

HOUSE BILL NO. 4095

February 20, 2025, Introduced by Reps. Arbit, McFall, Rheingans, Miller, Coffia, Tsernoglou and Byrnes and referred to Committee on Insurance.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
(MCL 500.100 to 500.8302) by adding section 3406ss.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3406ss. (1) Subject to subsection (2), an insurer that
2 delivers, issues for delivery, or renews in this state a health
3 insurance policy shall do all of the following:

4 (a) Assess and verify the qualifications of a mental health or
5 substance use disorder provider applying to become a participating

1 provider not later than 60 calendar days of receipt of a complete
2 credentialing application and issue a decision in writing to the
3 applicant approving or denying the credentialing application not
4 later than 60 calendar days after receiving the complete
5 credentialing application.

6 (b) Not later than 10 business days after receipt of an
7 incomplete credentialing application, send a written notification,
8 via United States certified mail, to the applicant requesting any
9 information or supporting documentation that the insurer requires
10 to approve or deny the credentialing application. The notice to the
11 applicant must include a full and detailed description of all the
12 information or supporting documentation required to make the
13 application complete and the name, address, and telephone number of
14 a person who serves as the applicant's point of contact for
15 completing the credentialing application process. Any information
16 required under this section must be reasonably related to the
17 information in the application. As used in this subdivision,
18 "business day" means a day other than a Saturday, a Sunday, or any
19 legal holiday.

20 (c) Not later than the 60 calendar days described in
21 subdivision (a) or the additional 15 days described in subsection
22 (2), load into the insurer's provider payment system all provider
23 information for an approved mental health or substance use disorder
24 provider, including all information needed to correctly reimburse a
25 newly approved mental health or substance use disorder provider
26 according to the provider's contract. The insurer shall add the
27 approved provider's data to the provider directory upon loading the
28 provider's information into the insurer's provider payment system.

29 (2) An insurer described in subsection (1) may extend the

1 credentialing period to assess and issue a determination by an
2 additional 15 calendar days if, upon review of a complete
3 application, it is determined that the circumstance presented,
4 including an admission of sanctions by the state licensing board,
5 investigation or felony conviction, or revocation of clinical
6 privileges, requires additional consideration.

7 (3) An insurer shall reimburse a mental health or substance
8 use disorder provider whose credentialing application has not yet
9 been approved or denied for covered mental health or substance use
10 disorder services for any claims from the provider that the insurer
11 receives with a date of service more than 60 calendar days after
12 the date on which the insurer received a complete credentialing
13 application, or 45 calendar days if the conditions described in
14 subsection (2) are met, if:

15 (a) The provider has submitted a complete credentialing
16 application and any supporting documentation that the insurer has
17 requested in writing within the time frame established in
18 subsection (2).

19 (b) The provider has no past or current license sanctions or
20 limitations, as reported by the pertinent state licensing and
21 regulatory agency, or by a similar out-of-state licensing and
22 regulatory entity for a provider licensed in another state.

23 (c) The provider has professional liability insurance.

24 (d) The insurer has failed to approve or deny the applicant's
25 complete credentialing application within the time frames
26 established by subsection (1)(a) or (2).

27 (4) A mental health or substance use disorder provider
28 eligible for reimbursement under subsection (3) who, at the time
29 services were rendered, was not employed by a practice or group

1 that has contracted with the insurer to provide services at
2 specified rates of reimbursement must be paid by the insurer the
3 insurer's standard in-network reimbursement rate for mental health
4 or substance use disorder providers of the same licensure. If the
5 insurer does not have a standard in-network reimbursement rate for
6 the mental health or substance use disorder providers, the
7 reimbursement rate paid must be the median reimbursement rate the
8 insurer pays to mental health or substance use disorder providers
9 of the same licensure.

10 (5) A mental health or substance use disorder provider
11 eligible for reimbursement under subsection (3) who, at the time
12 services were rendered, was employed by a practice or group that
13 has contracted with the insurer to provide services at specified
14 rates of reimbursement must be paid by the insurer in accordance
15 with the terms of that contract for providers of the same
16 licensure. If providers of the same licensure are already employed
17 by the practice or group that has contracted with the insurer, the
18 reimbursement rate paid must be the median reimbursement rate the
19 insurer pays to mental health or substance use disorder providers
20 of the same licensure.

21 (6) If an insurer approves the credentialing application of a
22 mental health or substance use disorder provider within the time
23 frames specified in subsection (1)(a) or (2), the insurer shall
24 immediately reimburse the provider for claims submitted after the
25 date of approval at the reimbursement rate specified in the terms
26 and conditions of the contract between the insurer and the
27 provider.

28 (7) This section applies equally to initial credentialing
29 applications and applications for recredentialing.

1 (8) As used in this section, "mental health or substance use
2 disorder provider" means any of the following:

3 (a) A physician licensed under part 170 or part 175 of the
4 public health code, 1978 PA 368, MCL 333.17001 to 333.17097 and
5 333.17501 to 333.17556, who specializes in psychiatry, addiction
6 medicine, or any subspecialty of psychiatry or addiction medicine.

7 (b) A psychologist licensed under part 182 of the public
8 health code, 1978 PA 368, MCL 333.18201 to 333.18237.

9 (c) A licensed bachelor's social worker or licensed master's
10 social worker licensed under part 185 of the public health code,
11 1978 PA 368, MCL 333.18501 to 333.18518.

12 (d) A marriage and family therapist licensed under part 169 of
13 the public health code, 1978 PA 368, MCL 333.16901 to 333.16915.

14 (e) A licensed professional counselor or limited licensed
15 counselor licensed under part 181 of the public health code 1978 PA
16 368, MCL 333.18101 to 333.18117.

17 (f) A behavior analyst or assistant behavior analyst licensed
18 under part 182A of the public health code, 1978 PA 368, MCL
19 333.18251 to 333.18267.