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## CONTINUATION OF CARE WHEN PHYSICIAN LEAVES HMO

**House Bill 5702**

**Sponsor: Rep. Gilda Z. Jacobs**

**Committee: Insurance and Financial  
Services**

**Complete to 8-24-00**

### **A SUMMARY OF HOUSE BILL 5702 AS INTRODUCED 5-2-00**

The bill would amend the Public Health Code to specify the circumstances in which an enrollee of a health maintenance organization (HMO) could continue to be treated by a physician when the affiliation between the physician and an HMO terminated.

(Termination would mean the nonrenewal, expiration, or ending for any reason of an affiliation between a physician and an HMO, but would not cover a termination by the HMO for failure to meet applicable quality standards or for fraud. The bill would apply to an enrollee's primary care physician and any other physician providing an enrollee with an ongoing course of treatment.)

An ongoing course of treatment could continue with the terminated physician:

- For any enrollee, for 90 days from the date of notice to the enrollee by the physician of the termination of the affiliation;
- For an enrollee who was pregnant, through postpartum care directly related to the pregnancy;
- For an enrollee who was terminally ill, had a serious chronic illness, or was diagnosed with cancer, for the remainder of the enrollee's life for care directly related to the terminal illness, chronic illness, or cancer; and
- For an enrollee who was 65 years of age or older, for the remainder of the enrollee's life.

This would only apply if the physician agreed to continue to render treatment and to accept as payment in full reimbursement from the HMO at the rates applicable prior to the termination; to adhere to the HMO's standards for maintaining quality health care and to provide the HMO with necessary medical information; and to otherwise adhere to the HMO's policies and procedures, including those concerning utilization review, referrals, pre-authorizations, and treatment plans.

The bill would define the term "physician" to mean an allopathic or osteopathic physician or a mental health professional. The term "serious chronic illness" would refer to a disease or condition that can be managed but not cured, including a serious mental illness, and that affects a person's general ability to lead his or her normal life. Under the Public Health Code, a "terminal

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illness” is defined as a disease or condition due to which, in the opinion of a physician, a patient’s death is anticipated within six months.

Under the bill, a physician whose affiliation with an HMO terminated could provide written notice within 15 days of becoming aware of the termination to each enrollee who had chosen the physician as his or her primary physician or to each enrollee in an ongoing course of treatment. The physician could include in the notice the description of the provisions permitting continued care. An HMO would be required to provide written notice to each affiliated physician regarding his or her ability to provide such notice.

The bill specifies that it would not create an obligation for an HMO to provide to an enrollee coverage beyond the maximum coverage limits permitted by the HMO’s contract with the enrollee.

The bill’s provisions would take effect July 1, 2000.

MCL 333.21052b

Analyst: C. Couch

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