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House Bill 5408 (Substitute H-1 as reported without amendment)
House Bill 5421 (Substitute H-1 as reported without amendment)
Sponsor: Representative Gail Haines (H.B. 5408)
Representative Matt Lori (H.B. 5421)
House Committee: Health Policy
Senate Committee: Insurance

CONTENT

House Bills 5408 (H-1) and 5421 (H-1) would amend the Nonprofit Health Care Corporation Reform Act and the Insurance Code, respectively, to prohibit an insurance certificate, policy, or contract from requiring face-to-face contact between a health care professional and patient for services appropriately provided through telemedicine.

House Bill 5408 (H-1) would apply to a group or nongroup Blue Cross Blue Shield of Michigan certificate. House Bill 5421 (H-1) would apply to an expense-incurred hospital, medical, or surgical group or individual policy or certificate delivered, issued for delivery, or renewed in Michigan, and a health maintenance organization group or individual contract. The bills would apply to a policy, certificate, or contract issued or renewed on or after January 1, 2013.

"Telemedicine" would mean the use of an electronic medium to link patients with health care professionals in different locations. To be considered telemedicine, the professional would have to be able to examine the patient via a real-time, interactive audio and/or video telecommunications system and the patient would have to be able to interact with the off-site professional at the time the services were provided.

Telemedicine services would have to be provided by a health care professional who was licensed, registered, or otherwise authorized to engage in his or her health care profession in the state where the patient was located.

Proposed MCL 550.401k (H.B. 5408)
Proposed MCL 500.3476 (H.B. 5421)

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The legislation would increase covered services provided by health insurers with an associated increase in costs. The substitution of telemedicine for other services could result in a cost reduction. Therefore, the fiscal impact on State and local governments as employers is indeterminate. It is not likely that there would be any fiscal impact on the Office of Financial and Insurance Regulation. The State's Medicaid program already covers telemedicine services; therefore, the legislation would not affect expenditures by Medicaid health maintenance organizations.

Date Completed: 4-25-12

Fiscal Analyst: Steve Angelotti