

Act No. 229
Public Acts of 1999
Approved by the Governor
December 28, 1999
Filed with the Secretary of State
December 28, 1999
EFFECTIVE DATE: July 1, 2000

**STATE OF MICHIGAN
90TH LEGISLATURE
REGULAR SESSION OF 1999**

**Introduced by Reps. Richardville, Birkholz, Ehardt, Howell, DeRossett, Caul, Woronchak, Shackleton, Gilbert, Julian, Faunce, Bisbee, Kowall, Hager, Van Woerkom and Scranton
Reps. Allen, Bishop, Cameron Brown, Byl, Callahan, Cassis, Clarke, Daniels, DeVuyst, DeWeese, Frank, Gosselin, Hardman, Jacobs, Jansen, Jelinek, Kelly, Koetje, Kuipers, Kukuk, LaSata, Law, Mead, Mortimer, Pappageorge, Patterson, Pestka, Prusi, Pumford, Raczkowski, Reeves, Rocca, Sanborn, Schauer, Scott, Shulman, Stallworth, Tabor, Vander Roest, Vaughn, Wojno and Woodward
named co-sponsors**

ENROLLED HOUSE BILL No. 4486

AN ACT to amend 1978 PA 368, entitled "An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates," (MCL 333.1101 to 333.25211) by adding section 21052b.

The People of the State of Michigan enact:

Sec. 21052b. (1) If an affiliation between a primary care physician and a health maintenance organization terminates, the physician may provide written notice of this termination within 15 days after the physician becomes aware of the termination to each enrollee who has chosen the physician as his or her primary care physician. If an enrollee is in an ongoing course of treatment with any other physician who is affiliated with the health maintenance organization and the affiliation between the physician and the health maintenance organization terminates, the physician may provide written notice of this termination to the enrollee within 15 days after the physician becomes aware of the termination. The notices under this subsection may also describe the procedure for continuing care under subsections (2) and (3).

(2) If an affiliation between an enrollee's current physician and a health maintenance organization terminates, the health maintenance organization shall permit the enrollee to continue an ongoing course of treatment with that physician as follows:

(a) For 90 days from the date of notice to the enrollee by the physician of the physician's termination with the health maintenance organization.

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

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

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

(a) To continue to render treatment and to accept as payment in full reimbursement from the health maintenance organization at the rates applicable prior to the termination.

(b) To adhere to the health maintenance organization's standards for maintaining quality health care and to provide to the health maintenance organization necessary medical information related to the care.

(c) To otherwise adhere to the health maintenance organization's policies and procedures, including, but not limited to, those concerning utilization review, referrals, preauthorizations, and treatment plans.

(4) A health maintenance organization shall provide written notice to each affiliated physician that if an affiliation between the physician and the health maintenance organization terminates, the physician may do both of the following:

(a) Notify the health maintenance organization's enrollees under the care of the physician of the termination if the physician does so within 15 days after the physician becomes aware of the termination.

(b) Include in the notice under subdivision (a) a description of the procedures for continuing care under subsections (2) and (3).

(5) This section does not create an obligation for a health maintenance organization to provide to an enrollee coverage beyond the maximum coverage limits permitted by the health maintenance organization's contract with the enrollee.

(6) As used in this section:

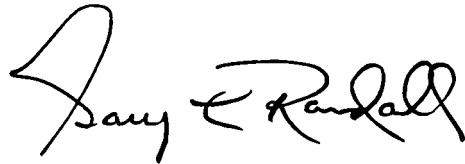
(a) "Physician" means an allopathic physician or osteopathic physician.

(b) "Terminal illness" means that term as defined in section 5653.

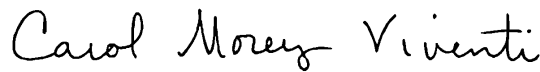
(c) "Terminates" or "termination" includes the nonrenewal, expiration, or ending for any reason of an affiliation between a physician and a health maintenance organization, but does not include a termination by the health maintenance organization for failure to meet applicable quality standards or for fraud.

Enacting section 1. This amendatory act takes effect July 1, 2000.

This act is ordered to take immediate effect.



Clerk of the House of Representatives.



Secretary of the Senate.

Approved _____

Governor.