

SUBSTITUTE FOR
SENATE BILL NO. 296

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) Except as otherwise provided in
2 subsections (2) and (3), an expense-incurred hospital, medical,
3 or surgical policy or certificate that provides benefits for
4 emergency services shall provide for direct reimbursement to any
5 provider of covered medical transportation services or shall
6 provide that payment be made jointly to the insured and the
7 provider, if that provider has not received payment for those
8 services from any other source.

9 (2) Subsection (1) does not apply to a transaction between an
10 insurer and a medical transportation service provider if the
11 parties have entered into a contract providing for direct

1 payment.

2 (3) An insurer for a policy or certificate issued under
3 section 3405 or 3631 does not have to provide for direct
4 reimbursement to any nonaffiliated or nonparticipating provider
5 for medical transportation services that were not emergency
6 health services as defined in section 3406k.

7 (4) Subsection (1) applies to an expense-incurred hospital,
8 medical, or surgical policy or certificate that provides benefits
9 for emergency health services if the policy or certificate is
10 delivered, issued for delivery, or renewed in this state on or
11 after April 1, 2004.