

**THE INSURANCE CODE OF 1956 (EXCERPT)**  
**Act 218 of 1956**

**500.3513 Health maintenance organization operations; regulation by director; incorporation as legal entity.**

Sec. 3513. (1) The director shall regulate health delivery aspects of health maintenance organization operations to ensure that health maintenance organizations are capable of providing care and services promptly, appropriately, and in a manner that ensures continuity and acceptable quality of health care. The director shall encourage health maintenance organizations to use a wide variety of health-related disciplines and facilities and to develop services that contribute to the prevention of disease and disability and the restoration of health.

(2) The director shall ensure that health maintenance organizations operate in the interest of enrollees consistent with overall health care cost containment while delivering acceptable quality of care and services that are available and accessible to enrollees with appropriate administrative costs and health care provider incentives. A health maintenance organization shall do all of the following:

(a) Provide, as promptly as appropriate, health services in a manner that ensures continuity and imparts quality health care under conditions the director considers to be in the public interest.

(b) Provide health services within its service area that are available and accessible to enrollees 24 hours a day and 7 days a week for the treatment of emergency episodes of illness or injury.

(c) Provide that reasonable provisions exist for an enrollee to obtain emergency health services both within and outside of its service area.

(3) A health maintenance organization must be incorporated as a distinct legal entity under the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098, the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192, or the Michigan limited liability company act, 1993 PA 23, MCL 450.4101 to 450.5200.

**History:** Add. 2000, Act 252, Imd. Eff. June 29, 2000;—Am. 2016, Act 276, Imd. Eff. July 1, 2016.

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