

SENATE BILL NO. 250

February 3, 1999, Introduced by Senator BYRUM and referred to the Committee on Health Policy.

A bill to amend 1980 PA 350, entitled "The nonprofit health care corporation reform act," (MCL 550.1101 to 550.1704) by adding sections 402c and 501c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 402C. (1) A HEALTH CARE CORPORATION SHALL NOT CONDI-
2 TION EMPLOYMENT WITH THE HEALTH CARE CORPORATION OR CANCEL COVER-
3 AGE ON, REFUSE TO PROVIDE COVERAGE FOR, OR REFUSE TO ISSUE OR
4 RENEW A GROUP OR NONGROUP CERTIFICATE BECAUSE AN EMPLOYEE, AN
5 APPLICANT FOR EMPLOYMENT, A MEMBER, OR AN APPLICANT FOR COVERAGE
6 REFUSES TO HAVE A GENETIC TEST OR BECAUSE OF THE RESULTS OF A
7 GENETIC TEST.

8 (2) AS USED IN THIS SECTION:

9 (A) "GENETIC CHARACTERISTIC" MEANS AN INHERITED GENE OR
10 CHROMOSOME, OR ALTERATION OF A GENE OR CHROMOSOME, THAT IS
11 SCIENTIFICALLY OR MEDICALLY BELIEVED TO PREDISPOSE AN INDIVIDUAL

1 TO A DISEASE, DISORDER, OR SYNDROME, OR TO BE ASSOCIATED WITH A
2 STATISTICALLY SIGNIFICANT INCREASED RISK OF DEVELOPMENT OF A DIS-
3 EASE, DISORDER, OR SYNDROME.

4 (B) "GENETIC TEST" MEANS A TEST FOR DETERMINING THE PRESENCE
5 OR ABSENCE OF AN INHERITED GENETIC CHARACTERISTIC IN AN INDIVIDU-
6 AL, INCLUDING TESTS OF NUCLEIC ACIDS SUCH AS DNA, RNA, AND MITO-
7 CHONDRIAL DNA, CHROMOSOMES, OR PROTEINS, IN ORDER TO IDENTIFY A
8 GENETIC CHARACTERISTIC.

9 SEC. 501C. A HEALTH CARE CORPORATION SHALL ESTABLISH A
10 POLICY GOVERNING TERMINATION OF HEALTH CARE PROVIDERS. THE
11 POLICY SHALL INCLUDE, BUT IS NOT LIMITED TO, ALL OF THE
12 FOLLOWING:

13 (A) NOTICE TO THE PROVIDER OF THE TERMINATION IN THE TIME
14 AND MANNER SPECIFIED IN THE PROVIDER'S CONTRACT.

15 (B) METHODS BY WHICH THE TERMINATION POLICY WILL BE MADE
16 KNOWN TO PROVIDERS AND MEMBERS.

17 (C) WRITTEN NOTIFICATION TO EACH MEMBER AT LEAST 30 BUSINESS
18 DAYS PRIOR TO THE TERMINATION OR WITHDRAWAL OF A MEMBER'S PRIMARY
19 CARE PROVIDER AND ANY OTHER PROVIDER FROM WHICH THE MEMBER IS
20 CURRENTLY RECEIVING A COURSE OF TREATMENT. THE 30-DAY PRIOR
21 NOTICE TO MEMBERS MAY BE WAIVED IN CASES OF IMMEDIATE TERMINATION
22 OF A PROVIDER WHERE IT WAS NECESSARY FOR THE PROTECTION OF THE
23 HEALTH, SAFETY, AND WELFARE OF MEMBERS.

24 (D) ASSURANCE OF CONTINUED COVERAGE OF SERVICES AT THE CON-
25 TRACT PRICE BY A TERMINATED PROVIDER FOR UP TO 120 CALENDAR DAYS
26 WHERE IT IS MEDICALLY NECESSARY FOR THE MEMBER TO CONTINUE
27 TREATMENT WITH THE TERMINATED PROVIDER. IF A MEMBER IS PREGNANT,

1 MEDICAL NECESSITY SHALL BE CONSIDERED DEMONSTRATED AND COVERAGE
2 SHALL CONTINUE TO THE POSTPARTUM EVALUATION OF THE MEMBER, UP TO
3 6 WEEKS AFTER DELIVERY. THIS SUBDIVISION DOES NOT APPLY IF A
4 PROVIDER IS TERMINATED BASED IN WHOLE OR IN PART ON ISSUES CON-
5 CERNING INADEQUATE CARE OR IF QUALITY CONTROL STANDARDS HAVE NOT
6 BEEN MET BY THE PROVIDER.