

House Office Building, 9 South Lansing, Michigan 48909 Phone: 517/373-6466

# CONTINUATION OF HEALTH CARE

House Bill 5958 as introduced House Bill 5959 (Substitute H-1) First Analysis (10-3-00)

Sponsor: Rep. Gerald Law Committee: Health Policy

## THE APPARENT PROBLEM:

Public Acts 228 and 230 of 1999 amended acts pertaining to health insurance to provide for continuation of health care services under certain circumstances for a member, enrollee, or insured of a health plan if the participation in the health plan by the person's primary care physician is terminated. Generally, such continuation of care is provided for an additional 90 days, and the acts defined "physician" as including only allopathic (M.D.) and osteopathic (D.O.) physicians. However, the Public Health Code includes podiatrists in the definition of "physician". Legislation has been proposed to correct this oversight and include podiatrists in the definition of those physicians to whom Public Acts 228 and 230 pertain.

### THE CONTENT OF THE BILLS:

The bills would amend acts regulating health insurance to include a podiatric physician in the definition of "physician" contained in the acts, thus allowing continuation of medical care provided by a podiatrist for 90 days after a podiatrist left the panel of a health plan. House Bill 5958 would amend the Nonprofit Health Care Corporation Reform Act (MCL 550.1402c), which regulates Blue Cross Blue Shield of Michigan. House Bill 5959 would amend the Insurance Code (MCL 500.2212b), which regulates expense-incurred hospital, medical, or surgical policies and certificates of commercial health insurance companies as well as group and individual contracts of health maintenance organizations (HMOs).

## **BACKGROUND INFORMATION:**

For further information on the issue of continuation of health care after a physician leaves the panel of a health plan, see the House Legislative Analysis Section's analysis of House Bills 4485, 4486, and 4487 dated 12-27-99. Regulation of health maintenance organizations (HMOs) was removed from the Public Health Code and placed within the Insurance Code earlier this year by Public Act 252 of 2000 (Senate Bill 1209).

## FISCAL IMPLICATIONS:

According to the House Fiscal Agency, neither of the bills would have a fiscal impact on the state or local units of government. (9-28-00)

#### **ARGUMENTS:**

#### For:

The bills correct an oversight in the original legislation. Public Acts 228 and 230 referenced only allopathic (M.D.) and osteopathic (D.O.) physicians and left out podiatric physicians. Under the Public Health Code, podiatrists are included in the definition of "physician". Without adding podiatrists to the sections of law amended by PA 228 and 230, should the contract between a health plan and a podiatrist be terminated, a patient could not continue to receive covered benefits for treatment provided during the 90-day period allowed in those acts.

## **POSITIONS:**

Blue Cross Blue Shield of Michigan is neutral on the bills. (9-29-00)

The Michigan Association of Health Plans has no position on the bills. (10-2-00)

Analyst: S. Stutzky

<sup>#</sup>This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.