

SENATE BILL NO. 252

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

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," (MCL 500.100 to 500.8302) by adding sections 3407b and 3407c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 3407B. (1) AN INSURER THAT DELIVERS, ISSUES FOR DELIV-
2 ERY, OR RENEWS IN THIS STATE AN EXPENSE-INCURRED HOSPITAL, MEDI-
3 CAL, OR SURGICAL POLICY OR CERTIFICATE SHALL NOT CONDITION
4 EMPLOYMENT WITH THE INSURER OR CANCEL COVERAGE ON, REFUSE TO PRO-
5 VIDE COVERAGE FOR, OR REFUSE TO ISSUE OR RENEW A POLICY OR CER-
6 TIFICATE BECAUSE AN EMPLOYEE, AN APPLICANT FOR EMPLOYMENT, AN
7 INSURED, OR AN APPLICANT FOR INSURANCE REFUSES TO HAVE A GENETIC
8 TEST OR BECAUSE OF THE RESULTS OF A GENETIC TEST.

9 (2) AS USED IN THIS SECTION:

10 (A) "GENETIC CHARACTERISTIC" MEANS AN INHERITED GENE OR
11 CHROMOSOME, OR ALTERATION OF A GENE OR CHROMOSOME, THAT IS

1 SCIENTIFICALLY OR MEDICALLY BELIEVED TO PREDISPOSE AN INDIVIDUAL
2 TO A DISEASE, DISORDER, OR SYNDROME, OR TO BE ASSOCIATED WITH A
3 STATISTICALLY SIGNIFICANT INCREASED RISK OF DEVELOPMENT OF A DIS-
4 EASE, DISORDER, OR SYNDROME.

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

10 SEC. 3407C. AN INSURER THAT DELIVERS, ISSUES FOR DELIVERY,
11 OR RENEWS IN THIS STATE A POLICY OR CERTIFICATE UNDER SECTION
12 3405 OR 3631 SHALL ESTABLISH A POLICY GOVERNING TERMINATION OF
13 HEALTH CARE PROVIDERS. THE POLICY SHALL INCLUDE, BUT IS NOT
14 LIMITED TO, ALL OF THE FOLLOWING:

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

17 (B) METHODS BY WHICH THE TERMINATION POLICY WILL BE MADE
18 KNOWN TO PROVIDERS AND INSUREDS.

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

26 (D) ASSURANCE OF CONTINUED COVERAGE OF SERVICES AT THE
27 CONTRACT PRICE BY A TERMINATED PROVIDER FOR UP TO 120 CALENDAR

1 DAYS WHERE IT IS MEDICALLY NECESSARY FOR THE INSURED TO CONTINUE
2 TREATMENT WITH THE TERMINATED PROVIDER. IF AN INSURED IS PREG-
3 NANT, MEDICAL NECESSITY SHALL BE CONSIDERED DEMONSTRATED AND COV-
4 ERAGE SHALL CONTINUE TO THE POSTPARTUM EVALUATION OF THE INSURED,
5 UP TO 6 WEEKS AFTER DELIVERY. THIS SUBDIVISION DOES NOT APPLY IF
6 A PROVIDER IS TERMINATED BASED IN WHOLE OR IN PART ON ISSUES CON-
7 CERNING INADEQUATE CARE OR IF QUALITY CONTROL STANDARDS HAVE NOT
8 BEEN MET BY THE PROVIDER.