

SENATE 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 DENTISTS, 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

**HB 4479, As Passed Senate, October 21, 1999**

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