



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 502 (as introduced 9-17-15)
Sponsor: Senator Jim Marleau
Committee: Health Policy

Date Completed: 10-20-15

CONTENT

The bill would amend the Health Care False Claim Act to revise an exemption to a prohibition against kickbacks, bribes, and rebates for furnishing health care goods, services, and benefits.

Under Section 4 of the Act, it is a felony to solicit, offer, pay, or receive a kickback or bribe in connection with the furnishing of goods or services for which payment is or may be made wholly or partly by a health care corporation or health care insurer, or to receive a rebate of a fee or charge for referring an individual to another person for the furnishing of health care benefits. The felony is punishable by imprisonment for up to four years and/or a maximum fine of \$50,000.

The Act provides that a rebate or discount from a drug manufacturer or a company that licenses or distributes a manufacturer's drugs to a consumer for that consumer's use of the drug does not violate Section 4. The bill would refer to a rebate, discount, or similar payment to a consumer or other person on the consumer's behalf for the consumer's use of the drug or for health care items or services related to that use.

The bill would take effect 90 days after it was enacted.

MCL 752.1004a

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Ryan Bergan

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