

# HOUSE BILL No. 5958

September 26, 2000, Introduced by Rep. Law and referred to the Committee on Insurance and Financial Services.

A bill to amend 1980 PA 350, entitled  
"The nonprofit health care corporation reform act,"  
by amending section 402c (MCL 550.1402c), as added by 1999 PA  
228.

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

1       Sec. 402c. (1) If participation between a primary care phy-  
2 sician and a health care corporation terminates, the physician  
3 may provide written notice of this termination within 15 days  
4 after the physician becomes aware of the termination to each  
5 member who has chosen the physician as his or her primary care  
6 physician. If a member is in an ongoing course of treatment with  
7 any other physician who is participating with the health care  
8 corporation and the participation between the physician and the  
9 health care corporation terminates, the physician may provide  
10 written notice of this termination to the member within 15 days

1 after the physician becomes aware of the termination. The  
2 notices under this subsection may also describe the procedure for  
3 continuing care under subsections (2) and (3).

4 (2) If participation between a member's current physician  
5 and a health care corporation terminates, the health care corpo-  
6 ration shall permit the member to continue an ongoing course of  
7 treatment with that physician as follows:

8 (a) For 90 days from the date of notice to the member by the  
9 physician of the physician's termination with the health care  
10 corporation.

11 (b) If the member is in her second or third trimester of  
12 pregnancy at the time of the physician's termination, through  
13 postpartum care directly related to the pregnancy.

14 (c) If the member is determined to be terminally ill prior  
15 to a physician's termination or knowledge of the termination and  
16 the physician was treating the terminal illness before the date  
17 of termination or knowledge of the termination, for the remainder  
18 of the member's life for care directly related to the treatment  
19 of the terminal illness.

20 (3) Subsection (2) applies only if the physician agrees to  
21 all of the following:

22 (a) To participate on a per claim basis and to accept as  
23 payment in full reimbursement from the health care corporation at  
24 the rates applicable prior to the termination.

25 (b) To adhere to the health care corporation's standards for  
26 maintaining quality health care and to provide to the health care  
27 corporation necessary medical information related to the care.

1 (c) To otherwise adhere to the health care corporation's  
2 policies and procedures, including, but not limited to, those  
3 concerning utilization review, referrals, preauthorizations, and  
4 treatment plans.

5 (4) A health care corporation shall provide written notice  
6 to each participating physician that if participation between the  
7 physician and the health care corporation terminates, the physi-  
8 cian may do both of the following:

9 (a) Notify the health care corporation's members under the  
10 care of the physician of the termination if the physician does so  
11 within 15 days after the physician becomes aware of the  
12 termination.

13 (b) Include in the notice under subdivision (a) a descrip-  
14 tion of the procedures for continuing care under subsections (2)  
15 and (3).

16 (5) This section does not create an obligation for a health  
17 care corporation to provide to a member coverage beyond the maxi-  
18 mum coverage limits permitted by the health care corporation's  
19 certificate with the member.

20 (6) As used in this section:

21 (a) "Physician" means an allopathic physician, ~~or~~ osteo-  
22 pathic physician, OR PODIATRIC PHYSICIAN.

23 (b) "Terminal illness" means that term as defined in section  
24 5653 of the public health code, 1978 PA 368, MCL 333.5653.

25 (c) "Terminates" or "termination" includes the nonrenewal,  
26 expiration, or ending for any reason of a participation agreement  
27 between a physician and a health care corporation, but does not

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1 include a termination by the health care corporation for failure  
2 to meet applicable quality standards or for fraud.