

SENATE BILL No. 455

May 1, 2003, Introduced by Senator GEORGE and referred to the Committee on Health Policy.

A bill to amend 1980 PA 350, entitled
"The nonprofit health care corporation reform act,"
by amending section 502 (MCL 550.1502), as amended by 1998
PA 446.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 502. (1) A health care corporation may enter into
2 participating contracts for reimbursement with professional
3 health care providers practicing legally in this state for health
4 care services that the professional health care providers may
5 legally perform. A participating contract may cover all members
6 or may be a separate and individual contract on a per claim
7 basis, as set forth in the provider class plan. ~~—, if, in~~ **In**
8 entering into a separate and individual contract on a per claim
9 basis, **the health care corporation shall not require the provider**
10 **to accept payment from the corporation as payment in full for all**

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1 cases involving the procedure specified for the duration of the
2 calendar year but shall require the participating provider
3 ~~certifies~~ to certify to the health care corporation both of the
4 following:

5 (a) That the provider will accept payment from the
6 corporation as payment in full for services rendered for the
7 specified claim for the member indicated.

8 ~~(b) That the provider will accept payment from the~~
9 ~~corporation as payment in full for all cases involving the~~
10 ~~procedure specified, for the duration of the calendar year. As~~
11 ~~used in this subdivision, provider does not include a person~~
12 ~~licensed as a dentist under part 166 of the public health code,~~
13 ~~1978 PA 368, MCL 333.16601 to 333.16648.~~

14 (b) ~~(c)~~ That the provider will not determine whether to
15 participate on a claim on the basis of the race, color, creed,
16 marital status, sex, national origin, residence, age, disability,
17 or lawful occupation of the member entitled to health care
18 benefits.

19 (2) A contract entered into pursuant to subsection (1) shall
20 provide that the private provider-patient relationship shall be
21 maintained to the extent provided for by law. A health care
22 corporation shall continue to offer a reimbursement arrangement
23 to any class of providers with which it has contracted prior to
24 August 27, 1985 and that continues to meet the standards set by
25 the corporation for that class of providers.

26 (3) A health care corporation shall not restrict the methods
27 of diagnosis or treatment of professional health care providers

1 who treat members. Except as otherwise provided in section 502a,
2 each member of the health care corporation shall at all times
3 have a choice of professional health care providers. This
4 subsection does not apply to limitations in benefits contained in
5 certificates, to the reimbursement provisions of a provider
6 contract or reimbursement arrangement, or to standards set by the
7 corporation for all contracting providers. A health care
8 corporation may refuse to reimburse a health care provider for
9 health care services that are overutilized, including those
10 services rendered, ordered, or prescribed to an extent that is
11 greater than reasonably necessary.

12 (4) A health care corporation may provide to a member, upon
13 request, a list of providers with whom the corporation contracts,
14 for the purpose of assisting a member in obtaining a type of
15 health care service. However, except as otherwise provided in
16 section 502a, an employee, agent, or officer of the corporation,
17 or an individual on the board of directors of the corporation,
18 shall not make recommendations on behalf of the corporation with
19 respect to the choice of a specific health care provider. Except
20 as otherwise provided in section 502a, an employee, agent, or
21 officer of the corporation, or a person on the board of directors
22 of the corporation who influences or attempts to influence a
23 person in the choice or selection of a specific professional
24 health care provider on behalf of the corporation, is guilty of a
25 misdemeanor.

26 (5) A health care corporation shall provide a symbol of
27 participation, which can be publicly displayed, to providers who

1 participate on all claims for covered health care services
2 rendered to subscribers.

3 (6) This section does not impede the lawful operation of, or
4 lawful promotion of, a health maintenance organization owned by a
5 health care corporation.

6 (7) Contracts entered into under this section are subject to
7 the provisions of sections 504 to 518.

8 (8) A health care corporation shall not deny participation to
9 a freestanding surgical outpatient facility on the basis of
10 ownership if the facility meets the reasonable standards set by
11 the health care corporation for similar facilities, is licensed
12 under part 208 of the public health code, 1978 PA 368,
13 MCL 333.20801 to 333.20821, and complies with part 222 of the
14 public health code, 1978 PA 368, MCL 333.22201 to 333.22260.

15 (9) Notwithstanding any other provision of this act, if a
16 certificate provides for benefits for services that are within
17 the scope of practice of optometry, a health care corporation is
18 not required to provide benefits or reimburse for a practice of
19 optometric service unless that service was included in the
20 definition of practice of optometry under section 17401 of the
21 public health code, 1978 PA 368, MCL 333.17401, as of May 20,
22 1992.

23 (10) Notwithstanding any other provision of this act, a
24 health care corporation is not required to reimburse for services
25 otherwise covered under a certificate if the services were
26 performed by a member of a health care profession, which health
27 care profession was not licensed or registered by this state on

1 or before January 1, 1998 but that becomes a health care
2 profession licensed or registered by this state after January 1,
3 1998. This subsection does not change the status of a health
4 care profession that was licensed or registered by this state on
5 or before January 1, 1998.