
89TH LEGISLATURE
REGULAR SESSION OF 1997**

Introduced by Reps. Schroer, Palamara, Dehart, Cherry, LaForge, Freeman, Martinez, Willard, Hammerstrom, Schauer, Wojno, Gire, Bobier, Law, Llewellyn, Crissman, Schermesser, Scott, Brown, Goschka, Callahan, Bogardus, Baird, Frank, Baade, Green, Thomas, Bodem, Profit, Gubow, Griffin, Leland, Murphy, Rocca, Scranton and Brater
Reps. Anthony, Banks, Birkholz, Brewer, Cassis, Dalman, DeVuyst, Dobb, Dobronski, Gagliardi, Gernaat, Gilmer, Hale, Hanley, Jellema, Johnson, Kaza, Kelly, Kilpatrick, McBryde, McManus, Middleton, Oxender, Prusi, Quarles, Raczkowski, Richner, Rison, Stallworth, Vaughn and Voorhees
named co-sponsors

ENROLLED HOUSE BILL No. 4392

AN ACT to amend 1978 PA 368, entitled "An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates," (MCL 333.1101 to 333.25211) by adding section 21052a.

The People of the State of Michigan enact:

Sec. 21052a. A health maintenance organization shall not prohibit or discourage a health professional from advocating on behalf of an enrollee for appropriate medical treatment options pursuant to the grievance procedure in section 21034 or 21035 or from discussing with an enrollee or provider any of the following:

- (a) Health care treatments and services.
- (b) Quality assurance plans required by law, if applicable.
- (c) The financial relationships between the health maintenance organization and the health professional including all of the following as applicable:
 - (i) Whether a fee-for-service arrangement exists, under which the provider is paid a specified amount for each covered service rendered to the participant.

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

(iii) Whether payments to providers are made based on standards relating to cost, quality, or patient satisfaction.

This act is ordered to take immediate effect.

Clerk of the House of Representatives.

Secretary of the Senate.

Approved _____

Governor.