

SENATE BILL No. 676

November 12, 2013, Introduced by Senators HOPGOOD, HUNTER, HOOD and SMITH 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 section 2213e.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 2213E. (1) AN INSURER OR HEALTH MAINTENANCE ORGANIZATION
2 THAT OFFERS A HEALTH BENEFIT PLAN OR THE PERSON THAT ADMINISTERS A
3 HEALTH BENEFIT PLAN, WHICH HEALTH BENEFIT PLAN PROVIDES COVERAGE
4 FOR PRESCRIPTION DRUGS OR DEVICES, SHALL DO ALL OF THE FOLLOWING:

5 (A) ESTABLISH A SUBSCRIPTION SERVICE FOR THE PURPOSE OF
6 CONVEYING INFORMATION ABOUT THE COST OF PRESCRIPTION DRUGS OR
7 DEVICES UNDER THE HEALTH BENEFIT PLAN AT NO COST TO INDIVIDUALS WHO
8 SUBSCRIBE TO THE SERVICE.

9 (B) ALLOW ENROLLEES, MEMBERS, SUBSCRIBERS, AND OTHER
10 BENEFICIARIES OF THE HEALTH BENEFIT PLAN TO SUBSCRIBE AND

1 UNSUBSCRIBE FROM THE SERVICE AT ANY TIME. THE INSURER, HEALTH
2 MAINTENANCE ORGANIZATION, OR PERSON SHALL ALLOW AN INDIVIDUAL TO
3 SUBSCRIBE AND UNSUBSCRIBE TO THE SERVICE IN PERSON, IN WRITING,
4 THROUGH THE INTERNET, BY TELEPHONE, BY ELECTRONIC MAIL, OR BY ANY
5 OTHER METHOD APPROVED BY THE DEPARTMENT.

6 (C) ALLOW SUBSCRIBERS TO THE SERVICE A CHOICE OF THE MANNER IN
7 WHICH THEY WILL RECEIVE NOTICES ABOUT THE COST OF PRESCRIPTION
8 DRUGS OR DEVICES UNDER THE HEALTH BENEFIT PLAN AS FOLLOWS:

9 (i) BY MAIL THROUGH THE UNITED STATES POSTAL SERVICE.

10 (ii) THROUGH TEXT MESSAGING.

11 (iii) BY ELECTRONIC MAIL.

12 (iv) THROUGH ANY OTHER ELECTRONIC METHOD MADE AVAILABLE TO AND
13 CHOSEN BY THE SUBSCRIBER.

14 (D) ADVERTISE AND PROMOTE THE AVAILABILITY OF THE SUBSCRIPTION
15 SERVICE TO ENROLLEES, MEMBERS, SUBSCRIBERS, AND OTHER BENEFICIARIES
16 OF THE HEALTH BENEFIT PLAN.

17 (E) ALLOW A SUBSCRIBER TO CHOOSE TO RECEIVE ALL NOTICES ABOUT
18 THE COST OF PRESCRIPTION DRUGS OR DEVICES UNDER THE HEALTH BENEFIT
19 PLAN OR TO RECEIVE NOTICES ABOUT THE COST OF THE SPECIFIC DRUGS OR
20 DEVICES OF HIS OR HER CHOOSING.

21 (F) PROVIDE NOTICE TO SUBSCRIBERS WHEN THE COST OF A
22 PRESCRIPTION DRUG OR DEVICE UNDER THE HEALTH BENEFIT PLAN WILL
23 INCREASE BY MORE THAN 50%.

24 (G) PROVIDE NOTICE TO SUBSCRIBERS IF A PRESCRIPTION DRUG OR
25 DEVICE THAT WAS ON THE HEALTH BENEFIT PLAN'S MAXIMUM ALLOWABLE COST
26 LIST IS BEING REMOVED FROM THAT LIST.

27 (2) AS USED IN THIS SECTION, "HEALTH BENEFIT PLAN" MEANS ALL

1 OF THE FOLLOWING BUT DOES NOT INCLUDE A DEPARTMENT OF COMMUNITY
2 HEALTH PHARMACY PROGRAM:

3 (A) AN EXPENSE-INCURRED HOSPITAL, MEDICAL, OR SURGICAL POLICY
4 OR CERTIFICATE PROVIDED BY AN INSURER, NOT INCLUDING ANY OF THE
5 FOLLOWING:

6 (i) ANY POLICY OR CERTIFICATE THAT PROVIDES COVERAGE ONLY FOR
7 ANY OF THE FOLLOWING:

8 (A) VISION.

9 (B) DENTAL.

10 (C) SPECIFIC DISEASES.

11 (D) ACCIDENTS.

12 (E) CREDIT.

13 (ii) HOSPITAL INDEMNITY POLICY OR CERTIFICATE.

14 (iii) DISABILITY INCOME POLICY OR CERTIFICATE.

15 (iv) COVERAGE ISSUED AS A SUPPLEMENT TO LIABILITY INSURANCE.

16 (v) MEDICAL PAYMENTS UNDER AUTOMOBILE, HOMEOWNERS, OR WORKER'S
17 COMPENSATION INSURANCE.

18 (B) A BENEFIT PLAN THAT PROVIDES HOSPITAL, MEDICAL, OR
19 SURGICAL BENEFITS THROUGH A MULTIPLE EMPLOYER WELFARE ARRANGEMENT
20 REGULATED UNDER CHAPTER 70.

21 (C) A HEALTH MAINTENANCE CONTRACT ISSUED BY A HEALTH
22 MAINTENANCE ORGANIZATION LICENSED OR ISSUED A CERTIFICATE OF
23 AUTHORITY IN THIS STATE.

24 (D) ANY POLICY, CONTRACT, OR CERTIFICATE OF HEALTH BENEFITS
25 ADMINISTERED BY A THIRD PARTY ADMINISTRATOR LICENSED UNDER THE
26 THIRD PARTY ADMINISTRATOR ACT, 1984 PA 218, MCL 550.901 TO 550.960.