

SENATE BILL NO. 356

May 24, 2023, Introduced by Senators HERTEL, CAVANAGH, KLINEFELT, CHANG, SHINK, MCMORROW, POLEHANKI, SINGH, BRINKS, CHERRY and WOJNO and referred to the Committee on Health Policy.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 2212a (MCL 500.2212a), as amended by 2016 PA
276.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2212a. (1) An insurer that delivers, issues for delivery,
2 or renews in this state a policy of health insurance shall provide
3 a ~~written form in plain English~~ **prescribed by the director** to
4 insureds ~~upon enrollment~~ that describes the terms and conditions of
5 the ~~insurer's policies. The form must provide a clear, complete,~~

1 ~~and accurate description of all of the following, as applicable:~~

2 ~~(a) The service area.~~

3 ~~(b) Covered benefits, including prescription drug coverage,~~
4 ~~with specifications regarding requirements for the use of generic~~
5 ~~drugs.~~

6 ~~(c) Emergency health coverages and benefits.~~

7 ~~(d) Out-of-area coverages and benefits.~~

8 ~~(e) An explanation of the insured's financial responsibility~~
9 ~~for copayments, deductibles, and any other out-of-pocket expenses.~~

10 ~~(f) Provision for continuity of treatment if a provider's~~
11 ~~participation terminates during the course of an insured person's~~
12 ~~treatment by the provider.~~

13 ~~(g) The telephone number to call to receive information~~
14 ~~concerning grievance procedures.~~

15 ~~(h) How the covered benefits apply in the evaluation and~~
16 ~~treatment of pain.~~

17 ~~(i) A summary listing of the information available under~~
18 ~~subsection (2).policy. An insurer shall provide the form as~~
19 **follows:**

20 **(a) To the applicant at the time of the application.**

21 **(b) To the insured at the time the insurer issues the policy.**

22 **(c) To the insured not later than 30 days after the effective**
23 **date of a renewal of the policy.**

24 **(d) On request of the insured, not later than 7 days after the**
25 **request.**

26 **(2) An insurer shall provide ~~upon~~on request to insureds**
27 **covered under a policy issued under section 3405 a clear, complete,**
28 **and accurate description of any of the following information that**
29 **has been requested:**

1 (a) The current provider network in the service area,
2 including names and locations of affiliated or participating
3 providers by specialty or type of practice, a statement of
4 limitations of accessibility and referrals to specialists, and a
5 disclosure of which providers will not accept new subscribers.

6 (b) The professional credentials of affiliated or
7 participating providers, including, but not limited to, affiliated
8 or participating providers who are board certified in the specialty
9 of pain medicine and the evaluation and treatment of pain and have
10 reported that certification to the insurer, including all of the
11 following:

12 (i) Relevant professional degrees.

13 (ii) Date of certification by the applicable nationally
14 recognized boards and other professional bodies.

15 (iii) The names of licensed facilities on the provider panel
16 where the provider currently has privileges for the treatment,
17 illness, or procedure that is the subject of the request.

18 (c) The licensing verification telephone number for the
19 department of licensing and regulatory affairs that can be accessed
20 for information as to whether any disciplinary actions or open
21 formal complaints have been taken or filed against a health care
22 provider in the ~~immediately~~ preceding 3 years.

23 (d) Any prior authorization requirements and any limitations,
24 restrictions, or exclusions, including, but not limited to, drug
25 formulary limitations and restrictions by category of service,
26 benefit, and provider, and, if applicable, by specific service,
27 benefit, or type of drug.

28 (e) The financial relationships between the insurer and any
29 closed provider panel, including all of the following as

1 applicable:

2 (i) Whether a fee-for-service arrangement exists, under which
3 the provider is paid a specified amount for each covered service
4 rendered to the participant.

5 (ii) Whether a capitation arrangement exists, under which a
6 fixed amount is paid to the provider for all covered services that
7 are or may be rendered to each covered individual or family.

8 (iii) Whether payments to providers are made based on standards
9 relating to cost, quality, or patient satisfaction.

10 (f) A telephone number and address to obtain from the insurer
11 additional information concerning the items described in
12 subdivisions (a) to (e).

13 (3) ~~Upon~~**On** request, any of the information provided under
14 subsection (2) must be provided in writing. An insurer may require
15 that a request under subsection (2) be submitted in writing.

16 (4) A health insurer shall not deliver or issue for delivery a
17 policy of insurance to any person in this state unless all of the
18 following requirements are met:

19 (a) The style, arrangement, and overall appearance of the
20 policy do not give undue prominence to any portion of the text.
21 Every printed portion of the text of the policy and of any
22 endorsements or attached papers must be plainly printed in light-
23 faced type of a style in general use, the size of which must be
24 uniform and not less than 10-point with a lowercase unspaced
25 alphabet length, not less than 120-point in length of line. As used
26 in this subdivision, "text" includes all printed matter except the
27 name and address of the insurer, name or title of the policy, the
28 brief description, if any, and captions and subcaptions.

29 (b) Except as otherwise provided in this subdivision or except

1 as provided in sections 3406 to 3452, exceptions and reductions of
2 indemnity are set forth in the policy and are printed, at the
3 insurer's option, with the benefit provision to which they apply or
4 under an appropriate caption such as "**EXCEPTIONS**" or "**EXCEPTIONS**
5 **AND REDUCTIONS**". If an exception or reduction of indemnity
6 specifically applies only to a particular benefit of the policy, a
7 statement of the exception or reduction must be included with the
8 benefit provision to which it applies.

9 (c) Each form, including riders and endorsements, ~~are~~**is**
10 identified by a form number in the lower left-hand corner of the
11 first page of the form.

12 (d) The policy contains no provision that purports to make any
13 portion of the charter, rules, constitution, or bylaws of the
14 insurer a part of the policy unless the portion is set forth in
15 full in the policy. This subdivision does not apply to the
16 incorporation of or reference to a statement of rates,
17 classification of risks, or short-rate table filed with the
18 director.

19 (5) As used in this section, "board certified" means certified
20 to practice in a particular medical or other health professional
21 specialty by the American Board of Medical Specialties, the
22 American Osteopathic Association Bureau of Osteopathic Specialists,
23 or another appropriate national health professional organization.