

HOUSE BILL No. 5783

March 12, 2002, Introduced by Rep. Spade and referred to the Committee on Insurance and Financial Services.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
(MCL 500.100 to 500.8302) by adding section 3406/.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 3406/. (1) AN INSURER THAT DELIVERS, ISSUES FOR DELIV-
2 ERY, OR RENEWS IN THIS STATE ON OR AFTER JANUARY 1, 2003 AN
3 EXPENSE-INCURRED HOSPITAL, MEDICAL, OR SURGICAL POLICY OR CERTIF-
4 ICATE THAT PROVIDES PRESCRIPTION COVERAGE AND A HEALTH MAINTE-
5 NANCE ORGANIZATION THAT ISSUES OR RENEWS A GROUP OR INDIVIDUAL
6 CONTRACT ON OR AFTER JANUARY 1, 2003 SHALL PROVIDE COVERAGE FOR
7 LOW-PROTEIN MODIFIED FOOD PRODUCTS SUBJECT TO BOTH OF THE
8 FOLLOWING:

9 (A) THE LOW-PROTEIN MODIFIED FOOD PRODUCTS ARE PRESCRIBED
10 FOR THE THERAPEUTIC TREATMENT OF AMINO ACID DISORDERS.

1 (B) THE LOW-PROTEIN MODIFIED FOOD PRODUCTS ARE ADMINISTERED
2 UNDER THE DIRECTION OF A PHYSICIAN.

3 (2) COVERAGE UNDER THIS SECTION SHALL NOT HAVE DEDUCTIBLES
4 AND COPAYMENT PROVISIONS THAT ARE LESS FAVORABLE THAN THOSE FOR
5 PRESCRIPTION COVERAGE GENERALLY. COVERAGE UNDER THIS SECTION MAY
6 BE LIMITED TO A CAP OF \$4,000.00 PER PLAN YEAR ON BOTH INDIVIDUAL
7 MEDICAL FOOD EXPENDITURES AND MEDICAL FORMULAS. THIS \$4,000.00
8 CAP SHALL BE ADJUSTED ANNUALLY BY THE COMMISSIONER PURSUANT TO
9 THE CONSUMER PRICE INDEX.

10 (3) AS USED IN THIS SECTION:

11 (A) "CONSUMER PRICE INDEX" MEANS THE PERCENTAGE OF CHANGE IN
12 THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS IN THE UNITED
13 STATES CITY AVERAGE FOR ALL ITEMS FOR THE PRIOR 12-MONTH PERIOD
14 AS REPORTED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF
15 LABOR STATISTICS, AND AS CERTIFIED BY THE COMMISSIONER.

16 (B) "LOW-PROTEIN MODIFIED FOOD PRODUCT" MEANS A FOOD PRODUCT
17 THAT IS SPECIALLY FORMULATED TO HAVE LESS THAN 1 GRAM OF PROTEIN
18 PER SERVING. LOW-PROTEIN MODIFIED FOOD PRODUCT DOES NOT INCLUDE
19 A NATURAL FOOD THAT IS NATURALLY LOW IN PROTEIN.