

SUBSTITUTE FOR  
HOUSE BILL NO. 4479

A bill to amend 1980 PA 350, entitled  
"The nonprofit health care corporation reform act,"  
(MCL 550.1101 to 550.1704) by adding section 401h.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1        SEC. 401H. A HEALTH CARE CORPORATION THAT PROVIDES COVERAGE  
2 FOR PRESCRIPTION DRUGS AND LIMITS THOSE BENEFITS TO DRUGS  
3 INCLUDED IN A FORMULARY SHALL DO ALL OF THE FOLLOWING:  
4        (A) PROVIDE FOR PARTICIPATION OF PARTICIPATING PHYSICIANS  
5 AND PHARMACISTS IN THE DEVELOPMENT OF THE FORMULARY.  
6        (B) DISCLOSE TO HEALTH CARE PROVIDERS AND UPON REQUEST TO  
7 MEMBERS THE NATURE OF THE FORMULARY RESTRICTIONS.  
8        (C) PROVIDE FOR EXCEPTIONS FROM THE FORMULARY LIMITATION  
9 WHEN A NONFORMULARY ALTERNATIVE IS A MEDICALLY NECESSARY AND  
10 APPROPRIATE ALTERNATIVE. THIS SUBDIVISION DOES NOT PREVENT A  
11 HEALTH CARE CORPORATION FROM ESTABLISHING PRIOR AUTHORIZATION

**HB4479, As Passed House, May 4, 1999**

Sub. H.B. 4479 (H-1) as amended April 29, 1999 2

- 1 REQUIREMENTS OR ANOTHER PROCESS FOR CONSIDERATION OF COVERAGE OR
- 2 HIGHER COST-SHARING FOR NONFORMULARY ALTERNATIVES. [NOTICE AS TO WHETHER OR NOT AN EXCEPTION UNDER THIS SUBDIVISION HAS BEEN GRANTED SHALL BE GIVEN BY THE HEALTH CARE CORPORATION WITHIN 24 HOURS AFTER RECEIVING ALL INFORMATION NECESSARY TO DETERMINE WHETHER THE EXCEPTION SHOULD BE GRANTED.]