

HOUSE BILL No. 5367

December 10, 2003, Introduced by Rep. DeRoche and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
(MCL 500.100 to 500.8302) by adding chapter 21A.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 CHAPTER 21A CERTIFIED CARE

2 Sec. 2151. As used in this chapter, "certified care" means
3 all monitoring and adjudication of an injured person's care,
4 including, but not limited to, all of the following:

- 5 (a) First notice of loss/initial intake.
- 6 (b) Preauthorization.
- 7 (c) Treatment plan review.
- 8 (d) Telephonic case management.
- 9 (e) Field case management.
- 10 (f) Medical bill review.
- 11 (g) Utilization review.

(h) Preferred provider selection and accreditation.

Sec. 2153. This chapter applies to all automobile insurance whether written on an individual, group, franchise, blanket policy, or similar basis.

Sec. 2155. A certified care option for allowable expenses consisting of all reasonable charges incurred for reasonably necessary products, services, and accommodations for an injured person's care, recovery, or rehabilitation under section 3107 is subject to all of the following:

(a) Shall be uniformly offered to all of an automobile insurer's insureds.

(b) Reflects reasonably anticipated reductions in losses or expenses.

(c) Shall only apply to nonurgent care otherwise covered under the automobile policy and shall not apply to any injury or severe condition that under reasonable standards of medical practice would be diagnosed and treated within a 24-hour period and if left untreated could rapidly become a crisis or emergency situation.

(d) Shall only apply to a policy that is not coordinated with other health and accident coverage pursuant to section 3109a.

(e) Is monitored through the precertification process, concurrent case management, and retrospective medical bill review by a third party organization or by the insurer.

(f) Provides that all disputes related to medical services rendered under a certified care program will be administered by a third party dispute resolution service that meets the standards

1 and procedures for dispute resolution established by the
2 utilization review accreditation council and approved by the
3 commissioner as providing timely and objective response to appeal
4 requests.

5 Sec. 2157. Certified care applies only to the insured who
6 selects in writing the certified care option, his or her spouse,
7 and a relative of either domiciled in the same household, who is
8 claiming personal protection insurance benefits under the policy
9 with the certified care option.

10 Sec. 2159. Certified care may be used on all medical
11 services provided to an injured insured after the selection of a
12 certified care option, regardless of the date of the original
13 claim.

14 Sec. 2161. A third party organization under section 2155(e)
15 shall have prior experience with medical services
16 precertification, concurrent case management, and medical bill
17 review and shall have full accreditation by the utilization
18 review accreditation council. An insurer may conduct its own
19 medical service precertification, concurrent case management, and
20 medical bill review.