

# SENATE BILL No. 296

March 13, 2003, Introduced by Senators GILBERT, GARCIA, ALLEN, HAMMERSTROM, VAN WOERKOM, GEORGE, JELINEK, GOSCHKA, BIRKHOLZ, CROUSEY, JOHNSON, JACOBS, HARDIMAN, BERNERO, CLARKE and KUIPERS and referred to the Committee on Health Policy.

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 expense-incurred hospital, medical, or  
2 surgical policy or certificate delivered, issued for delivery, or  
3 renewed in this state that provides benefits for medical  
4 transportation services and a health maintenance organization  
5 contract delivered, issued for delivery, or renewed in this state  
6 shall provide for direct reimbursement to any provider of covered  
7 medical transportation services if that provider has not received  
8 payment for those services from any other source.

9       (2) Subsection (1) does not apply to a transaction between an  
10 insurer or health maintenance organization and a medical  
11 transportation service provider if the parties have entered into

1 a contract providing for direct payment.

2 (3) Subsection (1) is satisfied if an insured or enrollee  
3 files a claim for the medical transportation service with the  
4 insurer or health maintenance organization, the insurer or health  
5 maintenance organization pays the medical transportation service  
6 provider directly, and the medical transportation service  
7 provider does not demand payment from the insured or enrollee  
8 until receiving payment from the insurer or health maintenance  
9 organization, after which the medical transportation service  
10 provider may demand payment from the insured or enrollee for any  
11 unpaid portion of the provider's fee.

12 Enacting section 1. This amendatory act takes effect  
13 January 1, 2004.