

SENATE BILL No. 952

February 1, 2000, Introduced by Senators KOIVISTO, A. SMITH, DINGELL, EMERSON, DE BEAUSSAERT, BYRUM and MURPHY and referred to the Committee on Health Policy.

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 20124, 21013, and 21035 (MCL 333.20124, 333.21013, and 333.21035), section 21013 as amended by 1982 PA 354 and section 21035 as added by 1996 PA 472; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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- 1 Sec. 20124. The advisory commission shall:
- 2 (a) Approve rules relating to the licensure and certifica-
- 3 tion of health facilities and agencies and the administration of
- 4 this article before their promulgation.
- 5 (b) Receive reports of licenses denied, limited, suspended,
- 6 or revoked pursuant to this article.

1 (c) Advise the department as to administration of health
2 facility and agency licensure and certification functions,
3 including recommendations with respect to licensing actions.

4 (d) Biennially conduct a review and prepare a written evalu-
5 ation of health facility and agency licensure and certification
6 functions performed by the department, including appropriate
7 recommendations. The recommendations shall give particular
8 attention to policies as to public disclosure and nondiscrimina-
9 tion and the standardization and integration of rules common to
10 more than 1 category of health facility or agency.

11 (e) Review complaints made under section 20176. ~~and review~~
12 ~~health maintenance organization enrollee grievances pursuant to~~
13 ~~section 21088.~~

14 (f) Provide other assistance the department reasonably
15 requests.

16 Sec. 21013. (1) The advisory commission created in section
17 20121 may review and comment on:

18 (a) A rate or contract change proposed pursuant to section
19 21063.

20 (b) A license issued or renewed pursuant to section 21034,
21 21041, or 21043.

22 (c) A waiver granted pursuant to section 21071(1).

23 (2) The advisory commission, with the advice of task force 3
24 created under section 20126(1)(c), shall review a protest or
25 appeal filed by an enrollee under section 21065. ~~or 21088(2).~~

26 Sec. 21035. (1) ~~By October 1, 1997, a~~ A health
27 maintenance organization shall establish pursuant to section

1 21034(i) an internal formal enrollee grievance procedure for
2 approval by the insurance bureau that includes all of the
3 following:

4 (a) That when an adverse determination is made, a written
5 statement containing the reasons for the adverse determination
6 will be provided to an enrollee ~~—(b) That~~ ALONG WITH a writ-
7 ten notification IN PLAIN ENGLISH of the grievance procedures,
8 ~~will be provided to an enrollee when the enrollee contests an~~
9 ~~adverse determination~~ INCLUDING THE RIGHT TO APPEAL TO AN INDE-
10 PENDENT APPEAL BOARD.

11 (B) ~~(c)~~ That a final determination will be made in writing
12 by the organization not later than ~~90~~ 30 calendar days after a
13 formal grievance is submitted by an enrollee. The timing for the
14 ~~90=calendar=day~~ 30-CALENDAR-DAY period may be tolled, however,
15 for any period of time the enrollee is permitted to take under
16 the grievance procedure.

17 (C) ~~(d)~~ That an initial determination will be made by the
18 health maintenance organization not later than 72 hours after
19 receipt of an expedited grievance. Within 3 business days after
20 the initial determination by the health maintenance organization,
21 the enrollee ~~or a person, including, but not limited to, a phy-~~
22 ~~sician, authorized in writing to act on behalf of the enrollee~~
23 may request further review by the health maintenance organization
24 or the enrollee may appeal to the ~~department~~ INDEPENDENT APPEAL
25 BOARD. If further review is requested, a final determination by
26 the health maintenance organization shall be made not later than
27 30 days after receipt of the request for further review. Within

1 10 days after receipt of a final determination, the enrollee ~~or~~
2 ~~a person, including, but not limited to, a physician, authorized~~
3 ~~in writing to act on behalf of the enrollee~~ may appeal to the
4 ~~department~~ INDEPENDENT APPEAL BOARD. If the initial or final
5 determination by the health maintenance organization is made
6 orally, the health maintenance organization shall provide a writ-
7 ten confirmation of the determination to the enrollee not later
8 than 2 business days after the oral determination. An expedited
9 grievance under this subdivision applies if a grievance is sub-
10 mitted and a physician, orally or in writing, substantiates that
11 the time frame for a grievance under subdivision ~~(c)~~ (B) would
12 acutely jeopardize the life of the enrollee.

13 (D) ~~(e)~~ That an enrollee has the right to a final appeal
14 to the ~~department~~ INDEPENDENT APPEAL BOARD.

15 (2) AN ENROLLEE MAY AUTHORIZE IN WRITING ANY PERSON, INCLUD-
16 ING, BUT NOT LIMITED TO, A PHYSICIAN, TO ACT ON HIS OR HER BEHALF
17 AT ANY STAGE IN A GRIEVANCE PROCEEDING UNDER THIS SECTION.

18 (3) ~~(2)~~ This section does not apply to a provider's com-
19 plaint concerning claims payment, handling, or reimbursement for
20 health care services.

21 (4) ~~(3)~~ As used in this section:

22 (a) "Adverse determination" means a determination that an
23 admission, availability of care, continued stay, or other health
24 care service has been reviewed and denied. Failure to respond in
25 a timely manner to a request for a determination constitutes an
26 adverse determination.

1 (b) "Grievance" means a complaint on behalf of an enrollee
2 submitted by an enrollee ~~or a person, including, but not limited~~
3 ~~to, a physician, authorized in writing to act on behalf of the~~
4 ~~enrollee regarding~~ CONCERNING ANY OF THE FOLLOWING:

5 (i) The availability, delivery, or quality of health care
6 services, including a complaint regarding an adverse determina-
7 tion made pursuant to utilization review.

8 (ii) Benefits or claims payment, handling, or reimbursement
9 for health care services.

10 (iii) Matters pertaining to the contractual relationship
11 between an enrollee and the organization.

12 Enacting section 1. Section 21088 of the public health
13 code, 1978 PA 368, MCL 333.21088, is repealed.