



# HOUSE BILL No. 5686

April 27, 2000, Introduced by Reps. Hart, Jansen, Shulman, Shackleton, Bradstreet, Sheltrown, Rick Johnson, Hager, Gilbert, Ehardt, Stamas, Byl, Toy, Voorhees, DeWeese, Ruth Johnson, Tabor, Kuipers, Pestka, Jelinek, Richardville and Kukuk and referred to the Committee on Health Policy.

A bill to amend 1986 PA 268, entitled  
"Legislative council act,"  
(MCL 4.1101 to 4.1901) by amending the title, as amended by 1988  
PA 100, and by adding chapter 8A.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

### TITLE

An act to create the legislative council; to prescribe its  
membership, powers, and duties; to create a legislative service  
bureau to provide staff services to the legislature and the coun-  
cil; to provide for operation of legislative parking facilities;  
to create funds; to provide for the expenditure of appropriated  
funds by legislative council agencies; to authorize the sale of  
access to certain computerized ~~data bases~~ DATABASES; to  
establish fees; to create the Michigan commission on uniform  
state laws; to create a law revision commission; to create a

1 senate fiscal agency and a house fiscal agency; to create a  
 2 Michigan capitol committee; to create a commission on intergov-  
 3 ernmental relations; TO CREATE THE MANAGED CARE OMBUDSMAN'S  
 4 OFFICE; to prescribe the powers and duties of certain state agen-  
 5 cies and departments; AND to repeal ~~certain~~ acts and parts of  
 6 acts. ~~and to repeal certain parts of this act on specific~~  
 7 ~~dates.~~

# 8 CHAPTER 8A.

## 9 MANAGED CARE OMBUDSMAN.

10 SEC. 851. AS USED IN THIS CHAPTER:

11 (A) "CONSUMER" MEANS A RESIDENT OF THIS STATE WHO IS UNDER  
 12 MANAGED CARE.

13 (B) "MANAGED CARE PLAN" MEANS A HEALTH PLAN OFFERED BY A  
 14 HEALTH MAINTENANCE ORGANIZATION LICENSED UNDER PART 210 OF THE  
 15 PUBLIC HEALTH CODE, 1978 PA 368, MCL 333.21001 TO 333.21098, OR A  
 16 POLICY, CERTIFICATE, OR CONTRACT OFFERED BY A HEALTH INSURER OR  
 17 HEALTH CARE CORPORATION UNDER WHICH COVERED INDIVIDUALS ELECT TO  
 18 OBTAIN HEALTH CARE SERVICES FROM HEALTH CARE PROVIDERS WHO HAVE  
 19 ENTERED INTO PRUDENT PURCHASER AGREEMENTS.

20 (C) "OMBUDSMAN" MEANS THE LEGISLATIVE MANAGED CARE  
 21 OMBUDSMAN.

22 SEC. 852. (1) THE MANAGED CARE OMBUDSMAN'S OFFICE IS CRE-  
 23 ATED WITHIN THE LEGISLATIVE COUNCIL.

24 (2) THE PRINCIPAL EXECUTIVE OFFICER OF THE OFFICE IS THE  
 25 MANAGED CARE OMBUDSMAN WHO SHALL BE APPOINTED BY AND SERVE AT THE  
 26 PLEASURE OF THE COUNCIL.

1 (3) THE COUNCIL SHALL ESTABLISH PROCEDURES FOR APPROVING THE  
2 OFFICE'S BUDGET, EXPENDING FUNDS, AND EMPLOYING THE OMBUDSMAN AND  
3 PERSONNEL FOR THE OFFICE.

4 SEC. 853. THE OMBUDSMAN SHALL DO ALL OF THE FOLLOWING:

5 (A) ADVISE THE LEGISLATURE ON ISSUES REGARDING MANAGED  
6 CARE.

7 (B) REVIEW AND COMMENT ON MANAGED CARE ISSUES INVOLVING THE  
8 DEPARTMENT OF COMMUNITY HEALTH OR THE INSURANCE BUREAU OF THE  
9 DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES.

10 (C) RESEARCH AND INVESTIGATE MATTERS THAT AFFECT THE QUALI-  
11 TY, DELIVERY, COSTS, MANAGEMENT, AND OPERATION OF MANAGED CARE AS  
12 IT AFFECTS CONSUMERS.

13 (D) PROVIDE TECHNICAL ASSISTANCE AND ACT AS A RESOURCE TO  
14 CONSUMERS REGARDING MANAGED CARE INCLUDING ALL OF THE FOLLOWING:

15 (i) EDUCATING CONSUMERS ABOUT THEIR RIGHTS AND  
16 RESPONSIBILITIES.

17 (ii) ASSISTING CONSUMERS WITH FILING GRIEVANCES OR APPEALS  
18 OF MANAGED CARE PLAN DETERMINATIONS.

19 (iii) DISSEMINATING INFORMATION AND REPORTS CONCERNING MAN-  
20 AGED CARE PLANS AND ISSUES.

21 (E) ESTABLISH A STATEWIDE TOLL-FREE TELEPHONE LINE TO GIVE  
22 STATE RESIDENTS ACCESS TO THE OMBUDSMAN'S OFFICE.

23 (F) PERFORM OTHER FUNCTIONS AS DETERMINED BY THE COUNCIL.

24 SEC. 855. (1) CORRESPONDENCE BETWEEN THE OMBUDSMAN AND A  
25 CONSUMER IS CONFIDENTIAL AND EXEMPT FROM DISCLOSURE UNDER THE  
26 FREEDOM OF INFORMATION ACT, 1976 PA 442, MCL 15.231 TO 15.246.

1           (2) THE OMBUDSMAN SHALL MAINTAIN CONFIDENTIALITY WITH  
2 RESPECT TO ALL MATTERS AND THE IDENTITIES OF COMPLAINANTS OR  
3 PERSONS FROM WHOM INFORMATION IS ACQUIRED, EXCEPT TO THE EXTENT  
4 DISCLOSURE IS NECESSARY TO ENABLE THE OMBUDSMAN TO PERFORM THE  
5 DUTIES OF THE OFFICE OR TO SUPPORT RECOMMENDATIONS RESULTING FROM  
6 AN INVESTIGATION.

7           SEC. 857. THE OMBUDSMAN SHALL SUBMIT TO THE COUNCIL AND THE  
8 LEGISLATURE AN ANNUAL REPORT ON THE ACTIONS OF THE OFFICE, ON  
9 ISSUES AND MATTERS UNDER SECTION 853(A), (B), AND (C), AND ON THE  
10 NEED FOR ANY SUGGESTED LEGISLATIVE ACTION.