

**PATIENT'S RIGHT TO INDEPENDENT REVIEW ACT (EXCERPT)**  
**Act 251 of 2000**

**550.1919 Approved independent review organization; requirements.**

Sec. 19. (1) To be approved under section 17 to conduct external reviews, an independent review organization must do all of the following:

(a) Have and maintain written policies and procedures that govern all aspects of both the standard external review process and the expedited external review process under sections 11 and 13 that include, at a minimum, a quality assurance mechanism in place that does all of the following:

(i) Ensures that external reviews are conducted within the specified time frames and required notices are provided in a timely manner.

(ii) Ensures the selection of qualified and impartial clinical peer reviewers to conduct external reviews on behalf of the independent review organization and suitable matching of reviewers to specific cases.

(iii) Ensures the confidentiality of medical and treatment records and clinical review criteria.

(iv) Ensures that any person employed by or under contract with the independent review organization adheres to the requirements of this act.

(b) Agree to maintain and provide to the director the information required in section 23.

(c) Be accredited by a nationally recognized private accrediting organization approved by the director.

(2) A clinical peer reviewer assigned by an independent review organization to conduct external reviews must be a physician or other appropriate health care professional who meets all of the following minimum qualifications:

(a) Is an expert in the treatment of the covered person's medical condition that is the subject of the external review.

(b) Is knowledgeable about the recommended health care service or treatment because he or she devoted in the immediately preceding year a majority of his or her time in an active clinical practice within the medical specialty most relevant to the subject of the review.

(c) Holds a nonrestricted license in a state of the United States and, for physicians, a current certification by a recognized American medical specialty board in the area or areas appropriate to the subject of the external review.

(d) Has no history of disciplinary actions or sanctions, including loss of staff privileges or participation restrictions, that have been taken or are pending by any hospital, governmental agency or unit, or regulatory body that raise a substantial question as to the clinical peer reviewer's physical, mental, or professional competence or moral character.

(3) An independent review organization may not own or control, be a subsidiary of or in any way be owned or controlled by, or exercise control with a health benefit plan, a national, state, or local trade association of health benefit plans, or a national, state, or local trade association of health care providers.

(4) An independent review organization selected to conduct the external review and any clinical peer reviewer assigned by the independent organization to conduct the external review must not have a material professional, familial, or financial conflict of interest with any of the following:

(a) The health carrier that is the subject of the external review.

(b) The covered person whose treatment is the subject of the external review or the covered person's authorized representative.

(c) Any officer, director, or management employee of the health carrier that is the subject of the external review.

(d) The health care provider, the health care provider's medical group, or independent practice association recommending the health care service or treatment that is the subject of the external review.

(e) The facility at which the recommended health care service or treatment would be provided.

(f) The developer or manufacturer of the principal drug, device, procedure, or other therapy being recommended for the covered person whose treatment is the subject of the external review.

(5) In determining whether an independent review organization or a clinical peer reviewer of the independent review organization has a material professional, familial, or financial conflict of interest for purposes of subsection (4), the director shall take into consideration situations in which the independent review organization to be assigned to conduct an external review of a specified case or a clinical peer reviewer to be assigned by the independent review organization to conduct an external review of a specified case may have an apparent professional, familial, or financial relationship or connection with a person described in subsection (4), but that the characteristics of that relationship or connection are such that they are not a material professional, familial, or financial conflict of interest that results in the disapproval of the independent review organization or the clinical peer reviewer from conducting the external review.

**History:** 2000, Act 251, Eff. Oct. 1, 2000;—Am. 2016, Act 274, Eff. Sept. 29, 2016.