

THE SOCIAL WELFARE ACT (EXCERPT)
Act 280 of 1939

400.111d Participation as provider subject to denial, suspension, termination, or probation; actions of director; claims precluded; exceptions; consultations; hearing.

Sec. 111d. (1) Participation as a provider in the program is subject to denial, suspension, termination, or probation on the grounds specified by section 111e. The director may take 1 or more of the following actions:

- (a) Refuse to enroll an applicant.
- (b) Suspend a provider indefinitely or for a term certain.
- (c) Terminate the agreement with and the participation of a provider.
- (d) Place a provider on probation. At the director's discretion, the probation may have conditions reasonably related to the grounds for probation.
- (e) Impose specific limits, conditions, or controls on a provider's provision of services to medically indigent individuals, including specific reviews, documentation, or prior approval of a treatment plan which shall be accomplished before the designated services are rendered.
- (f) Selectively suspend a provider's participation at 1 or more practice locations where that provider has no direct, indirect, or close family ownership interest in the practice.

(2) Suspension or termination of a provider shall preclude that provider from submitting a claim, either personally or by a sole proprietorship, clinic, group, partnership, corporation, association, or other entity to the program for any services, supplies, or equipment provided under the program, except for services, supplies, or equipment actually provided and received by a medically indigent individual before the effective date of the suspension or termination.

(3) In reaching a decision whether to exercise authority conferred by this section whenever questions of medical necessity or appropriateness of treatment are involved, the director shall consult, in order to formulate an appropriate action or to evaluate the professional performance of a provider, with peer review advisory committees, professionals, or experts who are individuals of the same licensed profession as the provider subject to the action, as selected by the director.

(4) The affected provider shall be entitled to a hearing held in conformity with chapter 4 and chapter 6 of the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, as amended, being sections 24.271 to 24.287 and 24.301 to 24.306 of the Michigan Compiled Laws, on an action proposed to be taken pursuant to this section.

History: Add. 1980, Act 321, Imd. Eff. Dec. 12, 1980;—Am. 1982, Act 461, Imd. Eff. Dec. 30, 1982;—Am. 1986, Act 227, Eff. Nov. 1, 1986.

Popular name: Act 280